

Gas and the Oil Marketing Companies (OMCs) have received representations from Petrol Pump Dealers Associations seeking resolution of their demands such as Dealer Margin, Transport Tender, Ethanol Blending in Motor Spirit (MS) etc. OMCs are regularly having deliberations with the Dealers Associations to address these issues raised by them from time to time.

### **Subsidy on kerosene**

925. DR. PRADEEP KUMAR BALMUCHU: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government is planning to cut the subsidy on kerosene, if so, the details thereof and the reasons therefor;

(b) whether Government is aware that the usage of kerosene is more in the urban areas; and

(c) whether any study has been made on the usage of kerosene in the household, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) The Empowered Group of Ministers (EGoM) in its meeting held on 25 June, 2010 decided that the Retail Selling Price (RSP) of PDS kerosene will be increased by ₹ 3/litre at Delhi, with corresponding increases in the rest of the country. Thereafter, the price will be raised periodically in line with the growth in per capita agricultural GDP at nominal price.

The EGoM, in its meeting held on 24th June, 2011 again made a price increase of ₹ 2/litre (excluding VAT).

As the periodical revisions as approved by EGoM in June 2010 was not put in practice, one time increase in prices by ₹ 3.23/litre (excluding VAT) would have a large impact on the consumers. Therefore, to reduce the impact on consumers, it has been decided to authorize Public Sector Oil Marketing Companies (OMCs) to increase the Retail Selling Prices of PDS kerosene by 25 paise per litre per fortnight (excluding VAT as applicable in different State/Union Territories) during the period from 1st September, 2016 to 31st January, 2017 and ₹ 0.23/litre on 1st February 2017.

(b) and (c) As per National Sample Survey 2011-12, Kerosene Consumption in the country in the year 2011-12 was 53,38,426 KL in rural areas and 17,92,007 KL in urban areas.