No. P-20019/138/2014-LPG Government of India Ministry of Petroleum & Natural Gas

Shastri Bhawan, New Delhi Dated: 28th December, 2015

To,

The Chairman, IOC, New Delhi The C&MD, BPCL/HPCL, Mumbai

Sub: Exclusion of higher income groups from the LPG subsidy.

Sir,

As you are aware, with the implementation of the Pahal Scheme (DBTL), the subsidy is being transferred directly to the Bank Accounts of LPG Consumers. The objective was to ensure that the subsidy benefits go to the targeted group. The Government had also given a call to the well-to-do households for voluntarily giving up LPG subsidy. The subsidy saved from the "GiveitUp" campaign is being utilized to "Giveback" new connections to the BPL families. This would enable provision of LPG, a clean fuel, to poor households by replacing the conventional fuels such as SKO, coal, fuel wood, cow dung, etc.

- 2. While many consumers have given up subsidy voluntarily, it is felt that consumers in the higher income bracket should get LPG cylinders at the market price. Accordingly, the Competent Authority has decided that the benefit of the LPG subsidy will not be admissible for the LPG consumers, if the consumer or his/her spouse had taxable income of Rs 10,00,000/- and above during the previous financial year computed as per the Income Tax Act, 1961. This decision will take effect for refills supplied from the month of January, 2016 onwards.
- 3. Instructions regarding method of implementation will follow separately.

Yours faithfully,

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(K.M. Mahesh)

Deputy Secretary to the Government of India

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Issue 2015