

Costlier LPG fuels

Why in news?

 $n\n$

Government has decided to increase the rates of cooking gas by Rs. 4 each month till LPG subsidy comes to an end.

 $n\n$

What was the rationale?

 $n\n$

\n

- LPG is a highly subsidized commodity in India.
- Subsidised LPG now costs around Rs. 475 per 14.2-kg cylinder.
- The rate of non-subsidised LPG, which consumers pay after exhausting their quota of below-market priced bottles, costs around Rs. 565.
- \bullet The subsidy burden more than Rs. 40,000 crores/annum. $\ensuremath{\backslash n}$

 $n\$

What would be the impact of this?

 $n\n$

\n

- Opposition says that this would adversely affect the common people.
- It also claims that there was no justification when global crude oil prices had gone down.

۱n

• The government is failing on its social commitment to provide cooking gas at subsidised rates to the poor.

- The 'Give it Up' campaign encouraged many to give up subsidies so that subsidised LPG could be provided to the poor and needy. The recent decision defeats this purpose.
- Around 2.5 crore women who were recently given LPG connection for free would be finding it difficult to avail LPG cylinders every month.

 $n\n$

 $n\n$

Source: The Hindu

\n

