

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:5667

ANSWERED ON:30.08.2001

INCREASE IN PRICE OF KEROSENE AFTER DISMANTLING OF APM

A. KRISHNASWAMY;CHANDRAKANT BHAURAO KHAIRE

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government have decided to hike the prices of kerosene and LPG after dismantling of the administered pricing mechanism in April, 2002;

(b) if so, the details thereof;

(c) whether the Government propose to evolve some mechanism to avoid such hike; and

(c) if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a) & (b): As per the Government decisions of November 1997, subsidies on domestic LPG and Kerosene for public distribution system at 15% and 33.33% of the import parity respectively would be borne by the fiscal budget after dismantling of administered pricing mechanism (APM).

(c): No, Sir.

(d): As per the Government decisions of November 1997, prices of all petroleum products are to be moved towards import parity subject to the subsidies as per (a) & (b) above.