

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

UNSTARRED QUESTION NO:3347
ANSWERED ON:19.08.2004
PRODUCTION COST OF KEROSENE AND LPG
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the Government has worked out the basic cost of production of kerosene and LPG after working out the actual (basic) cost of production of petrol and diesel in the country;
- (b) if so, the average cost of the above items assessed for the years 2002-2003 and 2003-2004;
- (c) if not, the reasons therefor; and
- (d) the obstacles coming in way in working out the basic cost of production of LPG and kerosene ?

Answer

MINISTER OF PETROLEUM & NATURAL GAS AND PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) to (d): Oil refining being a continuous process industry with multi product output, product wise cost of production is not worked out separately. The oil marketing companies pay to refineries the prices of kerosene and LPG on import parity basis. The average import parity prices of kerosene during 2002-03 and 2003-04 were Rs.10,244 per KL and Rs.10,854 per KL respectively. The corresponding average import parity prices of LPG during these years were Rs.15,637 per MT and Rs. 10,671 per MT respectively.