

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

UNSTARRED QUESTION NO:3735
ANSWERED ON:21.08.2003
FREIGHT SUBSIDY SCHEME OF LPG IN ARUNACHAL PRADESH
PABAN SINGH GHATOWAR

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

- (a) whether the Government has issued a Notification on January 28, 2003 for 'Freight Subsidy' scheme, 2002 for giving subsidy in respect of LPG for the far flung areas in North-East including Arunachal Pradesh;
- (b) if so, whether according to the said notification public of the far flung areas will get the freight subsidy on domestic LPG and PDS Kerosene with effect from April 1, 2002 for the areas mentioned without any discrimination; and
- (c) the reasons why the IOCL has not implemented the Scheme and has not passed on the freight subsidy to the people of far flung areas?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SMT. SUMITRA MAHAJAN)

(a) to (c): Under the Administered Pricing Mechanism (APM), freight subsidy on Domestic LPG and PDS Kerosene supplied to the hilly areas including north-east was provided from the Oil Pool Account. After dismantling of APM w.e.f. 1.4.2002, with a view to continue freight subsidy on Domestic LPG and PDS Kerosene for far flung areas, the Government have announced 'Freight Subsidy (For Far-Flung Areas) Scheme 2002' vide gazette notification dated 28th January, 2003. The Scheme provides for freight subsidy on transportation of domestic LPG and PDS Kerosene in Far-flung areas including Arunachal Pradesh with effect from 1st April, 2002.

Indian Oil Corporation Limited (IOCL) has already implemented the above scheme thereby benefiting the people of the identified far-flung areas.