

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

UNSTARRED QUESTION NO:1524
ANSWERED ON:31.07.2003
HIKE IN PRICES OF LPG AND KEROSENE
GADDE RAMAMOHAN;M.V.V.S MURTHI

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

- (a) whether the Government is going to allow Public Sector Oil Companies to raise the prices of petroleum products;
- (b) if so, the details with the reasons for the same;
- (c) whether various organizations and political parties have opposed this move of the Government; and
- (d) if so, the steps taken by the Government in this regard?

Answer

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

(a) to (d): With the dismantling of Administered Pricing Mechanism (APM) in the petroleum sector effective 1st April 2002, the pricing of all petroleum products, except for PDS Kerosene and domestic LPG which continue to be subsidized products, has been decontrolled and the oil marketing companies (OMCs) are fixing the prices after taking into account international oil prices. Even the changes in the consumer prices of PDS Kerosene and domestic LPG, after providing for the flat rate of subsidy, are to be made by OMCs.