

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

UNSTARRED QUESTION NO:2028
ANSWERED ON:09.03.2006
SUBSIDY ON PETROLEUM PRODUCTS
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

the details of the subsidy given on each of the petroleum products during each of the last two years, product-wise ?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA PATEL)

Currently, domestic LPG and PDS kerosene are subsidized products. The average subsidy being provided to consumers from the fiscal budget on these two products during each of the last 2 years is as follows :-

	2003-04	2004-05
Domestic LPG (Rs./Cylinder)	45.18	22.58
PDS Kerosene (Rs./Litre)	1.65	0.82

However, due to the steep rise in international prices of sensitive petroleum products, OMCs have been modulating the price increase in petrol and diesel also besides maintaining the prices of subsidized products like domestic LPG and PDS kerosene. In consequence, they have suffered under-recoveries in the sale of these products as follows :-

(Rs/crore)	2003-04	2004-05
Under-recoveries (Provisional)		

On PDS kerosene	9,274	17,842
and domestic LPG		
On petrol and diesel	2,304	
Total	9,274	20,146