

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

UNSTARRED QUESTION NO:6734
ANSWERED ON:08.05.2003
REDUCTION IN PRICES OF PETROLEUM PRODUCTS
AVSM, BRIG.(RETD.) KAMAKHYA PRASAD SINGH DEO

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

- (a) whether the Government has a proposal to reduce the prices of LPG and Kerosene and other petroleum products; and
- (b) if so, the date from which the price is being reduced?

Answer

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

(a) & (b): With the dismantling of Administered Pricing Mechanism (APM) in the petroleum sector effective 1.4.2002, the pricing of all petroleum products, except for PDS Kerosene and domestic LPG which are subsidized products, has become market determined. The oil companies are now fixing the prices of the petroleum products after taking into consideration inter-alia the prevalent prices of petroleum products in the international oil market. Even for PDS Kerosene and domestic LPG, the changes in the consumer prices after providing for the flat rate of subsidy are to be made by the oil companies. The variation in future prices of petroleum products would inter-alia depend upon the variations in the international oil prices.