

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

UNSTARRED QUESTION NO:2084
ANSWERED ON:22.07.2004
CRUDE OIL STABILISATION FUND TO INSULATE CUSTOMERS
Purandeswari Smt. Daggubati

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

- (a) whether the Government propose to set up a Crude Oil Stabilisation Fund to insulate customers against frequent increase in fuel prices;
- (b) if so, the details thereof ? and
- (c) the compensation paid by the Government to oil marketing companies during the last two years to make losses from selling products below cost ?

Answer

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

- (a) & (b):- The policy for pricing of major petroleum products is under review.
- (c) PDS kerosene and domestic LPG are subsidized products. The total amount of Government subsidy released to the oil marketing companies during 2002-03 and 2003-04, on account of these products, was Rs. 4576.47 crore and Rs. 6351.18 crore respectively.