

Awareness programme on price rise

2921. SHRI SHANTARAM LAXMAN NAIK: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are aware that every time when prices of petroleum products are increased in India, no exercise is made to take people into confidence;

(b) whether Government propose to undertake an awareness programme to explain to the people in detail with facts and figures which compel Government to increase the prices; and

(c) if so, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) No, Sir. The general public is kept apprised of the price situation through regular, often daily, press/T.V. briefings, interviews and public addresses in addition to the consultative process involving the people's representatives.

The Government pricing policy attempts to strike the right balance between the interests of the stake-holders, namely, the consumers, Oil Marketing Companies and the Government. Since the end of 2003, there has been an unprecedented, sharp and spiraling increase in international oil prices combined with considerable week to week and even day to day volatility. Therefore, it became imperative on the part of the Government to monitor and modulate the prices of petrol and diesel also, in addition to that of PDS kerosene and domestic LPG, bearing in mind, the interest of all the stakeholders including consumers.

Accordingly, since June 2004, Government elucidated the principles which would govern its policy of containing the burden of increase in international prices on consumers of sensitive petroleum products. It was decided that the burden should be equitably shared by consumers, the Government and the oil companies. Therefore, the full impact of the international price increase has not been passed on to consumers of sensitive products as shown in the Statement enclosed.

Statement*Trend in International Prices*

Period	Indian Basket Crude (\$/bbl)	Petrol (\$/bbl)	Diesel (\$/bbl)	Kerosene (\$/bbl)	LPG (\$/MT)
March 2002	23.31	26.43	23.27	23.65	194.00
2002-03	26.66	30.15	28.93	29.33	280.40
2003-04	27.96	35.03	30.48	31.19	278.45
2004-05	39.22	49.01	46.91	49.50	368.52
2005-06 (Apr-Jul' 05)	51.08	58.85	62.58	66.21	408.30
8th Aug, 2005	58.83	70.70	66.49	69.71	403.60
%Increase (8.8. 2005 over Mar'02)	152.4%	167.5%	185.73%	194.75%	108.04%

Trend in Domestic Prices

Period		Petrol Rs./Litre	Diesel Rs./Litre	Kerosene Rs./Litre	LPG Rs./Cyl.
As on 31st March 2002		26.54	16.59	8.98	240.45
As on 8th Aug, 2005		40.49	28.45	9.05	294.75
%Increase (8th Aug, 2005 over Mar ¹ 02)		52.6%	71.5%	0.8%	22.6%

Discount to refineries by ONGC

2922. SHRI TARIQ ANWAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the impact of the Bombay High Fire is going to be felt not just in terms of loss of human life and production but downstream as well;

(b) if so, the details thereof;

(c) whether Government have directed ONGC to give discount to refineries to compensate them for Government capped fuel prices; and

(d) if so, the detail thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) A major fire accident occurred on the Mumbai High North (MHN) platform on 27th July, 2005. 11 persons