

**GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 157
TO BE ANSWERED ON 29TH NOVEMBER, 2021**

Reducing the prices of petroleum products

157 **Dr. V. Sivadasan:**
 Shri Kanakamedala Ravindra Kumar:

Will the Minister of *Petroleum and Natural Gas* be pleased to state:

- (a) Whether Government has any proposal to further reduce prices of petrol, diesel, LPG and CNG considering the economic hardships faced by the people of the country and also business people, who are facing lots of hardship post second lockdown period;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS
(SHRI RAMESWAR TELI)**

(a) to (c): Prices of petrol and diesel are market-determined with effect from 26.06.2010 and 19.10.2014 respectively. Since then, the Public Sector Oil Marketing Companies (OMCs) take appropriate decision on pricing of petrol and diesel in line with their international product prices, exchange rate, tax structure, inland freight and other cost elements. The prices of petroleum products in the country are linked to the price of respective products in the international market. However, the Government continues to modulate the effective price to consumer for Subsidized Domestic LPG.

With an aim to reduce the prices of petrol and diesel and give relief to the consumers, the Central Government reduced the Central Excise duty on petrol and diesel by Rs.5 per litre and Rs.10 per litre respectively with effect from 4th November, 2021. Many States/UTs have also reduced VAT on petrol and diesel subsequently.

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