

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS

RAJYA SABHA
UNSTARRED QUESTION NO. 1743
TO BE ANSWERED ON 13th December, 2021

Release of oil from strategic reserves

1743. SHRI ABDUL WAHAB:

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

- (a) whether there is any move to release oil from India's strategic reserves in coordination with other countries ;
- (b) if so, the details thereof ; and
- (c) which are the countries mutually agreed to a coordinated release and how effectively this will affect the oil market in the country?

ANSWER

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

(a) to (c): In a bid to provide relief to citizens, Government of India agreed to release 5 million barrels of crude oil from its Strategic Petroleum Reserves, in consultation and parallelly with other major global energy consumers including USA, People's Republic of China, Japan and Republic of Korea.

The domestic price of crude is linked to international benchmarks of crude prices. These benchmarks get affected by many factors including supply and demand, futures' trading, impact of the covid scenario and geopolitical situation. Linear co-relation between pricing and any **one** of these factors in isolation, is indeterminable.

Government of India has been consistently reviewing the high petroleum/diesel prices domestically. With a view to controlling inflationary pressures, Government of India had reduced the 'central excise duty' on petrol and diesel by Rs. 5/litre and Rs. 10/litre respectively on 3 November 2021. It was followed by reduction in VAT on fuel by many State Governments.
