

**LOK SABHA**  
**UNSTARRED QUESTION NO. 440**  
**TO BE ANSWERED ON 18<sup>TH</sup> DECEMBER, 2017**  
**PRICES OF PETROLEUM PRODUCTS**

**440. SHRI C.N. JAYADEVAN:**  
**SHRI N.K. PREMACHANDRAN:**  
**PROF. SAUGATA ROY:**  
**SHRI RAM MOHAN NAIDU KINJARAPU:**  
**SHRI ASADUDDIN OWAISI:**  
**SHRI NAGENDRA KUMAR PRADHAN:**  
**SHRI GUTHA SUKENDER REDDY:**  
**SHRI PRABHAKAR REDDY KOTHA:**

पेट्रो लयम और प्राकृतिक गैस मंत्री

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

- (a) the details of increase/decrease in the prices and taxes on petrol, diesel, LPG during the last three years and the current year and the reasons for not reducing the prices of petroleum products in proportion to reduction of prices of international crude oil, product-wise including crude oil prices during the said period;
- (b) whether the Government proposes to reduce the subsidy given to cooking gas for domestic purpose and if so, the details thereof;
- (c) whether the Government proposes to introduce Goods and Services Tax (GST) on petrol, diesel and other petroleum products and if so, the details thereof;
- (d) whether the State owned petroleum companies/State Governments have raised any objection to include petrol, diesel and petroleum products in GST and if so, the details thereof along with likely impacts on their profitability and the action taken by the Government to address their concerns; and
- (e) whether the Government proposes to change the existing system of daily change in the price of petrol, diesel and LPG without stipulating specific time period and if so, the details thereof?

**ANSWER**

पेट्रो लयम और प्राकृतिक गैस मंत्री  
(श्री धर्मन्द्र प्रधान)

**MINISTER OF PETROLEUM AND NATURAL GAS**  
**(SHRI DHARMENDRA PRADHAN)**

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(a): The prices of Petrol and Diesel have been made market determined by the Government effective from 26th June, 2010 and 19th October, 2014 respectively and since then their prices are being decided by the Public Sector Oil Marketing Companies (OMCs) in line with the changes in the international market prices. The Public Sector OMCs increase

and decrease the prices on the basis of the price of respective products in the international market and not to that of crude oil.

The Government continues to modulate the effective price to consumer for Subsidized Domestic LPG and Retail Selling Price (RSP) of PDS Kerosene.

The average crude oil price per barrel of the Indian basket in the international market during the last three years and the current year is given as under:-

Year	Average of Indian Basket Crude Oil (\$/bbl)
2014-15	84.16
2015-16	46.17
2016-17	47.56
2017-18 (till 30th November, 2017)	52.55

The details of average prices of Petrol, Diesel and subsidized/non-subsidized LPG during the last three years and current year is given as under:

Year	Petrol	Diesel	Domestic LPG	
			Subsidized	Non- Subsidized
	(Rs./litre)		(Rs./14.2 KG Cyl.)	
2014-15	66.37	53.38	415.50	NA
2015-16	61.59	47.01	418.95*	587.65
2016-17	64.61	53.24	426.94*	549.65
2017-18 (HI)	66.87	56.19	462.45*	598.71

\*Effective cost to consumer after DBTL subsidy

The current Excise Duty on Petrol and Diesel is Rs.19.48/litre and 15.33/litre respectively. At present, applicable GST on Domestic LPG is 5%.

(b): After launch of DBTL, its beneficiaries get the Domestic LPG cylinders at non-subsidized price and receive LPG subsidy directly into their bank accounts. At present, the eligible consumers are getting subsidy of Rs. 251.31 per 14.2 Kg cylinder (as applicable to Delhi market).

(c): The Goods and Services Tax (GST) has been implemented w.e.f. 1.7.2017. Five petroleum sector items viz., Crude Oil, Natural Gas, Petrol, Diesel and Aviation Turbine Fuel (ATF), are presently outside the scope of levy of GST, till such time as they are notified based on the recommendation of GST Council.

(d): Representations have been received from various companies and trade and industry associations seeking inter-alia inclusion of petroleum products under GST, which have been taken up with the Sectoral Working Group constituted by the Department of Revenue.

(e): There is no such proposal

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