

LOK SABHA
UNSTARRED QUESTION NO. 99
TO BE ANSWERED ON 4TH FEBRUARY, 2019

Prices of Petrol/Diesel

†99. **SHRI BHAIRON PRASAD MISHRA:**

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) the extent to which the prices of petrol and diesel have been decreased during last three months, month-wise;
- (b) whether the prices of petroleum products are likely to be increased again at present and if so, the details thereof and the reasons therefor; and
- (c) the steps taken by the Government to check the increasing prices of petroleum products in the country?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्री

(श्री धर्मेन्द्र प्रधान)

MINISTER OF PETROLEUM AND NATURAL GAS
(SHRI DHARMENDRA PRADHAN)

- (a) & (b) Prices of petrol and diesel have been made market-determined by the Government 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 international product prices and other market conditions.

The prices of petroleum products are linked to the price of respective products in the international market. Oil Marketing Companies take a decision on retail selling price after considering various aspects including international product prices, exchange rate, tax structure, inland freight and other cost elements.

The details of prices of petrol and diesel during last three months are available at Petroleum Planning and Analysis Cell (PPAC) website i.e. www.ppac.org.in.

- (c) 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 ₹ 2 per litre with effect from 4th October, 2017. The Central Government further reduced the Central Excise duty on petrol and diesel by ₹ 1.50 per litre with effect from 5th October, 2018 and Public Sector OMCs also reduced ₹ 1.00 per litre to reduce the overall price of petrol and diesel. The Central Government also requested the State Governments to make a reduction of ₹ 2.50 per litre in VAT imposed by them on petrol and diesel. Accordingly, 18 State Governments and 1 Union Territory have reduced VAT on petrol and diesel

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