

LOK SABHA
UNSTARRED QUESTION NO. 371
TO BE ANSWERED ON 24TH JUNE, 2019

Prices of Petroleum Products

†371. **SHRI RAHUL KASWAN:**

पेट्रो लयम और प्राकृतिक गैस मंत्री

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

- (a) whether the prices of petroleum products are rising day by day in the country, if so, the details thereof and the reasons therefor including the steps being taken to stabilise the prices;
- (b) fresh measures being taken by the Government to reduce the rising prices of petroleum products including petrol and diesel and to provide relief to the countrymen in view of the sanctions imposed by the United States of America against Iran;
- (c) whether any high level review has been conducted regarding the increase and reduction in the prices of petrol, diesel, crude oil and domestic LPG in the country; and
- (d) if so, the details thereof along with the findings and measures taken by the Government in this regard?

ANSWER

पेट्रो लयम और प्राकृतिक गैस मंत्री

(श्री धर्मन्द्र प्रधान)

MINISTER OF PETROLEUM AND NATURAL GAS
(SHRI DHARMENDRA PRADHAN)

- (a) to (d) 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.

Fluctuation in crude oil prices is a regular phenomenon and the price of crude oil is determined by many factors, including geo-political situation and demand and supply in the global market.

The details of prices of petrol, diesel, LPG and kerosene are available at Petroleum Planning and Analysis Cell (PPAC) website i.e. www.ppac.org.in

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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