

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1351**  
**TO BE ANSWERED ON 09 FEBRUARY, 2023**

**Increased Price of Petrol and Diesel**

1351. SHRI NAMA NAGESWARA RAO:

**पेट्रोलियम और प्राकृतिक गैस मंत्री**

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

(a) whether it is a fact that the prices of petrol, diesel and domestic cooking gas have increased to historical and abnormal heights during the last five years whereas the crude oil prices were steeply down during the same period and if so, the details thereof;

(b) whether it is also a fact that due to abnormal hike of petrol and diesel prices, the poor and middle class people are forced to bear burden of 20-30 per cent increase on prices of all commodities, services, transport and consequent proportionate GST; and

(c) if so, the details thereof and measures being taken by the Government to reduce the prices of petrol and diesel to reasonable levels immediately?

**ANSWER**

**पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्य मंत्री**  
**(श्री रामेश्वर तेली)**

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

(a) to (c): The prices of petrol, diesel and LPG in the country are linked to the prices of respective products in the international market. Retail prices of petrol and diesel in the domestic market have been 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. Also, Government continues to modulate the effective price to consumer for domestic LPG.

Due to high volatility and elevated prices of crude oil, most of the developed countries have been reeling under high Petrol and Diesel prices. For example, in the US the prices of Petrol and Diesel increased by about 98% and 145% respectively over the period October 2020 to October 2022. Whereas, prices in India (Delhi) increased only by 19 % and 27 % respectively during this period.

The average Saudi CP prices on which the domestic LPG prices are based, increased from US\$ 454/MT to US\$ 693/MT during 2019-20 to 2021-22. During 2022-23 the average Saudi CP has further risen to US\$ 710 /MT till February 2023. The Price of Indian Basket of Crude also increased from an average of \$ 60/bbl in 2019-20 to \$79/bbl in 2021-22 and continues at the same elevated levels during 2022-23.

The Central Government has reduced Central Excise duty by a total of Rs. 13/ litre and Rs. 16/ litre on petrol and diesel respectively in two tranches in November 2021 and May 2022. The measure was aimed to give a further fillip to the economy and to boost consumption and keep inflation low, thus helping the poor and middle classes.