

LOK SABHA
UNSTARRED QUESTION NO.4706
TO BE ANSWERED ON 23rd MARCH, 2020

Increase in Price of Petrol/Diesel

4706. SHRI JAYADEV GALLA:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) the date from which the Government is making BS-VI mandatory for vehicles;
- (b) whether the oil companies have decided to increase price of petrol and diesel from April this year to meet the additional expenses due to BS-VI;
- (c) the reasons put forth by the companies for increasing the price of petrol and diesel and whether the Ministry has given any direction restraining oil companies from resorting to such move; and
- (d) if not, the reasons therefor or whether the Ministry proposes to reduce tax on petrol and diesel to help oil companies and if not, the reasons therefor?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्री (श्री धर्मेन्द्र प्रधान)

MINISTER OF PETROELUM & NATURAL GAS
(SHRI DHARMENDRA PRADHAN)

(a) to (d) Government has decided that Bharat Stage-VI (BS-VI) emission standards fuels will be supplied across the country w.e.f. 01.04.2020. 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, prices of petrol and diesel are independently being priced by the Public Sector Oil Marketing Companies on the basis of trade parity principle plus suitable costs and margin based on market condition, competitor's price, supply-demand scenario etc. Since, pricing methodology is not based on cost plus mechanism, appropriate decisions are taken considering above factors, instead of looking at additional expenses of BS-VI fuels in isolation.
