

LOK SABHA
UNSTARRED QUESTION NO. 75
TO BE ANSWERED ON 19TH JULY, 2021

Purchase of Oil at fixed price

†75. SHRI KUNWAR PUSHPENDRA SINGH CHANDEL:
SHRIMATI MALA RAJYA LAXMI SHAH:

i s/kfy; e vkj i kÑfrd xj eæh

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

- (a) whether the Government has taken notice of the ever increasing prices of oil, if so, whether any specific guidelines have been issued by the Union Government to States to control the same, if so, the details thereof and the response of the States in this regard, State-wise;
- (b) whether the Government has also acted as a pressure group over the international oil prices and made a special appeal to the OPEC countries in this regard; and
- (c) whether the Government is contemplating to procure oil at fixed price for a long term at international level and to make further expansion of its storage in the country, if so, the details thereof?

ANSWER

i s/kfy; e vkj i kÑfrd xj eæky; eajkt; eæh
(Jhjkewoj rsh)

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

- (a): Prices of petrol and diesel have been made 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 in line with international product prices and other market conditions. The OMCs have not only increased but also decreased the prices of petrol and diesel in line with changes in international prices and rupee dollar exchange rate.
- (b): The Government, has been taking up the issue, bilaterally with crude oil producing countries as well as with the Organization of Petroleum Exporting Countries (OPEC) for affordable crude prices for consuming countries like India. Minister for Petroleum and Natural

Gas held meetings with Secretary General of OPEC and also engaged with heads of other international energy fora to convey India's serious concerns over crude oil price volatility, and India's strong preference on responsible pricing by producers and reasonable pricing for consumer countries, which is mutually beneficial for consumers and producers.

(c): Indian oil companies continue to procure crude oil through term contracts as well as spot market from different sources at a competitive price. Government of India, through its Special Purpose Vehicle, Indian Strategic Petroleum Reserve Limited (ISPRL) has established petroleum storage facilities with total capacity of 5.33 Million Metric Tonnes (MMT), and all the facilities are full now with crude oil. Under Phase II of the SPR Programme, Government has given approval in July this year for establishing two additional SPR facilities with total storage capacity of 6.5 MMT.

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