

LOK SABHA
STARRED QUESTION NO. 228
TO BE ANSWERED ON 17 MARCH, 2022

Price of Petroleum Products

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

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) whether there is pressure to control the prices of petroleum products due to international reasons and if so, the details thereof;
- (b) whether the Government is considering to advise the petroleum companies to bear loss and reduce taxes on petroleum products in coordination with the State Governments so as to control the price of petrol;
- (c) if so, the details thereof;
- (d) whether the Government has made joint efforts with various departments to explore new areas for petroleum products and promote alternative energy sources; and
- (e) if so, the details thereof?

ANSWER

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(श्री हरदीप सिंह पुरी)

MINISTER OF PETROLEUM AND NATURAL GAS
(SHRI HARDEEP SINGH PURI)

- (a) to (e): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No. 228 asked by Shri Kunwar Pushpendra Singh Chandel and Shrimati Mala Rajya Laxmi Shah to be answered on 17 MARCH 2022 regarding “Price of Petroleum Products”.

(a) to (c): Prices of petrol and diesel have been market-determined with effect from 26.06.2010 and 19.10.2014 respectively. Since then, Public Sector Oil Marketing Companies (OMCs) take appropriate decisions on pricing of petrol and diesel on the basis of international product prices and other market conditions.

The Central Government reduced the Central Excise duty on petrol and diesel by Rs. 5 and Rs. 10 per litre respectively effective from 4 November, 2021. 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. Following this reduction in Central Excise duty, many States/UTs have also reduced the VAT on petrol and diesel.

(d) & (e): Government of India has notified the National Policy on Biofuels 2018 which inter-alia envisages increased usage of bio-fuels in the energy and transportation sectors of the country. The policy aims to utilize, develop and promote domestic feedstock and its utilization for production of bio-fuels thereby increasingly substituting fossil fuels. Government has also decided to advance the target of 20% ethanol blending in petrol from 2030 to 2025.

Sustainable Alternative Towards Affordable Transportation (SATAT) was launched on 1st October, 2018 aiming to establish an ecosystem for production of Compressed Bio Gas (CBG) from various waste/biomass sources in the country. SATAT has envisaged developing 5000 CBG plants with total CBG production capacity of 15 Million Metric Tonne Per Annum (MMTPA) i.e. equivalent to 54 MMSCMD of gas by 2023-24.

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