

LOK SABHA
UNSTARRED QUESTION NO. 3005
TO BE ANSWERED ON 04 AUGUST, 2022

Rising Price of Petroleum Products

3005. MS. MIMI CHAKRABORTY:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) whether the Government has planned to tackle the rising price of petroleum products in the country;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) whether it is a fact that an average petroleum product price has risen over 175 per cent during the last five years and if so, the details thereof; and
- (d) the reasons for the 10.8 per cent cut in fuel subsidy as compared to the revised estimate for the Financial Year 2022?

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) & (b): Prices of petrol and diesel 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. The prices of petroleum products in the country are linked to the price of respective products in the international market.

The Central Government reduced the Central Excise duty on petrol and diesel by Rs. 5 and Rs. 10 per litre effective from 4 November, 2021 and Rs. 8 and Rs. 6 per litre respectively effective from 22 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.

Prices of LPG in the country are based on Saudi Contract Price (CP), the benchmark for international prices of LPG. Saudi CP has risen approximately 218% from April, 2020 to June, 2022 (236 USD/MT to 750 USD/MT). However, the Government continues to modulate the effective price to consumer for domestic LPG. The subsidy, as admissible, is credited to the bank account of eligible beneficiaries. In addition, the Government has announced a targeted subsidy of Rs. 200 per 14.2 Kg cylinder for Pradhan Mantri Ujjwala Yojana (PMUY) beneficiaries for upto 12 refills for year 2022-23.

(c): No Sir. The details of monthly average retail selling prices of petrol, diesel and Retail Selling Price (RSP) of Domestic LPG at Delhi as compared to July 2017 are as under:

Date	Petrol (Rs./Ltr)	Diesel (Rs./Ltr)
July, 2017	64.02	54.58
July, 2022	96.72	89.62

Date	Retail Selling Price (RSP) of Domestic LPG (Rs./14.2 KG Cylinder)
01 March 2017	737.50
01 August 2022	1053.00

(d): Under the Direct Benefit Transfer for LPG (DBTL) scheme, subsidy amount equal to the difference between Retail Selling Price (RSP) and subsidized price of the domestic cylinder is deposited in the account of eligible beneficiaries.

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