

**GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 2518
TO BE ANSWERED ON 20TH DECEMBER, 2021**

Price hike of petroleum products

2518. Shri Ajit Kumar Bhuyan:

Will the Minister of *Petroleum and Natural Gas* be pleased to state:

- (a) whether it is a fact that the price hike of petroleum products is increasing every day;
- (b) if so, the details thereof and the measures taken by Government for its control;
- (c) the details of the mechanism adopted by Government to examine the prices of petrol and diesel fixed by various petroleum companies; and
- (d) the impact of rising prices on petroleum products on the people?

ANSWER

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

(a) to (d): 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 in line with their international product prices, exchange rate, tax structure, inland freight and other cost elements. Effective 16 June, 2017, daily pricing of petrol and diesel has been implemented in the entire country.

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. Many States/UTs have also reduced the VAT on petrol and diesel subsequently.

X-X-X-X-X