

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

**RAJYA SABHA
STARRED QUESTION NO. 6**

TO BE ANSWERED ON 29TH NOVEMBER, 2021

Scheme to keep fuel prices in check

6#. Shri Naresh Bansal :

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

- (a) the details of the scheme of Government to keep a check on increase in petrol and diesel prices; and
- (b) the status for increasing production of petrol and diesel?

ANSWER

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

- (a) & (b): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (b) of Rajya Sabha Starred Question No. 6 asked by Shri Naresh Bansal to be answered on 29TH NOVEMBER, 2021 regarding “Scheme to keep fuel prices in check”

(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.

Public Sector OMCs have implemented daily revision of retail selling price (RSP) of petrol and diesel in the entire country with effect from 16th June, 2017. Daily pricing has been introduced to bring more transparency and efficiency in pricing to benefit consumers.

The Central Government reduced the Central Excise duty on petrol and diesel by Rs. 5 and Rs. 10 per litre respectively effective from 4th 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.

(b): Production of petrol and diesel is dependent upon refining capacity of refineries. Various companies are augmenting refining capacities as per market conditions. The details of production of petrol & diesel during the last three years and current year are given below:

Production of petrol and diesel (quantity in MMT)				
	2018-19	2019-20	2020-21	2021-22 (April-October) (P)
Petrol	38.0	38.6	35.8	22.0
Diesel	110.6	111.1	100.4	59.6
Source : Oil companies				
