

LOK SABHA
UNSTARRED QUESTION NO. 939
TO BE ANSWERED ON 08 February, 2024

Uniform Prices on Petrol and Diesel

939. SHRI V.K. SREEKANDAN:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) whether it is a fact that some States were responsible for not bringing down the petrol and diesel prices and if so, the details thereof;
- (b) whether it is also true that petrol and diesel are being sold at different prices in different States and Union Territories and if so, the details thereof; and
- (c) whether the Government is considering to make prices of petrol and diesel uniform across the country and if so, the details thereof

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) to (c): Prices of petrol and diesel are market determined and Public Sector Oil Marketing Companies (OMCs) take appropriate decision on pricing of petrol and diesel. The final selling prices of petrol and diesel include excise duty fixed by the Central Government and State VAT/Taxes fixed by the respective State Governments. The prices of petrol and diesel in the States across the country vary due to freight rates, VAT/local levies etc.

Central Government uniformly decreased the prices across the country by reducing excise duty in November 2021 and May 2022 of Rs. 13/litre and Rs. 16/litre on petrol and diesel respectively.

While most State governments reduced VAT rate to provide further relief to citizens, some State Governments did not reduce the VAT rates.

The GST Council in its 45th meeting held on 17th September 2021 had considered the inclusion of Petrol/Diesel and other petroleum products under the GST regime but the matter was deferred by the council till larger deliberations on account of its heavy repercussions on the exchequer. The issue has not been taken up by the council as an agenda item for any further deliberation subsequent to the said meeting.