

**GOVERNMENT OF INDIA  
PETROLEUM AND NATURAL GAS  
LOK SABHA**

UNSTARRED QUESTION NO:4319  
ANSWERED ON:22.03.2013  
CRUDE OIL  
Scindia Smt. Yashodhara Raje

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

- (a) whether any specific charges, similar to the custom duty, are imposed on the crude oil explored and produced in the country;
- (b) if so, the details thereof; and
- (c) the manner in which the custom duty imposed is reflected in the rates at which petrol and diesel are sold at the retail petrol pump stations?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SMT. PANABAANKA LAKSHMI)

(a) and (b) Presently, following charges are levied on crude oil produced in the country.

- (i) Royalty
- (ii) Oil Industry Development (OID) Cess
- (iii) National Calamity and Contingency Duty (NCCD)
- (iv) Education Cess on OID Cess

(c) The price of Petrol has been made market determined w.e.f. 25.06.2010. As per the prevailing pricing policy, the Oil Marketing Companies (OMCs) pay Trade Parity Price (TPP) for purchase of Diesel from refineries. TPP is weighted average of Import Parity Price (IPP) and Export Parity Price (EPP) in ratio of 80:20. 2.5% of the Custom Duty on Diesel is considered while working out Refinery Gate Price of Diesel as per TPP formula.