

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

UNSTARRED QUESTION NO:4739

ANSWERED ON:22.12.2014

PRICES OF PETROLEUM PRODUCTS

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

- (a) whether the prices of petroleum products are not uniform/similar amongst the various States which leads to illegal trade of petroleum products from neighbouring States;
- (b) if so, the details thereof along with the rates of petroleum products such as petrol, diesel, CNG, LPG, etc. including taxes/duties, State/product-wise;
- (c) whether the Government proposes to maintain uniform prices of all petroleum products across the country; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE (I/C) IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN)

(a) to (d): The Government has deregulated the price of Petrol and Diesel effective 26.06.2010 and on 19.10.2014 respectively. Since then, the Public Sector Oil Marketing Companies (OMCs) decide the prices of Petrol and Diesel in line with the international oil prices and market conditions. As of now, the basic price of petroleum products such as Petrol, Diesel and Domestic LPG are same across the country. However, the final retail selling price varies from State to State mainly on account of VAT/Sales Tax/ Entry Tax etc. levied by the State Governments and other local factors such as delivery charges, Octroi, etc.

As regards the retail price of CNG, it is being fixed in any city by the concerned City Gas Distribution (CGD) Company operating in that particular city. The CGD entities also supply gas for industrial and commercial use. The Government has, vide revised guidelines dated 03.02.2014, agreed to meet the entire requirement of CNG (transport) and PNG (domestic) through supply of cheaper domestic gas at a uniform base price to all the CGD entities. The price of CNG (transport) is therefore a function of the base price, different State and local taxes/levies and pipeline transportation tariff. The price of CNG for supply to industrial and commercial sectors is a function of the proportion of domestic gas, long term RLNG and spot RLNG, transportation tariff and different State and local taxes/levies.

The current retail selling prices of Petrol and Diesel (as per IOCL) and Subsidized Domestic LPG, at States/UTs, are given in Annexure-I. The details of State-wise CNG price (as on 15th November, 2014) are given in Annexure-II.