

Low cost diesel not meant for SUVs and cars, says Shri Dharmendra Pradhan

BS VI will be introduced by April 2020, says Petroleum Minister

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Addressing the workshop on 'Converging the Divergence between Diesel and Petrol Prices' here today, the Minister of State (I/C) for Petroleum and Natural Gas, Shri Dharmendra Pradhan said that India has a long history of imposing taxes/duties on petroleum products viz petrol and diesel and these taxes/duties have been rationalised from time to time to insulate the domestic consumers for increase in price or to increase the revenue of the Government for developmental projects.

Highlighting the recommendation made by the Expert Group chaired by Dr. Kirit Parikh on converging the divergence between diesel and petrol prices, Shri Dharmendra Pradhan said that apart for taxes/duties, others factors like technology, disruptive technology, renewable energy impact etc shall also be taken into consideration. He further said that once the petroleum products come into the ambit of GST, the issue of tax rate differentials will be automatically resolved. The Minister said that diesel is used for agricultural purpose and for public transport and these are the reasons why the taxes/duties on diesel are kept lower compared to petrol. He stressed that the low cost diesel is not meant for SUVs and cars.

Keeping in view the emissions concern, Shri Dharmendra Pradhan said that Bharat Stage VI (BS VI) will be introduced by April 2020 and it will be as clean as CNG. The refineries are being upgraded for BS VI production with an investment of Rs. 30,000 cr, he added.

The Minister said that after the roll out of Daily Pricing of Motor Spirit (MS) and High Speed Diesel (HSD) from June 2017, there has been a better synchronisation with international prices and also enhanced logistics management for oil industry.

During the occasion, the Minister also released a book titled 'A case for rationalise of the central excise duty'.

The workshop was organised by Integrated Research and Action for Development (IRADe). The workshop included presentation session on impact of diesel and petrol price rationalisation and different panel discussions on State finances, trucking sector, oil marketing companies, buses sector, cars sector and agriculture sector.





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