

**GOVERNMENT OF NAGALAND  
FINANCE DEPARTMENT**

**PRESS RELEASE**

Dated 17<sup>th</sup> November 2020

The Finance Department hereby makes the following clarifications concerning the recent hike in the price of petroleum products as follows:-

1. Nagaland is not the only State that has raised the price of petroleum products after the COVID-19 pandemic and the subsequent lockdown. In fact, even in the past fuel prices have been regularly adjusted based on the prices in neighboring States. The existing prices of petroleum products in the North Eastern States as on 17.11.2020 are as follows:-

SI No	States	Retail price (Rs.)		Rate of Tax	
		Petrol	Diesel	Petrol	Diesel
1	Assam	85.47	78.01	32.66% or Rs.22.63 per liter whichever is higher.	23.66% or Rs.17.45 per liter whichever is higher
2	Meghalaya	84.78	76.27	31%	22.50%
3	Manipur	84.33	73.44	36%	22.50%
4	Nagaland	83.94	74.15	29.80% or Rs.18.26 per liter whichever is higher.	17.50% or Rs.11.08 per liter whichever is higher.

2. The above figures clearly show that the Government of Nagaland has fixed very reasonable rates of tax on petroleum products compared to other States, and there is no cause to term it as oppressive. It is also clarified that despite the substantially lower rates of taxes of the Government of Nagaland, the prices of petrol and diesel remain high mainly on account of the high base value of petrol and diesel in the State, which is higher than even that of Manipur. The reason for such difference is being taken up with the I.O.C. for clarification since it is decided exclusively by the oil marketing company.
3. The price of Petrol and Diesel in Nagaland is cheaper than Assam and Meghalaya while it is very close to that of Manipur. The main reason for high price of Petrol and Diesel in the State is the high base value of Petrol and Diesel in the State which is higher than Assam and Manipur. The base value is decided exclusively by the Oil Company. The base value as on 17.11.2020 are given below:-

Sl. No.	State	Petrol	Diesel
1	Nagaland	Rs.59.79	Rs.58.69
2	Assam	Rs.59.59	Rs.58.19
3	Manipur	Rs.59.57	Rs.58.20

4. The above figures clearly show that clearly highlights that the Oil Company is fixing the base value unfairly in respect of Nagaland which is directly resulting in high price of Petrol and Diesel in the State even though the rate of tax is considerably lower than that of Assam and Manipur. The State Government has asked I.O.C. Ltd. to explain the reasons for the higher base value of Petrol and Diesel as compared to neighboring State of Manipur.