

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS

RAJYA SABHA

UNSTARRED QUESTION NO. 1412

ANSWERED ON 19 DECEMBER, 2022

Price of crude petroleum in international markets

1412 # Shri Ram Nath Thakur:

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

(a) the details of fluctuations in the price of crude petroleum products in international markets during the last three years, month-wise; and

(b) whether it is a fact that Government is not passing on the benefit of price fluctuation of petroleum products in the international market to the consumers due to which consumers are getting petrol, diesel and domestic cooking gas at high rates?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS

(SHRI RAMESWAR TELI)

(a): The details of average monthly prices of Indian basket of crude oil and Petroleum products in the international market since January 2020 are given as Annexure.

(b): Prices of petrol and diesel have been market-determined with effect from 26.06.2010 and 19.10.2014 respectively. Since then, the Public Sector Oil Marketing Companies (OMCs) take appropriate decision on pricing of petrol and diesel. The Central Government reduced the Central Excise duty on petrol and diesel by Rs. 8 and Rs. 6 per litre effective from 22 May, 2022. Following this reduction in Central Excise duty, many States/UTs have also reduced the VAT on petrol and diesel.

While the average price of Indian basket of Crude oil increased by 102% (from \$43.34 to \$87.55) between November 2020 and November 2022, the retail prices of Petrol and Diesel have increased in India by only 18.95 % and 26.5 % respectively during this period. Prices of LPG in the country are based on Saudi Contract Price (CP), the benchmark for international prices of LPG. During the period from April 2020 to April 2022, the international prices of LPG increased by around 300%. However, to insulate consumers from fluctuations in international LPG prices, the cost increase was not fully passed on to consumers of domestic LPG. Accordingly, domestic LPG prices have risen by only 72% during this period. This has led to significant losses for these OMCs. To compensate these losses, the Government has recently approved a one-time compensation of Rs. 22000 crores to OMCs.

Annexure

Annexure referred to in reply to part (a) of Rajya Sabha Unstarred Question No. 1412 asked by Shri Ram Nath Thakur to be answered on 19 December, 2022 regarding “Price of crude petroleum in international markets”

| Month | Average Indian Basket of Crude Oil | Average Petrol | Average Diesel | Average LPG |
|------------------------------|--|-------------------|-------------------|----------------|
| | \$/bbl | | | \$/MT |
| Jan-20 | 64.31 | 69.11 | 73.35 | 580 |
| Feb-20 | 54.63 | 62.57 | 63.41 | 529 |
| Mar-20 | 33.36 | 35.19 | 41.87 | 460 |
| Apr-20 | 19.9 | 19.44 | 25.25 | 236 |
| May-20 | 30.61 | 30.84 | 30.77 | 340 |
| Jun-20 | 40.63 | 42.79 | 44.72 | 338 |
| Jul-20 | 43.35 | 44.8 | 48.64 | 348 |
| Aug-20 | 44.19 | 46.97 | 47.46 | 353 |
| Sep-20 | 41.35 | 45.66 | 42.44 | 359 |
| Oct-20 | 40.66 | 44.82 | 42.29 | 378 |
| Nov-20 | 43.34 | 45.52 | 45.79 | 436 |
| Dec-20 | 49.84 | 52.41 | 53.13 | 456 |
| Jan-21 | 54.79 | 58.91 | 58.35 | 538 |
| Feb-21 | 61.22 | 66.36 | 66.29 | 593 |
| Mar-21 | 64.73 | 71.51 | 67.57 | 607 |
| Apr-21 | 63.4 | 71.7 | 66.61 | 542 |
| May-21 | 66.95 | 74.42 | 72.08 | 483 |
| Jun-21 | 71.98 | 78.85 | 77.12 | 527 |
| Jul-21 | 73.54 | 83.1 | 78.21 | 620 |
| Aug-21 | 69.8 | 78.92 | 74.22 | 657 |
| Sep-21 | 73.13 | 82.08 | 80.79 | 665 |
| Oct-21 | 82.11 | 95.77 | 93.37 | 797 |
| Nov-21 | 80.64 | 92.18 | 89.34 | 846 |
| Dec-21 | 73.3 | 85.67 | 83.45 | 768 |
| Jan-22 | 84.67 | 96.16 | 97.09 | 722 |
| Feb-22 | 94.07 | 108.29 | 108.7 | 775 |
| Mar-22 | 112.87 | 127.44 | 138.12 | 910 |
| Apr-22 | 102.97 | 123.5 | 145.13 | 952 |
| May-22 | 109.51 | 141.18 | 147.77 | 856 |
| Jun-22 | 116.01 | 148.82 | 170.92 | 750 |
| Jul-22 | 105.49 | 116.53 | 139.93 | 725 |
| Aug-22 | 97.4 | 107.16 | 134.48 | 664 |
| Sep-22 | 90.71 | 93.78 | 123.36 | 638 |
| Oct-22 | 91.7 | 91.19 | 133.52 | 572 |
| Nov-22 | 87.55 | 93.13 | 123.18 | 610 |
| Dec-22 (up to 09.12.2022) | 78.46 | 84.04 | 105.53 | 650 |

Source: Petroleum Planning and Analysis Cell (PPAC)