

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO-1885
ANSWERED ON- 17/03/2025

INCREASING PRICES OF PETROL AND DIESEL

1885 DR. M. THAMBIDURAI:

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

- (a) whether it is a fact that petrol and diesel prices have increased in the country during the last five years;
- (b) if so, the details thereof during the last five years, year-wise, item-wise;
- (c) the comparative prices of fuel in the country in reference to global crude oil prices;
- (d) whether Government has taken any initiative to decrease the prices of fuel; and
- (e) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS
(SHRI SURESH GOPI)

(a) to (e) Prices of petrol and diesel are market determined and Public Sector Oil Marketing Companies (OMCs) take appropriate decision on pricing of petrol and diesel.

The details of yearly average of Indian Basket of Crude Oil, Retail Selling Prices of Petrol and Diesel at Delhi since 2019-20 are given below:

| F.Y. | Indian Basket of Crude Oil (\$/bbl) | RSP of Petrol (Rs./Ltr) | RSP of Diesel (Rs./Ltr) |
|------------------------------|--|--------------------------------|--------------------------------|
| 2019-20 | 60.47 | 72.69 | 65.78 |
| 2020-21 | 44.82 | 80.84 | 73.58 |
| 2021-22 | 79.18 | 98.05 | 87.42 |
| 2022-23 | 93.15 | 97.90 | 90.58 |
| 2023-24 | 82.58 | 96.63 | 89.53 |
| 2024-25 (Till 05.03.2025) | 79.04 | 94.74 | 87.64 |

Source: Petroleum Planning & Analysis Cell (PPAC)

Domestically, Petrol and Diesel prices have come down to Rs. 94.77 and Rs. 87.67 per litre respectively (Delhi prices) as a result of various steps taken by Government and PSU OMCs, Central Excise duty was reduced by the Central Government by a total of Rs. 13/litre and Rs. 16/litre on petrol and diesel respectively in two tranches in November 2021 and May 2022, which was fully passed on to consumers. Some State Governments also reduced state VAT rates to provide relief to citizens. In March, 2024, OMCs reduced the retail prices of petrol and diesel by Rs. 2 per litre each.

PSU OMCs have recently carried out an intra-state freight rationalisation. This has benefitted consumers located at remote areas, far from Petroleum Oil & Lubricants (POL) Depots in the form of reduced Petrol and Diesel prices in remote parts within the states. This initiative has also reduced the difference between the maximum and minimum retail prices of Petrol or Diesel within a state.

Government also took several other steps to insulate common citizens from high international prices, which included diversifying the crude import basket, invoking the provisions of Universal Service Obligation to ensure availability of petrol & diesel in domestic market, increasing the blending of ethanol in petrol, etc.

India has been the only major economy in the world where the prices of petrol and diesel have come down in recent years. Changes in prices of petrol and diesel in some major economies between November 2021 and January 2025 are as under:

| | % age Change in Prices between Nov-21 and Jan-25 | |
|----------------|--|---------------|
| Country | Petrol | Diesel |
| India (Delhi) | -13.60% | -10.92% |
| France | 14.21% | 15.08% |
| Germany | 7.87% | 12.43% |
| Italy | 8.65% | 11.39% |
| Spain | 8.67% | 12.93% |
| UK | 0.08% | 2.61% |
| Canada | 10.52% | 23.05% |
| USA | 4.83% | 12.86% |

Source: Petroleum Planning and Analysis Cell (PPAC)

Changes in prices of petrol and diesel in some neighboring economies between November 2021 and January 2025

| | % age Change in Prices between Nov-21 and Jan-25 | |
|----------------|--|---------------|
| Country | Petrol | Diesel |
| India (Delhi) | -13.60% | -10.92% |
| Pakistan | 29.76% | 34.97% |
| Bangladesh | 13.94% | 30.82% |
| Sri Lanka | 53.98% | 101.59% |
| Nepal | 22.02% | 31.32% |

Source: Petroleum Planning and Analysis Cell (PPAC)
