GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO-140
ANSWERED ON- 20/07/2026

PRICES OF PETROL, DIESEL AND GAS IN THE COUNTRY

140 SHRI HARIS BEERAN:

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

(a) whether it is a fact that despite the sharp fall in crude oil and petroleum products prices in the international market roughly 30 per cent to 40 per cent during the last two months, the prices of petrol, diesel and gas have not come down in the country;

(b) if so, the details thereof, and;

(c) whether Government proposes to take action to reduce the petroleum products in retail market; and

(d) if so, the details thereof?

ANSWER

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

(SHRI SURESH GOPI)

(a) to (d) India imports more than 88% of its crude oil requirements. Since March 2026, due to the West Asia crisis, international crude oil prices have risen significantly. To protect consumers from its impact, in March 2026 Government reduced the excise duties on petrol and diesel by Rs. 10 per litre each, resulting in a substantial negative impact on its tax revenues.

Crude oil prices (Indian basket) increased to USD 136.68/barrel during March 2026 and have continued to fluctuate due to various geopolitical and market factors. The geopolitical situation continues to be highly volatile. As a result, PSU OMCs have incurred huge losses on the sale of petrol, diesel, LPG, etc. Against this, Petrol and Diesel prices were increased only marginally by the PSU OMCs. The current RSP of Petrol and Diesel are Rs. 102.12 and Rs. 95.20 per litre respectively (Delhi prices).

Before the outbreak of conflict in the Middle East in February 2026, India imported about 60 percent of its LPG consumption, out of which about 90 percent was transiting through the Strait of Hormuz. With the closure of Strait of Hormuz, supplies of imported LPG suddenly dropped. To deal with it, the Government took a series of proactive measures to ensure stability in LPG supplies post the outbreak of the conflict. These include rapid increase in production of LPG, prioritization of household usage of LPG, diversification of import sources, dynamic stock management, inter-regional allocation to address localized shortages, etc.

As a result of the West Asia crisis, the average Saudi CP (the international benchmark for LPG pricing) rose upto US$ 780/MT in April and May 2026. In June 2026, as the Saudi CP rose further to US$ 796/MT (excluding premium), the Market Determined Price (MDP) of a 14.2 kg domestic LPG cylinder went upto Rs. 1,695 per 14.2 Kg cylinder. However, the Retail Selling Price of domestic LPG is being maintained at Rs. 942 per 14.2 Kg cylinder. For PMUY consumers, the effective price is Rs. 642 per cylinder in July 2026 after a targeted subsidy of Rs.300 per cylinder.

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