

LOK SABHA
UNSTARRED QUESTION NO. 1362
TO BE ANSWERED ON 09 FEBRUARY, 2023

Decline in Global Price of Crude Oil

†1362. SHRI RAKESH SINGH:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) whether there is decline in global crude oil prices in the current year and if so, the details thereof;
- (b) whether the benefit of decline in the price of crude oil is being transferred by petro companies to the common man and if so, the details thereof and if not, the reasons therefor; and
- (c) whether any action has been taken/being taken by the Government to reduce the prices of petrol/diesel in the country and if so, the details thereof?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्य मंत्री
(श्री रामेश्वर तेली)

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS
(SHRI RAMESWAR TELI)

(a) to (c): The prices of petrol and diesel in the country are linked to the prices of respective products in the international market and not to the Crude oil prices. While the crude oil prices have declined from USD 84.67 /bbl in January 2022 to USD 80.92/bbl in January 2023, international product prices of Petrol have slightly gone down from USD 96.16/bbl to USD 95.59/bbl and prices of diesel have increased from USD 97.09/bbl to USD 111.22/bbl during the corresponding period. Retail prices of petrol and diesel in the domestic market have been made 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. However, OMCs have not increased the prices of Petrol and Diesel from 6th April 2022. As against the combined 'Profit Before Tax' of Rs. 28360 Crore in H1 of financial year 2021-22, the three OMCs viz. IOCL, BPCL and HPCL have booked a combined loss of Rs. 27276 Crore in H1 of current financial year 2022-23.

The Central Government has reduced a Central Excise duty 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. The measure was aimed to give a further fillip to the economy and to boost consumption and keep inflation low, thus helping the poor and middle classes.

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