

LOK SABHA
UNSTARRED QUESTION NO. 3557
TO BE ANSWERED ON 10 AUGUST, 2023

Profit of Oil Companies

3557. SHRI ADHIKARI DEEPAK (DEV):

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

(a) whether it is true that the prices of Petrol and Diesel are still same, *i.e.*, Rupees 110 per litre (approx.) and Rupees 90 per litre, respectively despite the decrease in crude oil prices, *i.e.*, from \$125 per barrel (approx.) to \$75 per barrel and if so, the reasons therefor; and

(b) the details of profit of the Oil Companies due to this price difference during the last three years, year-wise?

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) & (b): Prices of petrol and diesel in the country 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.

Government reduced Central Excise duty by Rs. 13/ litre and Rs. 16/ litre on petrol and diesel respectively in two tranches in November 2021 and May 2022. The excise duty reductions were fully passed on to consumers and retail prices fell as a result. 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. Subsequently, many States/UTs have also reduced VAT rates on petrol and diesel.

The prices of petrol and diesel in the States across the country vary due to freight rates, VAT/local levies etc.

Public Sector Oil Marketing Companies (OMCs) report financial results broadly under the segments of downstream petroleum activity including refining and marketing of petroleum products, petrochemicals and other business streams.

Standalone Profit/(Loss) After Tax of the Public Sector oil Marketing Companies (OMCs) since 2020-21 is given below:

(Rs. in Crore)

OMCs	2020-21	2021-22	2022-23
IOCL	21,836	24,184	8,242
BPCL	19,042	11363*	1,870
HPCL	10,664	6,383	(8,974)

Source: Petroleum Planning and Analysis Cell (PPAC)

*Note: BPCL figures for 2021-22 have been restated after merger of Bharat Oman Refineries Limited (BORL) & Bharat Gas Resources Limited (BGRL) with BPCL