

LOK SABHA

**UNSTARRED QUESTION NO.180
TO BE ANSWERED ON 14TH SEPTEMBER, 2020**

Impact of Coronavirus on Crude Oil Prices

- 180. SHRI SELVAM G.
SHRI DHANUSH M. KUMAR:
SHRI C.N. ANNADURAI:
SHRI GAUTHAM SIGAMANI PON:**

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) whether the global outbreak of Coronavirus has led to prices of crude oil plunging in the world market, if so, the details thereof and the likely fallout on India's import of crude oil;
- (b) whether India has purchased huge tonne of crude oil when the prices of crude oil plunged in the world market and if so, the quantum of foreign exchange saved;
- (c) whether the Government will consider reducing the prices of petrol and diesel as a result of prices coming down in international market, if so, the details thereof and the reasons therefor;
- (d) whether constant increase in prices of petroleum products in the country has cascading effects on the overall prices on essential commodities; and
- (e) if so, the details thereof and the corrective steps taken by the Government in this regard?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्री

(श्री धर्मेन्द्र प्रधान)

**MINISTER OF PETROLEUM AND NATURAL GAS
(SHRI DHARMENDRA PRADHAN)**

- (a) The monthly average price of Indian Basket of Crude oil since January 2020 till date is given below:

Period	Indian Basket of Crude Oil (\$/bbl)
January-2020	64.31
February-2020	54.63
March-2020	33.36
April-2020	19.90
May-2020	30.60
June-2020	40.63

Period	Indian Basket of Crude Oil (\$/bbl)
July-2020	43.35
August-2020	44.19
September-2020 (till 9 th September 2020)	42.42

The month wise details of crude oil import during January-July 2020 as compared to January-July 2019 is given as **Annexure**.

(b) *The event of COVID 19 resulted in lockdown with increasing supply of crude oil in international market. Taking advantage of the low crude oil prices, India purchased 16.71 Million bbls of crude in April – May, 2020 and filled all the three Strategic Petroleum Reserves created at Vishakhapatnam, Mangalore and Padur. The average cost of procurement was US \$ 19 per bbl as compared to US \$ 60 per bbl prevailing during January, 2020, thus saving US \$ 685.11 Million which amounts to Rs. 5069 crores at an exchange rate of Rs. 74/- per US \$.*

(c) Prices of petrol and diesel have been made market-determined by the Government 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 in line with international product prices and other market conditions. Oil Marketing Companies take a decision on retail selling price after considering various aspects including international product prices, exchange rate, tax structure, inland freight and other cost elements.

(d) & (e) Petrol and Diesel prices are market-determined and increase or decrease according to market trend. The prices of transport fuels form a part of the Wholesale Price Index. The weightage of petrol and diesel in the WPI index is 1.60% and 3.10% respectively.

X-X-X-X-X

ANNEXURE

Annexure referred to in reply to part (a) of Lok Sabha Unstarred Question No. 180 asked by Shri Selvam G., Shri Dhanush M. Kumar, Shri C.N. Annadurai and Shri Gautham Sigamani Pon to be answered on 14th September, 2020 regarding “Impact of Coronavirus on Crude Oil Prices”.

The month wise details of crude oil import during January-July 2020 as compared to January-July 2019

Crude oil import during January - July 2019

January 2019	QTY.	Million tonne	19.7
	VALUE	US\$ (Billion)	8.3
		Rs. (Crores)	58811
February 2019	QTY.	Million tonne	17.1
	VALUE	US\$ (Billion)	7.7
		Rs. (Crores)	54282
March 2019	QTY.	Million tonne	19.2
	VALUE	US\$ (Billion)	8.9
		Rs. (Crores)	62578
April 2019	QTY.	Million tonne	19.7
	VALUE	US\$ (Billion)	9.7
		Rs. (Crores)	67512
May 2019	QTY.	Million tonne	18.9
	VALUE	US\$ (Billion)	9.5
		Rs. (Crores)	66382
June 2019	QTY.	Million tonne	16.9
	VALUE	US\$ (Billion)	8.0
		Rs. (Crores)	55095
July 2019	QTY.	Million tonne	19.4
	VALUE	US\$ (Billion)	9.0
		Rs. (Crores)	62690
Total (January - July 2019)	QTY.	Million tonne	130.8
	VALUE	US\$ (Billion)	61.3
		Rs. (Crores)	427350

Crude oil import during January - July 2020

January 2020	QTY.	Million tonne	20.1
	VALUE	US\$ (Billion)	9.5
		Rs. (Crores)	67850
February 2020	QTY.	Million tonne	18.6
	VALUE	US\$ (Billion)	7.7
		Rs. (Crores)	55357
March 2020	QTY.	Million tonne	19.5
	VALUE	US\$ (Billion)	5.8
		Rs. (Crores)	43077
April 2020	QTY.	Million tonne	16.6
	VALUE	US\$ (Billion)	3.1
		Rs. (Crores)	23301
May 2020	QTY.	Million tonne	14.6
	VALUE	US\$ (Billion)	2.3
		Rs. (Crores)	17200
June 2020	QTY.	Million tonne	13.7
	VALUE	US\$ (Billion)	3.2
		Rs. (Crores)	24448
July 2020	QTY.	Million tonne	12.3
	VALUE	US\$ (Billion)	3.8
		Rs. (Crores)	28517
Total (January - July 2020)	QTY.	Million tonne	115.5
	VALUE	US\$ (Billion)	35.4
		Rs. (Crores)	259751
