

**LOK SABHA**  
**UNSTARRED QUESTION NO. 636**  
**TO BE ANSWERED ON 25 JULY, 2024**

**Drop in price of Crude Oil**

636. Smt. Mala Roy:  
Shri Vijayakumar Alias Vijay Vasanth:  
Shri T R Baalu:

**पेट्रोलियम और प्राकृतिक गैस मंत्री**

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

- (a) whether the Government is aware that the retail selling price of Petrol and high-speed Diesel are hovering at a high level in comparison to neighbouring countries for months together and the benefit of considerable decrease in the price in the international market are not passed on to consumers, if so, the details thereof and the reaction of the Government thereto;
- (b) the reasons for not providing Petrol and Diesel at low price to the public; and
- (c) the details of policy of the Government on pricing of Petrol and Diesel?

**ANSWER**

**पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्य मंत्री**  
**(श्री सुरेश गोपी)**

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

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

India imports more than 85% of its crude oil requirements. Crude oil prices (Indian basket) increased from \$59.35/bbl (August 2019) to \$112.87/bbl (March 2022) and further to \$116.01/bbl (June 2022) and have continued to remain highly volatile.

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 April 2024 are as under:

	%age Change in Prices between Nov-21 and April-24	
<b>Country</b>	<b>Petrol</b>	<b>Diesel</b>
India (Delhi)	-13.65	-10.97
France	22.19	20.17
Germany	15.28	16.47
Italy	14.82	17.38
Spain	16.58	18.14
UK	5.79	9.56
Canada	22.07	22.24
USA	19.08	20.25

Source: Petroleum Planning and Analysis Cell

Changes in prices of petrol and diesel in some neighbouring economies between November 2021 and April 2024

	%age Change in Prices between Nov-21 and April-24	
<b>Country</b>	<b>Petrol</b>	<b>Diesel</b>
India (Delhi)	-13.65	-10.97
Pakistan	44.98	43.65
Bangladesh	22.01	40.24
Sri Lanka	75.54	142.91
Nepal	31.08	35.70

Source: Petroleum Planning and Analysis Cell

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

Central Government reduced 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, which was fully passed on to consumers. Some State Governments also reduced state VAT rates to provide relief to citizens. In March, 2024, OMCs also reduced the retail prices of petrol and diesel by Rs. 2 per litre each. Current RSP of petrol and diesel at Delhi is Rs. 94.72 and Rs. 87.62 per litre respectively.

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