

LOK SABHA
STARRED QUESTION NO. 125
TO BE ANSWERED ON 15 DECEMBER, 2022

Increase in the Price of Petrol and Diesel

*125. SHRI K. MURALEEDHARAN:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) whether there has been increase in the prices of petrol and diesel during the last two years and if so, the details thereof, year-wise;
- (b) the details of rise in price of domestic gas cylinder during the last two years, year-wise; and
- (c) the manner in which the extra/excess income generated through the price rise of domestic gas cylinder, petrol and diesel is likely to be utilized by the Government?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्री

(श्री हरदीप सिंह पुरी)

MINISTER OF PETROLEUM AND NATURAL GAS
(SHRI HARDEEP SINGH PURI)

(a) to (c): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (c) of Lok Sabha Starred Question No. 125 asked by Shri K. Muraleedharan to be answered on 15 December 2022 regarding “Increase in the Price of Petrol and Diesel”.

(a) to (c): India imports more than 85% of its crude oil requirements. Therefore, the prices of Petrol and Diesel in the country are linked to their respective prices in the international market. The retail prices of Petrol and Diesel depend on various factors viz. crude oil purchase price, exchange rate, shipping charges, inland freight, refinery margin, dealer commission, central taxes, state VAT and other cost elements.

While the average price of Indian basket of Crude oil increased by 102% (from \$43.34 to \$87.55) between November 2020 and November 2022, the retail prices of Petrol and Diesel have increased in India by only 18.95 % and 26.5 % during this period. A comparison of increase in prices of Petrol and Diesel in few countries is as follows:

(Prices in INR)

Country	Oct 2022		Oct 2020		% Change	
	Petrol	Diesel	Petrol	Diesel	Petrol	Diesel
India (Delhi)	96.72	89.62	81.06	70.53	19.3%	27.1%
USA	83.00	113.38	41.87	46.35	98.2%	144.6%
Canada	104.65	130.84	57.96	54.87	80.6%	138.4%
Spain	140.47	154.88	100.27	88.96	40.1%	74.1%
UK	152.41	171.35	108.06	112.76	41.0%	52.0%
Exchange rate	Rs. 82.34/\$		Rs. 73.46/\$		12 %	

Source : Petroleum Planning and Analysis Cell (PPAC), Based on IEA’s report for Nov’20 and Nov’22.

Prices of Petrol and Diesel have not been increased by public sector Oil Marketing Companies (OMCs) since 6th April 2022, despite record high international prices. As a result, 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.

To insulate the Indian consumers from the impact of high international crude oil prices, Central Government reduced the Central Excise duty twice on 21 November 2021 and 22 May 2022, effecting a cumulative reduction of Rs. 13 and Rs. 16 per litre for petrol and diesel respectively, which was fully passed on to consumers. Following these reductions in Central Excise duty, some of the States/UTs also reduced Value Added Tax (VAT) rates on Petrol and Diesel. The details of monthly average Retail Selling Prices (RSP) of Petrol and Diesel at Delhi since December 2020 are given at Annexure -I.

India imports more than 60% of its domestic LPG consumption. Prices of LPG in the country are based on Saudi Contract Price (CP), the benchmark for international prices of LPG. Saudi CP rose from 236 \$/MT in April 2020 to 952 \$/MT in April 2022 and continues to prevail at elevated levels currently. However, the Government continues to modulate the effective price to consumer for domestic LPG. Public Sector Oil Marketing Companies have suffered huge losses on sale of domestic LPG. To compensate these losses, the Government has recently approved a one-time compensation of Rs. 22000 crores to OMCs.

The details of Retail Selling Price (RSP) of domestic LPG (at Delhi) since December 2020 are given at Annexure-II.

Annexure referred to in reply to parts (a) to (c) of Lok Sabha Starred Question No. 125 raised by Shri K. Muraleedharan to be answered on 15 December 2022 regarding “Increase in the Price of Petrol and Diesel”

Date	Average RSP Petrol (Rs./Ltr)	Average RSP Diesel (Rs./Ltr)
Dec-20	83.54	73.70
Jan-21	84.89	75.07
Feb-21	88.83	79.11
Mar-21	91.06	81.37
Apr-21	90.47	80.80
May-21	92.32	82.96
Jun-21	96.52	87.27
Jul-21	101.09	89.71
Aug-21	101.74	89.52
Sep-21	101.24	88.80
Oct-21	105.43	94.07
Nov-21	104.57	87.85
Dec-21	95.69	86.67
Jan-22	95.41	86.67
Feb-22	95.41	86.67
Mar-22	96.51	87.77
Apr-22	105.05	96.31
May-22	102.61	94.40
Jun-22	96.72	89.62
Jul-22	96.72	89.62
Aug-22	96.72	89.62
Sep-22	96.72	89.62
Oct-22	96.72	89.62
Nov-22	96.72	89.62
Dec-22 (till 08.12.2022)	96.72	89.62

Source: PPAC

Annexure-II

Annexure referred to in reply to parts (a) to (c) of Lok Sabha Starred Question No. 125 raised by Shri K. Muraleedharan to be answered on 15 December 2022 regarding “Increase in the Price of Petrol and Diesel”

Effective Date	Domestic LPG (Rs./14.2 Kg Cylinder)
02-Dec-20	644.00
15-Dec-20	694.00
04-Feb-21	719.00
15-Feb-21	769.00
25-Feb-21	794.00
01-Mar-21	819.00
01-Apr-21	809.00
01-Jul-21	834.50
17-Aug-21	859.50
01-Sep-21	884.50
06-Oct-21	899.50
22-Mar-22	949.50
07-May-22	999.50
19-May-22	1003.00
06-Jul-22	1053.00

Source: PPAC