

GOVERNMENT OF INDIA  
MINISTRY OF PETROLEUM AND NATURAL GAS

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 773**  
ANSWERED ON 29/07/2024

**Increase /decrease in the prices of petroleum products**

773 SHRI RAMJI LAL SUMAN:  
SHRI JAVED ALI KHAN:

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

- (a) the details of increase/decrease in prices of petrol, diesel and LPG cylinders during the last six months till 28th July, 2024, date-wise and item-wise;
- (b) the details of increase/decrease in import price of crude oil by various oil marketing companies during the last six months, basket/import-wise and month-wise;
- (c) whether price of petroleum products are not being determined as per the price in international market/import price of crude oil; and
- (d) if so, the reasons therefor?

**ANSWER**

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

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

Government of India has taken several 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 and current RSP of petrol and diesel at Delhi is Rs. 94.72 and Rs. 87.62 per litre respectively

India imports more than 60% of its domestic LPG consumption. Prices of LPG in the country are linked to its price in the international market. Government continues to modulate the effective price to consumer for domestic LPG. During the period 2020-21 to 2022-23, the average Saudi CP (international benchmark for LPG pricing) went up from \$415 per MT to \$712 per MT. However, the increase in the international prices was not fully passed on to the customers.

Under PAHAL Scheme, the domestic LPG cylinders are sold at non-subsidised price and the applicable subsidy to the consumers is transferred directly into their bank accounts. Apart from the direct subsidy to consumers, the OMCs have also been compensated Rs 22,000 crore in FY 2022-23 by Government of India to cover the under-recoveries suffered by them in not passing on the high international LPG prices to the domestic LPG consumers.

W.e.f. 21<sup>st</sup> May, 2022, Government has been providing a targeted subsidy of Rs. 200 per 14.2 Kg LPG cylinder for Pradhan Mantri Ujjwala Yojana (PMUY) beneficiaries for upto 12 refills a year. Government reduced the retail selling price of domestic LPG by Rs. 200 per 14.2 Kg LPG cylinder with effect from 30<sup>th</sup> August, 2023. Moreover, w.e.f. 5<sup>th</sup> October, 2023, Government increased the targeted subsidy to Rs. 300 per 14.2 Kg LPG cylinder for all Pradhan Mantri Ujjwala Yojana (PMUY) beneficiaries. Government further reduced the RSP of domestic LPG by Rs. 100 per 14.2 Kg cylinder w.e.f. 9<sup>th</sup> March, 2024.

The current RSP of domestic LPG at Delhi is Rs. 803 per 14.2 Kg cylinder. With a targeted subsidy of Rs. 300 per cylinder (and proportionately prorated for 5 Kg cylinder), effective cost for PMUY consumers is Rs. 503 per 14.2 Kg cylinder (at Delhi) currently.

The details of monthly average prices of Indian basket crude oil and retail selling prices of Petrol and Diesel at Delhi since January 2024 are given at Annexure.

X-X-X-X-X

## Annexure

**Annexure referred to in reply to Rajya Sabha Unstarred Question No. 773 asked by Shri Ramji Lal Suman & Shri Javed Ali Khan to be answered on 29.07.2024 regarding “Increase /decrease in the prices of petroleum products”.**

| <b>Month</b>              | <b>Average Indian Basket of Crude Oil (\$/bbl)</b> | <b>Average RSP Petrol (Rs./Ltr)</b> | <b>Average RSP Diesel (Rs./Ltr)</b> | <b>RSP of domestic LPG (Rs./14.2 Kg cylinder)</b> | <b>Effective Cost to Consumer for PMUY beneficiaries (Rs./14.2 Kg cylinder)</b> |
|---------------------------|--|-------------------------------------|-------------------------------------|---|---|
| Jan-24                    | 79.22  | 96.72                               | 89.62                               | 903.00  | 603.00  |
| Feb-24                    | 81.62  | 96.72                               | 89.62                               | 903.00  | 603.00  |
| Mar-24                    | 84.49  | 95.62                               | 88.52                               | 803.00*   | 503.00*   |
| Apr-24                    | 89.44  | 94.72                               | 87.62                               | 803.00  | 503.00  |
| May-24                    | 83.62  | 94.72                               | 87.62                               | 803.00  | 503.00  |
| Jun-24                    | 82.55  | 94.72                               | 87.62                               | 803.00  | 503.00  |
| Jul-24<br>(Till 19.07.24) | 85.89  | 94.72                               | 87.62                               | 803.00  | 503.00  |

Source: Petroleum Planning & Analysis Cell (PPAC)

\* W.e.f. 9<sup>th</sup> March 2024