

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO- 144
ANSWERED ON- 25/11/2024

PRICES OF DIESEL AND PETROL

144 SHRI RANDEEP SINGH SURJEWALA:

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

- (a) whether the oil marketing companies will provide any respite in the prices of petrol and diesel as the global crude price has reduced by 21 per cent since March 2024, if so, the details thereof;
- (b) if not, the reasons therefor; and
- (c) the details of the revenue collected through central excise duty and other taxes and cesses on petrol and diesel since May 2019, till date?

ANSWER

THE 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.

Government has been taking various steps to ensure fair and reasonable prices for consumers. Domestically, Petrol and Diesel prices have come down from Rs. 110.04 and Rs. 98.42 per litre in November 2021 to Rs. 94.77 and Rs. 87.67 per litre respectively (as on 18.11.2024, Delhi prices) as a result of reduction of Central Excise duty by Central Government 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, across the country.

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.

Recently PSU OMCs have carried out intra-state freight rationalisation. This has benefitted consumers located at remote areas, far from Petroleum Oil & Lubricants (POL) Depots in form of reduced Petrol and Diesel prices in remote parts within the states. This initiative has also reduced the difference between the maximum and minimum retail prices of Petrol or Diesel within a state.

The details of contribution of petroleum sector to exchequer since 2019-20 are given below:

(Rs. in Crore)

F.Y.	Contribution to Central Exchequer	Contribution to State Exchequer	Total Contribution of Petroleum Sector to Exchequer
2019-20	3,34,315	2,21,056	5,55,370
2020-21	4,55,069	2,17,650	6,72,719
2021-22	4,92,303	2,82,122	7,74,425
2022-23	4,28,067	3,20,651	7,48,718
2023-24	4,32,394	3,18,762	7,51,156
2024-25 (Apr-June 2024)	79,192	76,774	1,55,966

The above is based on data provided to Petroleum Planning and Analysis Cell (PPAC) by 15 major oil & gas companies. The amount reported by the companies to PPAC is the consolidated amount of all taxes/cess/ duties /GST etc. for crude oil and petroleum products.
