

**GOVERNMENT OF INDIA  
PETROLEUM AND NATURAL GAS  
LOK SABHA**

UNSTARRED QUESTION NO:1335  
ANSWERED ON:03.03.2011  
PROCESSING COST OF PETROLEUM PRODUCTS  
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**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

- (a) the per litre cost of crude petroleum at the time of import;
- (b) the reasons for sharp rise in the cost of petroleum products after processing;
- (c) whether private companies export usable petroleum products after refining of oil; and
- (d) if so, the quantity of such exports made during the last three years alongwith the rate of export of such products?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRIR.P.N. SINGH)

(a) & (b): Cost of petroleum products primarily depends on the cost of crude oil, which constitutes a major portion of the cost. Since India imports about 80% of its crude oil requirements, the international price of crude oil necessarily has a bearing on the domestic, prices of petroleum products. The domestic oil companies do not have any control on the international prices of crude oil and petroleum products, which are influenced by several factors. Details of average price of the Indian Basket of crude oil during 2009-10 and 2010-11 (upto 28.02.2011) are as follows:

(\$/Litre)

	2009-10	2010-11 (upto 28.02,2011)
Average price of the Indian Basket of crude oil	0.52	0.44

(c) & (d): Yes, Madam. Private oil companies export petroleum products like petrol, diesel, ATF, lubes, fuel oil and bitumen, etc. The quantity of such exports made during the last three years and value thereof is as under:

2008-09	2009-10	2010-11 (April - December 2010)
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Quantity (MMT)	Value in crore Rs.	Quantity (MMT)	Value in crore Rs.	Quantity (MMT)	Value in crore Rs.
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26.12	86073.20	36.70	104603.50	29.99	91926.40
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MMT = Million Metric Tonne.