

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

UNSTARRED QUESTION NO:1709

ANSWERED ON:01.12.2011

PRICE OF CRUDE OIL

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

- (a) the price of Indian Crude Oil Basket during the last one year, month-wise;
- (b) the custom duty per barrel on crude oil imports;
- (c) the cost of refining petrol, diesel, kerosene and lubes per litre in the public sector oil refineries compared to the cost of their refining in private sector oil companies;
- (d) the central excise duty on petrol, diesel, kerosene and lubes alongwith the Value Added Tax on these products, State-wise;
- (e) the retail selling price of petrol, diesel, kerosene and lubes, State-wise; and
- (f) the commission/margin allowed to intermediate dealers in the supply chain between oil companies and consumers on these products?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R. P. N. SINGH)

(a): The average monthly price of Indian basket crude oil since November, 2010 is given below:-

Month	Indian Basket (\$ per barrel)
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November, 2010	84.26
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December, 2010	89.78
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January, 2011	93.87
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February, 2011	101.16
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March, 2011	110.72
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April, 2011	118.80
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May, 2011 110.70

June, 2011 109.99

July, 2011 112.53

August, 2011 106.94

September, 2011 108.79

October, 2011 106.11

Note - The composition of Indian Basket of Crude represents Average of Oman & Dubai for sour grades and Brent (Dated) for sweet grade in the ratio of 67.6:32.4 for 2010-11 and 65.2:34.8 for 2011-12.

(b): The Customs duty on crude oil is nil with effect from 25.06.2011.

(c): Refining of crude oil is a process industry, where crude oil constitutes around 90% of the total cost. Crude oil is processed through several processing units. Each of these units produce intermediate products streams, which require extensive reprocessing and blending. This results in difficulty in apportioning the total costs to individual refined products with reasonable accuracy. Therefore, individual product-wise costs are not identified separately.

(d): The details of Excise duty on Petrol, Diesel, Kerosene and Lubes and State-wise rates of VAT on these products are given in Annexure-1 and Annexure-2 respectively.

(e): The details of State-wise current retail selling prices of Petrol and Diesel are given in Annexure-3. The price of PDS Kerosene in metros is given below.

(Rs./litre)

Metro PDS Kerosene

Mumbai 14.10

Delhi 14.83

Chennai 13.66

Kolkatta 14.90

Lubes are free trade products and their final selling prices to the consumer depend upon the market situation in the respective market. For instance, Lubes marketed by the Indian Oil Corporation Limited (IOCL) have more than 1050 grades of Lubes and approximately 1300 Stock Keeping Units (SKU). All these grades and SKUs have different retail selling prices across States due to varied rates of VAT.

(f): The current rate of dealer/distributor commission on Petrol, Diesel and PDS Kerosene is given as under:

(Rs.per litre)

Product	Amount
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Petrol	1.50
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Diesel	0.91
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PDS Kerosene	# 0.28#
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Wholesaler dealer commission

In the case of Lubes, IOCL has reported that the average commission allowed to the intermediated dealers directly appointed by companies is at 6% of the selling price.