

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

UNSTARRED QUESTION NO:4310

ANSWERED ON:22.03.2013

PRICE OF PETROL

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

- (a) whether the Government has increased the price of petrol recently due to rise in price of petrol in international market;
- (b) if so, the details thereof along with the reasons for increase in price of petrol in international market;
- (c) the rate at which the Government has imported crude oil after increase in price in international market;
- (d) the per litre production cost of petrol in the country vis-a vis the price of petrol per barrel in international market at present; and
- (e) the import and excise duties levied on petrol and diesel per litre at present?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SMT. PANABAAGA LAKSHMI)

(a) & (b) The Government has made the price of Petrol market-determined with effect from 26.06.2010. Since then, the Public Sector Oil Marketing Companies (OMCs) take appropriate decisions on the pricing of Petrol in line with the international oil prices and market conditions. The details of revision in prices of Petrol since 1.4.2012 as per Indian Oil Corporation Limited (IOCL) are given in Annexure.

(c) The Government does not directly import crude oil. The crude oil is imported by Indian refineries both in Public Sector & Private Sector, as per their requirement, at prevailing international prices and commercial terms.

(d) 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 produces intermediate product streams, which require extensive reprocessing and blending. This results in difficulty in apportioning the total cost to individual refined products with reasonable accuracy. Therefore, individual product-wise costs are not identified separately. However, the average price of Petrol per barrel in international market during March, 2013 (upto 18.3.2013) is US\$ 121.52 per barrel.

(e) The rate of Customs Duty levied on Petrol and Diesel is currently 2.5%. The rate of Excise Duty on Petrol and Diesel is rs 9.48 per litre and rs 3.56 per litre (including Education Cess) respectively.