

LOK SABHA
UNSTARRED QUESTION NO. 1033
TO BE ANSWERED ON 17TH DECEMBER, 2018

Prices of Petroleum Products

†1033. **SHRI RAM KUMAR SHARMA:**

SHRI D.K. SURESH:

PROF. PREM SINGH CHANDUMAJRA:

SHRI C.N. JAYADEVAN:

SHRI MD. BADARUDDOZA KHAN:

SHRIMATI VEENA DEVI:

SHRI TEJ PRATAP SINGH YADAV:

SHRI DUSHYANT CHAUTALA:

SHRI K.C. VENUGOPAL:

SHRI E.T. MOHAMMED BASHEER:

PROF. SAUGATA ROY:

SHRI M.B. RAJESH:

SHRI NALIN KUMAR KATEEL:

SHRI VENKATESH BABU T.G.:

पेट्रो लयम और प्राकृतिक गैस मंत्री

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

- (a) whether the prices of Brent/ international Crude oil fell by 23 per cent from its peak in October to November, 2018 and there has been huge decline in the Indian basket of crude prices during the last two months along with strengthening of rupee have resulted in huge decline in our import bill;
- (b) if so, the details thereof along with the reasons for not reducing the prices of petrol, diesel and petroleum products in proportion to reduction of prices of international crude oil from October to November, 2018 product/month-wise along with impacts of lowering of crude oil prices on the import bill/country during the current year;
- (c) whether the price of petroleum products have been increasing day by day amongst protests/Bharat band by several organisations and reached to record level despite reduction in prices of crude oil in the international market and if so, the details thereof;
- (d) the cascading effects of such increase on essential commodities and common people along with measures taken/ being taken by the Government including change of existing pricing mechanism of petroleum products to reduce the prices of petroleum products and bring them under control;
- (e) whether the Government/State Governments propose to reduce taxes/ excise duty and subsidy provided on petrol and diesel to ensure that essential commodities are available to

common people at cheaper prices in the country and if so, the details thereof along with the number of times customs and excise duty increased during the last four years;

(f) whether the Government is selling petrol/diesel to other countries and if so, the details thereof along with the prices at which the products are being sold, country-wise; and

(g) the details of the amount paid to the Government by Oil Marketing Companies as tax and profit during the last five years, company/year-wise?

ANSWER

पेट्रो लयम और प्राकृतिक गैस मंत्री

(श्री धर्मेन्द्र प्रधान)

MINISTER OF PETROLEUM AND NATURAL GAS
(SHRI DHARMENDRA PRADHAN)

- (a) & (b) The prices of Brent Crude oil, Indian basket of crude oil and retail selling price of petrol/diesel at Delhi (as per IOCL) on 23rd October, 2018 and as on 11th December, 2018 are given as under:-

Particulars	Brent Crude	Indian Basket of Crude Oil	Petrol	Diesel
Prices as on	\$/bbl		₹ /ltr	
23.10.2018	78.09	78.11	81.34	74.85
11.12.2018	59.74	58.78	70.20	64.66

The prices of petroleum products are linked to the price of respective products in the international market and not to that of crude oil. Oil Marketing Companies take a decision on retail selling price after considering various aspects including international product prices, exchange rate, tax structure, inland freight and other cost elements and the pricing formula is based on 15-day moving average of the key cost elements in price build up of petrol and diesel.

The import bill of crude oil which was ₹ 2.42 Lakh crores during the period April to September, 2017 has increased to Rs.4.04 Lakh crores during the period April-September, 2018.

- (c) to (e) Prices of petrol and diesel have been made market-determined by the Government with effect from 26.06.2010 and 19.10.2014 respectively. Since then, the Public Sector Oil Marketing Companies (OMCs) take appropriate decision on pricing of petrol and diesel in line with international product prices and other market conditions. The OMCs have not only increased but also decreased the prices accordingly. The Government continues to modulate the effective price to consumer for Subsidized Domestic LPG and RSP of PDS Kerosene.

With an aim to reduce the prices of petrol and diesel and give relief to the consumers, the Central Government reduced the Central Excise duty on petrol and diesel by ₹ 2 per litre with effect from 4th October, 2017. The Central Government further reduced the Central Excise duty on petrol and diesel by ₹ 1.50 per litre with

effect from 5th October, 2018 and Public Sector OMCs also reduced ₹ 1.00 per litre to reduce the overall price of petrol and diesel. The Central Government also requested the State Governments to make a reduction of ₹ 2.50 per litre in VAT imposed by them on petrol and diesel. Accordingly, 18 State Governments and 1 Union Territory have reduced VAT on petrol and diesel.

The details of increase/decrease in Customs and Excise duty on petrol and diesel in the last four years are given as Annexure-I.

- (f) Oil Marketing Companies export petrol and diesel out of surplus arising after meeting the domestic demands. As per IOCL, during Financial Year 2018-19 (April-October), 1143 TMT HSD and 108 TMT MS is exported to Indonesia, Bangladesh, Malaysia, Myanmar, Singapore, UAE, Yemen and Sri Lanka for an amount of ₹ 5652 crore. Further, 229 TMT MS and 784 TMT HSD of ₹ 5217 crore has been exported to Nepal under a supply agreement between IOCL and Nepal Oil Corporation (NOC). Also, 8 TMT MS and 37 TMT HSD of ₹ 292 crore has been exported to Bhutan.
- (g) The details of the amount paid to the Government by oil and gas companies as contribution to exchequer (includes taxes, dividend etc.) during the last five years is given at the Annexure-II

X-X-X-X-X

Annexure-I

Annexure referred to in reply to parts (c) to (e) of Lok Sabha Unstarred Question No. 1033 asked by Shri Ram Kumar Sharma, Shri D.K. Suresh, Prof. Prem Singh Chandumajra, Shri C.N. Jayadevan, Shri Md. Badaruddoza Khan, Shrimati Veena Devi, Shri Tej Pratap Singh Yadav, Shri Dushyant Chautala, Shri K.C. Venugopal, Shri E.T. Mohammed Basheer, Prof. Saugata Roy, Shri M.B. Rajesh, Shri Nalin Kumar Kateel and Shri Venkatesh Babu T.G. to be answered on 17th December, 2018 regarding “Prices of Petroleum Products”.

Changes in Excise duty on petrol and diesel during the last four years

Date (w.e.f.)	Petrol	Diesel
	Total (₹ /litre)	
14.09.2012	9.48	3.56
13.11.2014	11.02	5.11
03.12.2014	13.34	6.14
02.01.2015	15.40	8.20
17.01.2015	17.46	10.26
01.03.2015*	17.46	10.26
07.11.2015	19.06	10.66
17.12.2015	19.36	11.83
02.01.2016	19.73	13.83
16.01.2016	20.48	15.83
31.01.2016	21.48	17.33
04.10.2017	19.48	15.33
05.10.2018	17.98	13.83

* With effect from 1/3/2015, education cess which was implemented w.e.f. 09.07.2004 and Higher secondary education cess which was implemented w.e.f. 01.03.2007 have been subsumed in the excise duty.

Annexure-II

Annexure referred to in reply to part (g) of Lok Sabha Unstarred Question No. 1033 asked by Shri Ram Kumar Sharma, Shri D.K. Suresh, Prof. Prem Singh Chandumajra, Shri C.N. Jayadevan, Shri Md. Badaruddoza Khan, Shrimati Veena Devi, Shri Tej Pratap Singh Yadav, Shri Dushyant Chautala, Shri K.C. Venugopal, Shri E.T. Mohammed Basheer, Prof. Saugata Roy, Shri M.B. Rajesh, Shri Nalin Kumar Kateel and Shri Venkatesh Babu T.G. to be answered on 17th December, 2018 regarding “Prices of Petroleum Products”.

Contribution of Petroleum Sector to exchequer

₹ crore

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18	H1, 2018-19 (P)
1. Contribution to Central Exchequer						
Tax/ Duties on Crude oil & Petroleum products	105950	126025	209354	273225	284446	135363
Dividend to Government/ Income tax etc.	46950	46040	44261	61309	59416	21501.92
Total Contribution to Central Exchequer	152900	172065	253615	334534	343862	156864.92
2. Contribution to State Exchequer						
Tax/ Duties on Crude & Petroleum products	152442	160526	160114	189587	208893	115461
Dividend to Government/ Direct tax etc.	18	28	95	183	262	38
Total Contribution to State Exchequer	152460	160554	160209	189770	209155	115499
Total Contribution of Petroleum Sector to Exchequer (1+2)	305360	332619	413824	524304	553017	272363.92

(P) Provisional

1. As per details provided by 16 oil & gas companies
2. Profit petroleum on exploration of Oil/ Gas as provided by MOP&NG.
3. Figures for the previous periods have been regrouped wherever necessary.

