

LOK SABHA

**UNSTARRED QUESTION NO. 180
TO BE ANSWERED ON 3RD FEBRUARY, 2020**

Rising Prices of Crude Oil

†180. **SHRI PARBATBHAI SAVABHAI PATEL:**
SHRI PARTHIBAN S.R.:
SHRI NARANBHAI KACHHADIYA:
SHRI A.K.P. CHINRAJ:
DR. T.R. PAARIVENDHAR:
SHRIMATI RATHVA GITABEN VAJESINGBHAI:
SHRI RAVNEET SINGH BITTU:
SHRI PRADEEP KUMAR SINGH:
SHRI SHANTANU THAKUR:
SHRI A. GANESHAMURTHI:

पेट्रो लयम और प्राकृतिक गैस मंत्री

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

- (a) whether it is a fact that there is a very serious crude oil price volatility which is emerging in the oil market due to the current international scenario and other related factors, if so, the details thereof including the price of crude oil during the last three years and the current year;
- (b) whether some sanction on supply of crude oil has resulted in decline in supply as well as rise in oil prices, if so, whether the Government has taken any initiative and devised any long-term strategy to tackle this emerging problem of fluctuating oil prices, if so, the details thereof and if not, the reasons therefor;
- (c) the details of the steps being taken by the Government to check the rising prices of petrol, diesel and LPG along with the steps being taken by the Government to ensure the supply of the energy needs of the country in view of the rising tensions in Central Asia;
- (d) whether the Union Government has taken a decision to double the crude oil imports from the US to meet any emergency situation arising out of the ongoing tussle between Iran and Iraq with US, if so, the details thereof; and
- (e) the terms and conditions laid down by the US Government along with the year-wise total expenditure likely to be incurred for the oil imports including the time by which the increased oil imports will reach in India?

ANSWER

पेट्रो लयम और प्राकृतिक गैस मंत्री

(श्री धर्मेन्द्र प्रधान)

**MINISTER OF PETROLEUM AND NATURAL GAS
(SHRI DHARMENDRA PRADHAN)**

- (a) & (b) Crude oil price fluctuations are a frequent market phenomenon that depends on several factors including demand and supply, geo-political situation and policies of crude oil producing countries.

The average price of Indian basket of crude oil during the last three years and current year is given as under:-

Year	Indian Basket of Crude Oil (\$/bbl)
2016-17	47.56
2017-18	56.43
2018-19	69.88
2019-20 (till 24 th January 2020)	64.06

Sanction had no impact in our ability to meet the requirement of crude oil and crude oil imports have increased from 213.9 MMT in 2016-17 to 226.5 MMT in 2018-19.

- (c) 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 Government modulates the effective cost to consumer for Subsidized Domestic LPG.
- (d) & (e) Indian Oil Corporation Limited has annual term contract for import of crude oil from U.S with effect from June 2019. The total import of crude oil from USA during F.Y 2018-19 was 6.4 MMT.

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