

Price Build-up of Diesel at Delhi Retail Outlets

Sr. No.	Elements	Unit	Effective 16th Aug'13
1*	FOB AG Price for Gasoil 0.05% Sulphur	\$/bbl	121.08
2	Trade Premium AG Price for Gasoil 0.05% Sulphur	\$/bbl	2.51
3	Derived Quality Premium for BS-III Grade	\$/bbl	0.13
4*	Ocean Freight from AG to Indian Ports	\$/bbl	1.74
5	C&F (Cost & Freight) Price (Sum of 1 to 4)	\$/bbl	125.46
	OR	Rs./Litre	47.48
6*	Import Charges (Insurance/Ocean Loss/ LC Charge/Port Dues)	Rs./Litre	0.44
7*	Customs Duty @2.58% (2.50% + 3% Education cess)	Rs./Litre	1.24
8*	Import Parity Price (at 29.5° C) (Sum of 5 to 7)	Rs./Litre	49.15
9*	Export Parity Price (at 29.5° C)	Rs./Litre	46.82
10*	Trade Parity Price (80% of (8)+20% of (9))	Rs./Litre	48.68
11*	Refinery Transfer Price (RTP) for BS-III Diesel (Price Paid by the Oil Marketing Companies to Refineries)	Rs./Litre	48.68
12	Add: Premium recovered for BS-IV Grade over BS-III	Rs./Litre	0.04
13*	Add : Inland Freight and Delivery Charges	Rs./Litre	0.89
14*	Add : Marketing Cost of OMCs	Rs./Litre	0.69
15*	Add : Marketing Margin of OMCs	Rs./Litre	0.70
16	Total Desired Price (Sum of 11 to 15) -Before Excise Duty, VAT and Dealer Commission	Rs./Litre	51.00
17*	Less: Under-recovery to Oil Marketing Companies	Rs./Litre	10.22
18	Price Charged to Dealers (Depot Price) (16-17) - Excluding Excise Duty & VAT	Rs./Litre	40.78
19*	Add : Specific Excise Duty @ Rs.3.56/Litre (Rs.3.46/Litre+ 3% Education cess)	Rs./Litre	3.56
20*	Add : Dealer Commission	Rs./Litre	1.09
21*	Add : VAT (including VAT on Dealer Commission) applicable for Delhi @ 12.50% and Air Ambience Charges @ Rs.250/KL.	Rs./Litre	5.96
22	Retail Selling Price at Delhi (Sum of 18 to 21)	Rs./Litre	51.40

*The explanatory notes are given in the attachment

**Fortnightly RTP is weighted average of all Indian Pricing Ports.

Price is for IOCL

Price Build-up of PDS Kerosene at Delhi

Sr. No.	Elements	Unit	Effective 1st Aug'13
1*	FOB Price at Arab Gulf of Jet / Kero (Kerosene)	\$/bbl	120.55
2*	Add: Ocean Freight from AG to Indian Ports	\$/bbl	2.23
3	C&F (Cost & Freight) Price	\$/bbl	122.78
		OR Rs./Litre	45.51
4*	Import Charges (Insurance/Ocean Loss/ LC Charge/Port Dues)	Rs./Litre	0.30
5*	Customs Duty	Rs./Litre	NIL
6*	Import Parity Price (at 29.5° C) (Sum of 3 to 5)	Rs./Litre	45.81
7*	Refinery Transfer Price (RTP) for PDS Kerosene (Price Paid by the Oil Marketing Companies to Refineries)	Rs./Litre	45.81
8*	Add : Inland Freight and Delivery Charges	Rs./Litre	0.75
9*	Add : Marketing Cost of OMCs	Rs./Litre	0.42
10*	Add : Marketing Margin of OMCs	Rs./Litre	0.33
11	Total Desired Price (Sum of 7 to 10) -Before Excise Duty, VAT and Wholesale & Retailer Commission	Rs./Litre	47.31
12*	Less : Subsidy by Central Government	Rs./Litre	0.82
13*	Less: Under-recovery to Oil Marketing Companies	Rs./Litre	33.54
14	Price Charged to Dealers (Depot Price) (11-12-13) - Excluding Excise Duty & VAT	Rs./Litre	12.95
15*	Add : Excise Duty (Including Education Cess)	Rs./Litre	0.00
16*	Add : Wholesale & Retailer Commission and Other charges fixed by State Government	Rs./Litre	1.29
17*	Add : VAT (including VAT on Wholesale & Retailer Commission) applicable for Delhi	Rs./Litre	0.71
18	Retail Selling Price at Delhi (Sum of 14 to 17)	Rs./Litre	14.96

* The explanatory notes are given in the attachment.

**Monthly RTP is weighted average of all Indian Pricing Ports.

Price Build-up of Domestic LPG (Subsidized) at Delhi

Sr. No.	Elements	Unit	Effective 1st Aug'13
1*	FOB Price at Arab Gulf of LPG	\$/MT	789.39
2*	Add: Ocean Freight from AG to Indian Ports	\$/MT	44.36
3	C&F (Cost & Freight) Price	\$/MT	833.75
		OR Rs./Cylinder	707.36
4*	Import Charges (Insurance/Ocean Loss/ LC Charge/Port Dues)	Rs./Cylinder	5.92
5*	Customs Duty	Rs./Cylinder	NIL
6*	Import Parity Price (Sum of 3 to 5)	Rs./Cylinder	713.28
7*	Refinery Transfer Price (RTP) for Domestic LPG (Price Paid by the Oil Marketing Companies to Refineries)	Rs./Cylinder	713.28
8*	Add : Inland Freight and Delivery Charges	Rs./Cylinder	39.30
9*	Add : Marketing Cost of OMCs	Rs./Cylinder	10.52
10*	Add : Marketing Margin of OMCs	Rs./Cylinder	6.19
11	Add : Bottling Charges (Filling and Cylinder Cost)	Rs./Cylinder	38.68
12	Total Desired Price (Sum of 7 to 10) -Before Excise Duty, VAT and Distributor Commission	Rs./Cylinder	807.98
13*	Less : Subsidy by Central Government	Rs./Cylinder	22.58
14*	Less: Under-recovery to Oil Marketing Companies	Rs./Cylinder	411.99
15*	Price Charged to Distributor (Bottling Plant Price) (12-13-14) - Excluding Excise Duty & VAT	Rs./Cylinder	373.41
16*	Add : Excise Duty (Including Education Cess)	Rs./Cylinder	0.00
17*	Add : Distributor Commission: Establishment charges - Rs.22.25/Cylinder & Delivery Charges - Rs.15.00/Cylinder	Rs./Cylinder	37.25
18*	Add : VAT(including VAT on Distributor Commission) applicable for Delhi	Rs./Cylinder	0.00
19*	Retail Selling Price (Sum of 15 to 18)	Rs./Cylinder	410.66
20	Retail Selling Price at Delhi (Rounded)	Rs./Cylinder	410.50

* The explanatory notes are given in the attachment.

**Monthly RTP is weighted average of all Indian Pricing Ports.

Element wise explanation of Price Build up of Diesel

Sr. No.	Elements	Description
1 & 2	FOB Price & Trade Premium	FOB (Free on Board) daily quotes of Gasoil at Arab Gulf including premium /discount published by Platts and Argus publications are averaged for previous fortnight.
2	Ocean Freight	Ocean freight from Arab Gulf to destination Indian ports as per World Scale freight rate adjusted for AFRA.
4	Import Charges	Insurance charges, Ocean Loss, LC Charges & Port dues applicable on import of product.
5	Customs Duty	Customs duty on diesel is 2.50% + 3% Education cess.
6	Import Parity Price (IPP)	IPP represents the price that importers would pay in case of actual import of Diesel at the respective Indian ports.
7	Export Parity Price (EPP)	EPP represents the price which oil companies would realize on export of diesel i.e. FOB price of product (serial no.1) plus Advance License benefit (ALB) (for duty free import of crude oil pursuant to export of refined products). Consequent to abolition of Customs Duty of Crude oil effective 25.06.2011, the ALB is currently NIL.
8	Trade Parity Price (TPP)	Trade Parity Price is 80% of IPP & 20% of EPP effective 16.6.2006 as per recommendations of Rangarajan Committee Report.
9	Refinery Transfer Price (RTP)	RTP based on Trade Parity Price is the price paid by the Oil Marketing Companies to domestic refineries for purchase of diesel at refinery gate.
11	Inland Freight & Delivery charges	It comprises of average freight from ports to inland locations and delivery charges up to Retail Outlet.
12	Marketing Cost	Marketing Cost & Margin is as per Marketing Cost Study Report, Nov. 2006 by Cost Accounts Branch, MoF.
13	Marketing Margin	
15	Under recovery to OMCs	Difference between Desired Price and Actual selling price (excluding Excise Duty, VAT and dealer commission), represents under-recoveries to OMCs.
17	Excise Duty	Excise duty on diesel is Rs.3.46/ Litre + Education Cess @ 3%.
18	Dealer Commission	Dealer commission on diesel is Rs.912/KL (effective 01-July-2011) as fixed by MoP&NG.
19	VAT (Sales Tax)	VAT at applicable rate in respective State. It varies from state to state. Currently in Delhi, State Taxes on Diesel is VAT @ 12.50% + Air Ambience charges Rs.250/KL.

Element wise explanation of Price Build up of PDS Kerosene

Sr. No.	Elements	Description
1	FOB Price	FOB (Free on Borad) daily quotes of Jet/Kerosene at Arab Gulf including premium / discount published by Platts and Argus publications are averaged for previous month.
2	Ocean Freight	Ocean freight from Arab Gulf to destination Indian ports as per world scale freight rates adjusted for AFRA.
4	Import Charges	Import charges comprises of Insurance, Ocean Loss, LC Charges & Port dues applicable on import of product.
5	Customs Duty	Customs duty on PDS kerosene is Nil.
6	Import Parity Price (IPP)	IPP represents the price that importers would pay in case of actual import of kerosene at the respective Indian ports. Import Parity Principle is as per the 'PDS Kerosene and LPG (Domestic) Subsidy Scheme, 2002'.
7	Refinery Transfer Price (RTP)	RTP based on Import Parity Price, the price paid by OMCs to refineries.
8	Inland Freight & Delivery charges	It comprises of average freight from ports to inland locations and delivery charges.
9	Marketing Cost	Marketing Cost & Margin are as fixed in the 'PDS Kerosene and LPG (Domestic) Subsidy Scheme, 2002'.
10	Marketing Margin	
12	Subsidy by Central Government	Average subsidy of Rs.0.82/Litre is provided from Government Budget as per the 'PDS Kerosene and LPG domestic subsidy scheme 2002'.
13	Under recovery to OMCs	Difference between desired price (based on Import Parity) and actual selling price (excluding Excise Duty, VAT , wholesale & retail dealer commission and other charges), represents under-recoveries to OMCs.
15	Excise Duty	Excise duty on PDS kerosene is Nil.
16	Wholesale & Retail Dealer Commission and Other charges fixed by State Government	Commission fixed for Wholesale & Retail Dealer and other charges like delivery charges by District authorities / State Government.
17	VAT (Sales Tax)	VAT at applicable rate in respective State. It varies from state to state. Currently in Delhi, VAT on PDS kerosene is 5.00%.

Element wise explanation of Price Build up of Domestic LPG

Sr. No.	Elements	Description
1	FOB Price	FOB (Free on Board) of LPG is weighted average of Saudi Aramco contract price (CP) for Butane (60%) & Propane (40%) for previous month and also includes daily quotes of premium / discount (published by Platts Gaswire) averaged for previous month.
2	Ocean Freight	Ocean freight from Arab Gulf to destination Indian ports based on charter hire rates obtained from Clarkson Shipping Intelligence weekly.
4	Import Charges	Import charges comprises of Insurance, Ocean Loss, LC Charges & Port dues applicable on import of LPG.
5	Customs Duty	Custom duty on domestic LPG is Nil.
6	Import Parity Price (IPP)	IPP represents the price that importers would pay in case of actual import of product at the respective Indian ports. Import Parity Principle is as envisaged in the 'PDS Kerosene and LPG (Domestic) Subsidy Scheme, 2002'.
7	Refinery Transfer Price (RTP)	RTP is based on Import Parity Price. This is the price paid by the Oil Marketing Companies to domestic refineries for purchase of finished petroleum products at refinery gate.
8	Inland Freight & Delivery charges	It comprises of average freight from port to inland locations and Local Delivery charges up to distributor.
9	Marketing Cost	Marketing Cost & Margin as fixed under notified 'PDS Kerosene and LPG (Domestic) Subsidy Scheme, 2002'.
10	Marketing Margin	
11	Bottling Charges (Filling & Cylinder Cost)	The cost incurred towards filling LPG in 14.2 Kg. cylinders as per notified 'PDS Kerosene and LPG (Domestic) Subsidy Scheme, 2002'.
13	Subsidy by Central Government	Average Subsidy of Rs.22.58/Cylinder is provided from Government Budget as per 'PDS kerosene and domestic LPG subsidy scheme, 2002'.
14	Under recovery to OMCs	Difference between Desired price and actual selling price (excluding Excise Duty, VAT and distributor commission), represents under-recoveries to OMCs.
16	Excise Duty	Excise duty on domestic LPG is Nil.
17	Distributor Commission	LPG distributor commission Rs.37.25/Cylinder (effective 07-Oct-2012) is as approved by MoP&NG.
18	VAT (Sales Tax)	VAT at applicable rate in respective States. It varies from state to state (up to a maximum of 5% as Domestic LPG is 'Declared Goods' under CST Act). Currently VAT at Delhi is Nil.