INDUSTRY CONSUMPTION REPORT-POL & NG, JULY 2023

CONTENTS

वितरण CIRCULATION:

पेट्रोलियम और प्राकृतिक गैस मंत्रालय:	**MoP&NG:**
निजी सचिव- माननीय मंत्री - (पेट्रोलियम और प्राकृतिक गैस) ओ एस डी- माननीय मंत्री - (पेट्रोलियम और प्राकृतिक गैस) निजी सचिव- माननीय राज्य मंत्री - (पेट्रोलियम और प्राकृतिक गैस) सचिव, पीएनजी अपर सचिव, पीएनजी अपर सचिव एवं वित्त सलाहकार संयुक्त सचिव (रिफाइनरी व मार्केटिंग) संयुक्त सचिव (एक्सप्लोरेशन व बायो रिफाइनरी) संयुक्त सचिव (जीपी) संयुक्त सचिव (जी) उप महानिदेशक, (इ एवं एस) संयुक्त सचिव (आईएफडी) संयुक्त सचिव (आईसी) **डी जी एच:** महानिदेशक (डी जी एच) **ओ आई डी बी :** सचिव (ओ आई डी बी) नीति आयोग: सलाहकार (ऊर्जा), नीति आयोग **उद्योग:** अध्यक्ष, आईओसी, / ओएनजीसी, नई दिल्ली अध्यक्ष एवं प्रबंधक निदेशक- बीपीसी/एचपीसी/गेल निदेशक (मार्के.), आईओसी/ बीपीसी/ एचपीसी/ गेल प्रेजिडेंट, आरआईएल / एमडी और सीईओ, एच एम ई एल / सीईओ (मार्के.) नयारा एनर्जी महानिदेशक, फिपी प्रबंध निदेशक-एनआरएल, गुवाहाटी/सीपीसीएल, चेन्नई/एमआरपीएल, मंगलुरु ओएमसी योजना एवं रिटेल ग्रुप – एचओ	PS to Hon'ble Minister (P&NG) OSD to Hon'ble Minister (P& NG) PS to Hon'ble Minister of State (P&NG) Secretary, P&NG Additional Secretary, P&NG Additional Secretary & Financial Advisor Jt. Secretary (Refinery & Marketing) Jt. Secretary (Exploration & Biorefinery Jt. Secretary (GP) Jt. Secretary (G) Deputy Director General (E&S) Jt. Secretary (IFD) Jt. Secretary (International Cooperation) **DGH:** DG, DGH **OIDB:** Secretary (OIDB) **NITI Aayog:** Advisor (Energy), NITI Aayog **Industry:** Chairman, IOC / ONGC New Delhi C&MD – BPC / HPC / GAIL Director (Mkt.), IOC/ BPC / HPC /GAIL President - RIL, MD & CEO – HMEL, CEO (Mktg.) – Nayara Energy DG, FIPI MD- NRL, Guwahati/ CPCL, Chennai/ MRPL, Mangalore OMCs Planning & Retail Groups – HO

Highlights of the month:

₹1,65,105 crore gross GST revenue collected in July 2023; 11% Year-on-Year growth. Monthly GST revenues more than ₹1.6 lakh crore for the FIFTH time since inception, with ₹1.5 lakh crore crossed for the 8th time since inception of GST. The collection might increase further due to extensive Departmental GST audits scheduled before September 2023.

The average FOB (Free on Board) price of Indian basket crude oil during the month July-2023 was USD 80.37/bbl.

The power demand in July 2023 marked 6.2% growth as compared to July 2022 and power deficit was reduced to 0.1% in the month of July 2023. The average rainfall during the month was at 315.9 mm with 13% departures from Long Period Average (LPA). Traffic at major ports during the month of July 2023 recorded a YoY growth 9.7% of the volumes in the month of July 2022.
The growth percentage in consumption of petroleum products, category-wise, for the month of July 2023 is given in Table-1.

SUMMARY OF PRODUCT WISE POL CONSUMPTION PROFILE FOR JULY-23

1. The consumption of petroleum products in July 2023 with a volume of 18.1 MMT registered 1.9% & 0.6% growth YoY basis over the volume of 17.8 MMT and 17.99 MMT in July 2022 & pre oandemic 2019 respectively.

2. MS (Petrol) consumption during the month of July 2023 with a volume of 2.99 MMT (0.86 mbpd) recorded a growth of 6.3% on the volume of 2.81 MMT (0.80 mbpd) in July 2022.

   The Sale of Passenger Vehicles in July-2023 with a volume of 3.03 lacs registered 2.9% growth over volume of 2.94 lacs during July-2022. Two-wheeler sales in July 2023 with a volume of 12.8 lacs recovered 92.8% over volume of 13.8 lacs during July-2022. Three-wheeler domestic passenger vehicles touched a sales volume of 0.56 lac in July-2023 registering 78.9% YoY growth rate over a volume of 0.31 lac in July-2022.

3. HSD (Diesel) consumption during the month of July 2023 with a volume of 6.9MMT (1.69 mbpd) recorded a growth of 3.9% on the volume of 6.6 MMT (1.63 mbpd) MMT in the month of July-22

4. LPG consumption during the month of July 2023 with a volume of 2.39 MMT recovered 99.4% over the volume of 2.40 MMT in July-2022. As usual, LPG consumption during the month had been largely driven by consumption in packed domestic category (89%).

5. ATF consumption during July 2023 with a volume of 0.66 MMT registered a growth of 14.8%, over a volume of 0.58 MMT during the month of July 2022.

6. Bitumen consumption during July 2023 with a volume of 0.53 MMT registered 55.8% growth over the volume of 0.34 MMT in the month of July 2022.

7. Kerosene (SKO) consumption with a volume of 0.05 MMT registered a growth of 114.6% in July 2023 as compared to July 2022. SKO consumption during the month is largely constituted by PDS category 0.36MMT.

8. Average percentage of ethanol blending in petrol (EBP) marked 11.92% in July-2023. Around 45.8 cr litre ethanol has been blended in petrol under EBP program during July-2023.

9. Total Natural Gas Consumption (including internal consumption) for the month of July 2023, with a volume of 5.3 BCM, registered 4.5% growth over the volume of 5.1 BCM, in corresponding month of the previous year.

10. As on 1st August-23, number of LPG domestic connections 3143.1 lacs, PMUY connections 9.586 crores , LPG distriburtors in gramin kshetriya 11752 and LPG distriburtors in durgam kshatriya 2016; the number of ROs equipped with CNG/ CBG is 5123, with EV charging facility 8998. In total more than 15% outlets have alternate fuel.

This report analyses the trend of consumption of petroleum products in the country during the month of July 2023. Data on product-wise monthly consumption of petroleum products for July 2023 is uploaded on the PPAC website (www.ppac.gov.in) and on the mobile app "PPAC". A small summary of Natural Gas consumption is also provided.

Detailed NG production and consumption reports are available at www.ppac.gov.in.

Table-1: Petroleum Products Consumption (Quantity in TMT)

Product	July				April-July		
	2022	2023	% share of July-23	Growth (%)	2022-23	2023-24	Growth (%)
(A) Sensitive Products							
LPG	2404	2389	13	**-0.6**	8945	9123	2.0
SKO	23	50	0.3	**114.6**	209	173	-17.1
Sub Total	**2427**	**2439**	**13**	**0.51**	**9154**	**9296**	**1.6**
(B) Major Decontrolled Product							
HSD	6633	6893	38	**3.9**	28794	30835	**7.1**
MS	2808	2985	17	**6.3**	11591	12363	**6.7**
Naphtha	1151	1067	6	**-7.3**	3901	4312	**10.5**
ATF	579	664	4	**14.8**	2315	2633	**13.7**
Bitumen	341	531	3	**55.8**	2566	3027	**18.0**
FO/LSHS	558	569	3	**2.1**	2178	2273	**4.3**
Lubes+Greases	311	307	2	**-1.2**	1221	1224	**0.3**
LDO	60	63	0.3	**4.6**	224	256	**14.0**
Sub Total	**12440**	**13080**	**72**	**5.1**	**52790**	**56922**	**7.8**
(C) Other Minor Decontrolled Products							
Pet.Coke	1669	1568	9	**-6.0**	6164	6379	**3.5**
Others*	1213	1001	6	**-17.5**	4992	4239	**-15.1**
Sub Total	**2882**	**2569**	**14**	**-10.9**	**11156**	**10618**	**-4.8**
Total	**17749**	**18088**	**100**	**1.9**	**73100**	**76836**	**5.1**

**Others include sulfur, propylene, propane, reformat, L.A.B.F.S, CBFS, butane, MTO etc.*

NOTE :

i) All figures are provisional.

ii) The source of information includes Oil Companies, DGCIS & online SEZ data.

iii) The consumption estimates represent market demand and is aggregate of :

(a) actual sales by oil companies in domestic market,

(b) consumption through direct imports by private parties (Private direct imports prorated for June-July'23, which may undergo change on receipt of actual data), and

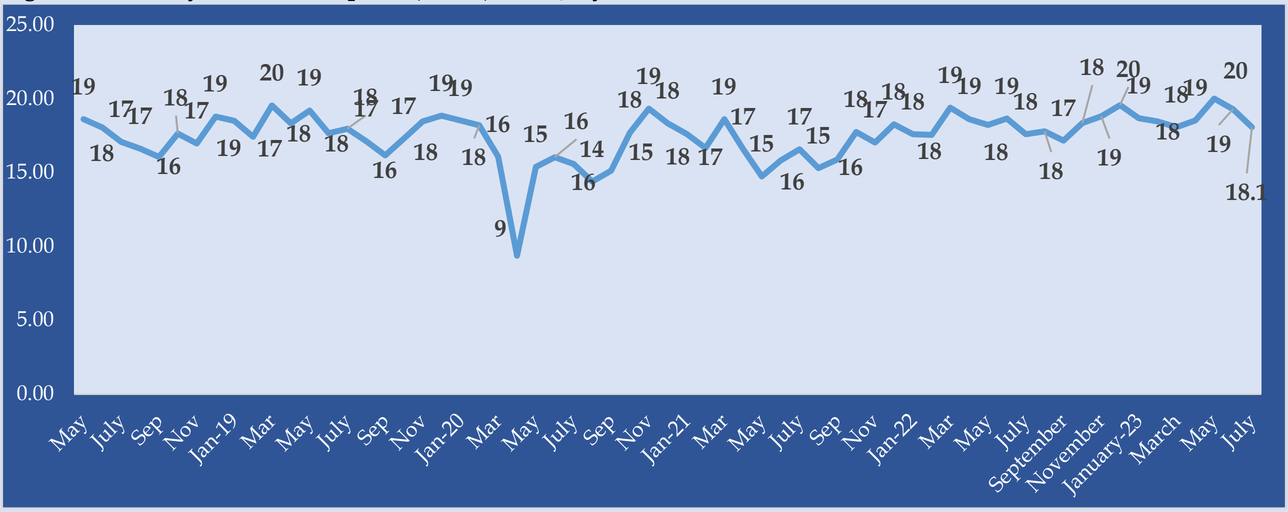
(c) sales by SEZ units in Domestic Tariff Area (DTA)

PPAC analyses the sales recorded by the industry and domestic sales by SEZ units based on available data. Data on direct private imports are received from DGCIS, which is added to the final sales reported by oil companies and domestic sales by SEZ units, for estimation of consumption figures.

Overall consumption of all petroleum products in July 2023 with a volume of 18.1 MMT registered 1.9% growth over the volume of 17.8 MMT in July 2022. The products which registered a growth in the month of July 2023 were ,SKO 114.6%, High Speed Diesel (HSD) 3.9%, Petrol (MS) 6.3%, Aviation Turbine Fuel (ATF) 14.8%, Bitumen 55.8%, FO& LSHS 2.1% and Light Diesel Oil (LDO) 4.6% compared to July 2022.

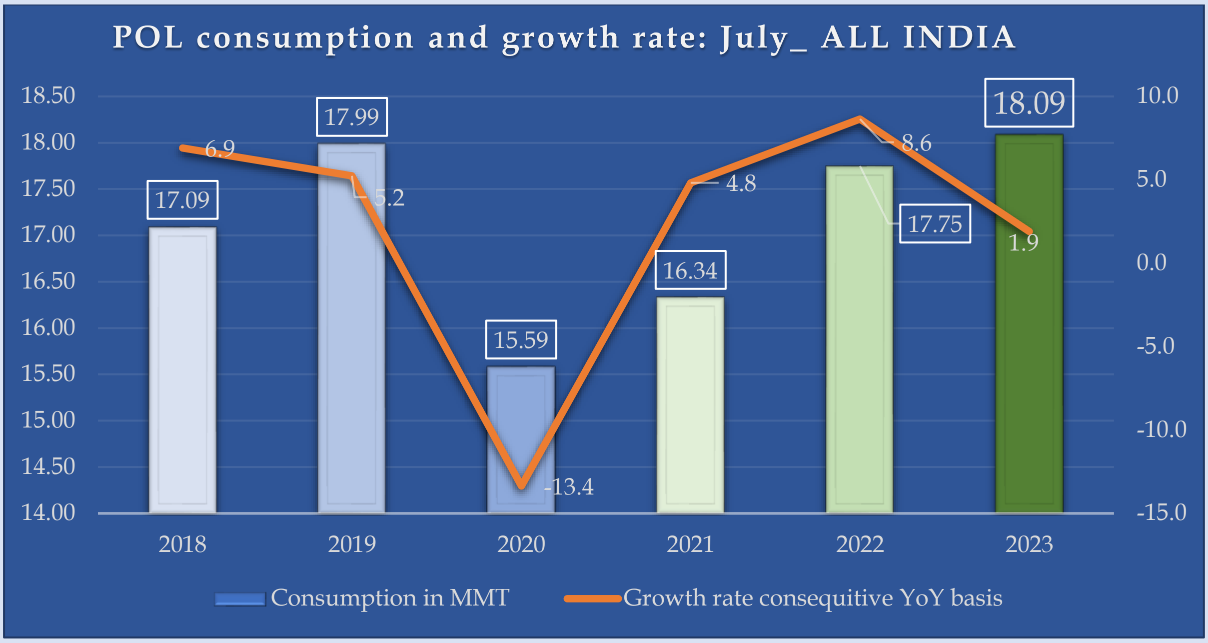
Pan India based domestic POL monthly consumption trend since July-2018 is shown in Figure-1.

Figure-1: **Monthly POL consumption (MMT) since July 2018**



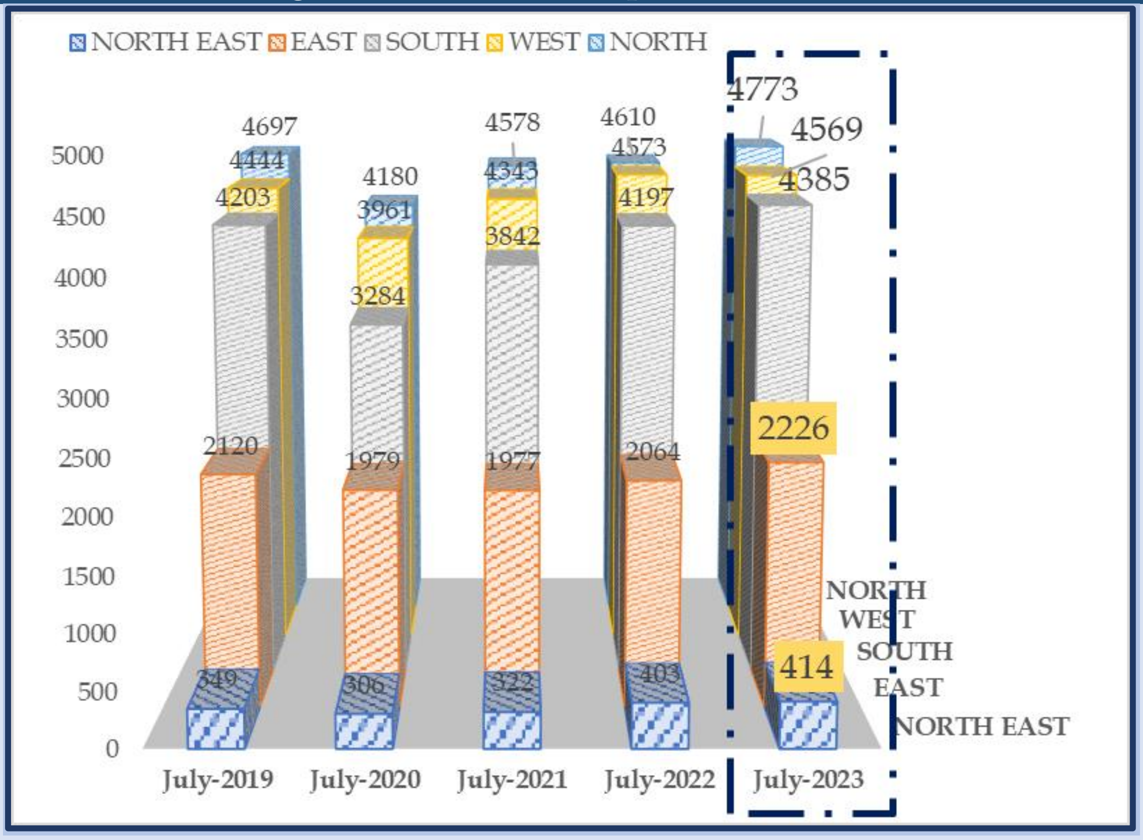
The overall POL domestic consumption profile of the month July & its pattern since 2018 with corresponding consequitive YoY growth rates were shwon in the Chart-1; it is found that July-23 consumption was quite promisiong and it is better that pre-covid era also, as shown in the chart.

Chart-1: POL consumption & Growth rate YoY basis



So far as zone wise POL consumption is concerned, except west, all other zones have shown appreciable growth rate ; Highest growth rate YoY basis observed in EASTERN zone 7.9% followed by South 4.5%,NORTH 3.5%, North-East 2.8%. West zone showed under recovery profile ~ 99.9% recovered. Top three districts with respect to over all domestic POL sales were Jamnagar (453TMT), Panipat (310TMT) and Bangalore Urban (282 TMT). The following chart-1A shows Zone wise POL July-consumption trend for last FIVE years.

Chart-1A: Region wise POL consumption & Growth rate YoY basis



Source: PPAC Y2 data & OMCs sales
Sales data in TMT

PETROL/MOTOR SPIRIT (MS):

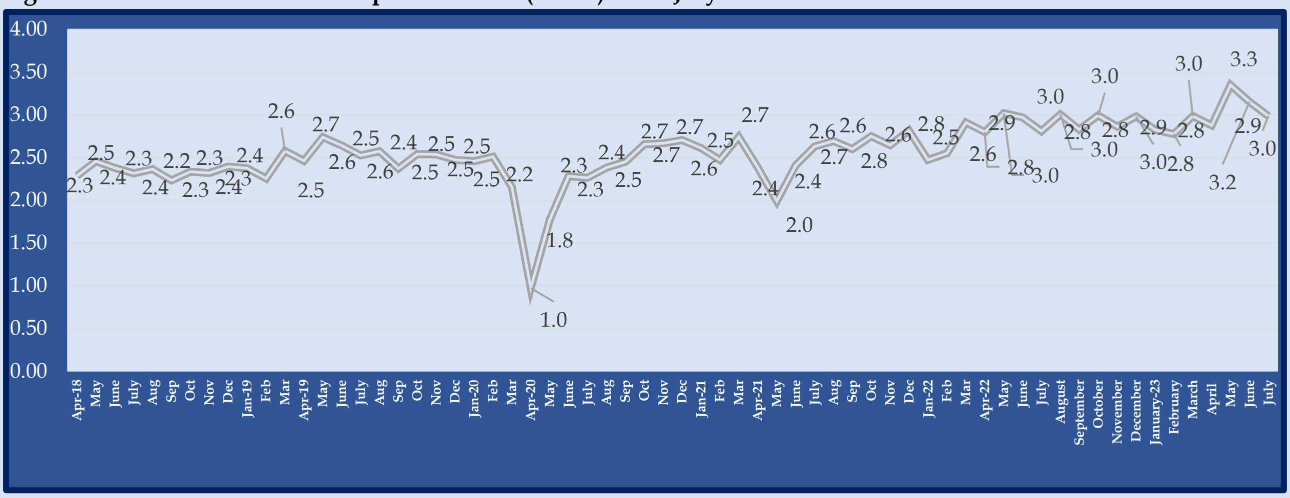
MS (Petrol) consumption during the month of July 2023 with a volume of 2.99 MMT registered a growth of 6.3% and 18.3% over the volume of 2.81MMT & 2.52MMT in July 2022 & pre-pandemic 2019 respectively.

Major factors contributing to MS consumption during the month are as follows:

- Economic momentum was well maintained at accelerated space during the month as shown in economic factors like e-way bill, GST collection, PMI index etc.
- Tourism dependent states saw a heavy influx of travelers giving a boost to economic activities; Delayed monsoon (El-Nino effect after 7 yrs in Indian Ocean) increased vehicles movement.
- However, in few states MS consumption was affected by excessive rainfall, floods,landslides etc.
- Holiday travel attributed to higher car sales attributing increased MS consumption.

Pan India based domestic MS monthly consumption trend since July-2018 is shown in Figure-2

Figure-2: Month wise MS consumption volume (MMT) since July 2018



OTHER FACTORS IMPACTING CONSUMPTION OF MS:

PASSENGER VEHICLE SALES:

The Sale of Passenger Cars in July 2023 at 3.03 lacs registered 2.9% growth YoY basis over sale of 2.94 lacs in the month of July 2022.

Utility vehicles recorded a growth of 31.7% during the current month as compared to the same period previous year. Vans recovered 90.9% growth YoY basis with respect to July-22, *as shown in the following Table-2.*

Table-2: Passenger cars & Utility vehicles sales in the month of July 2023 (Primary sales data)

Vehicle Segment	July		
	2022	2023	Growth %age
Passenger Cars	1,43,522	1,09,859	-23.5
Utility Vehicles	1,37,104	1,80,625	31.7
Vans	13,239	12,037	-9.1
Total PV	2,93,865	3,02,521	2.9

Source: SIAM (BMW, Mercedes, JLR, Tata Motors and Volvo Auto data not available)

TWO-WHEELER SALES:

Two-wheeler sales in July 2023 with a volume of 12.8 lacs recovered 92.8%, YoY basis over volume of 13.8 lacs during July 2022, ***as shown in the following table-3.***

THREE-WHEELER SALES

Three-wheeler domestic sales in July 2023 with a volume of 0.56 lac recorded a growth of 78.9%, YoY basis over the volume of 0.31 lac in July-2022, ***as shown in the following table-3.***

Table-3: Two & Three Wheelers vehicle sales in the month of July 2023 & YoY comparison (Primary sales data)

Vehicle Segment	July		
	2022	2023	Growth %age
Scooters/Scotrette	4,79,159	4,28,640	-10.5
Motor Cycles/Step-Throughs	8,70,028	8,17,206	-6.1
Mopeds	32,116	36,208	12.7
Total Two Wheelers	13,81,303	12,82,054	-7.2
Passenger Carrier-3 wheeler	22,427	44,311	97.6
Goods Carrier-3 wheeler	6,663	8,836	32.6
E-Rickshaw	1,814	2,745	51.3
E-cart	420	142	-66.2
Total Three Wheelers	31,324	56,034	78.9

Source: SIAM

HIGH SPEED DIESEL (HSD):

HSD (Diesel) consumption during the month of July 2023 with a volume 6.89 MMT recorded a growth of 3.9% & 0.75% over a volume of 7.63MMT & 6.84MMT in the month of July 2022 & 2019 respectively.

Major factors contributing to HSD consumption during the month are as follows:

- The harvesting season of rabi crops followed by the cultivation season of kharif crop and delayed monsson in some parts of the country ramped up diesel consumption in various agricultural activities.
- Marriage season influenced personal mobility and gave push to diesel consumption.
- Full-fledged industrial and mining activities in various parts of India increased diesel consumption.
- However, in few states HSD consumption was affected by incessant rainfall, floods, cyclones etc.

The IHS Markit India Services PMI (Purchasing Managers' Index) for July-23 marked at 62.3; it registered the HIGHEST INDEX FIGURE since June-2010.

Pan India based domestic HSD monthly consumption since April-18 is shown in the Fig-3. HSD market share in direct and retail sales is shown in the Fig-4.

Figure-3: Month-wise HSD consumption (MMT) since July 2018

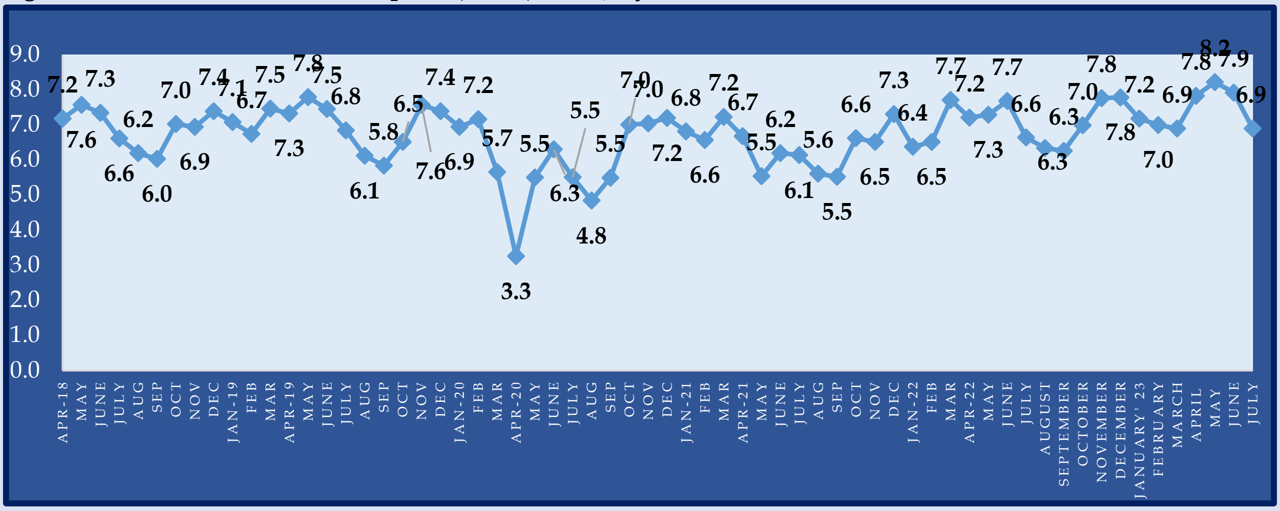
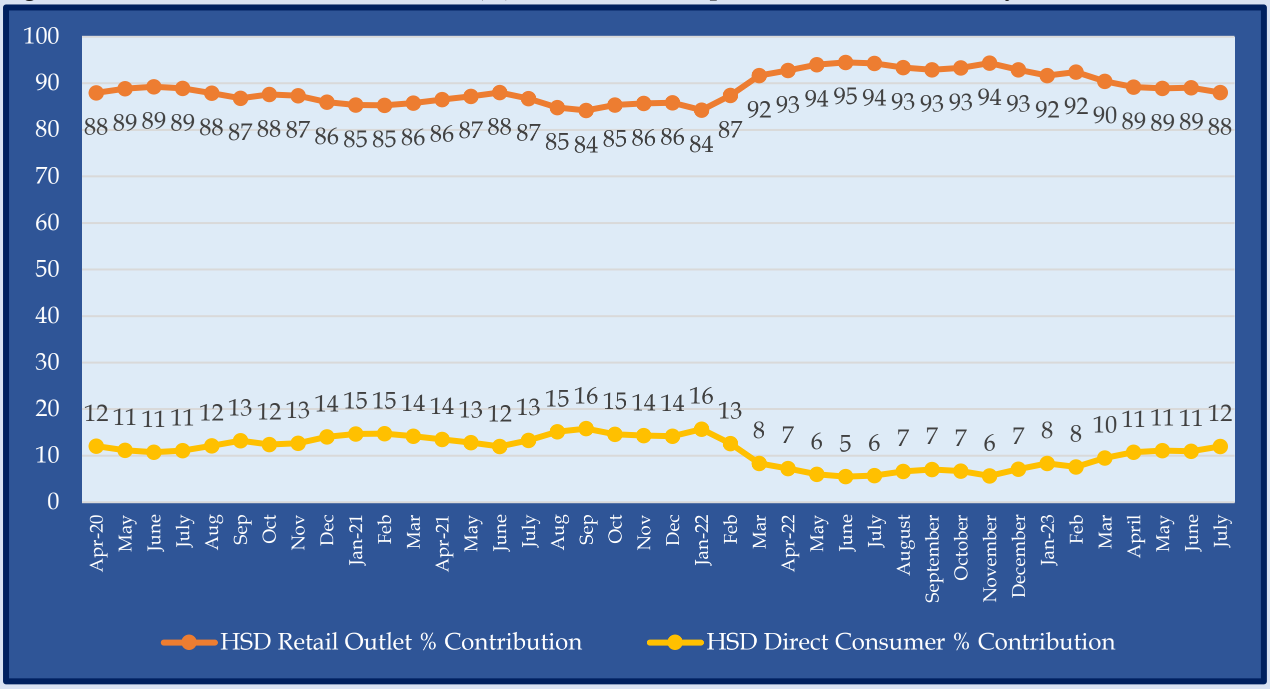


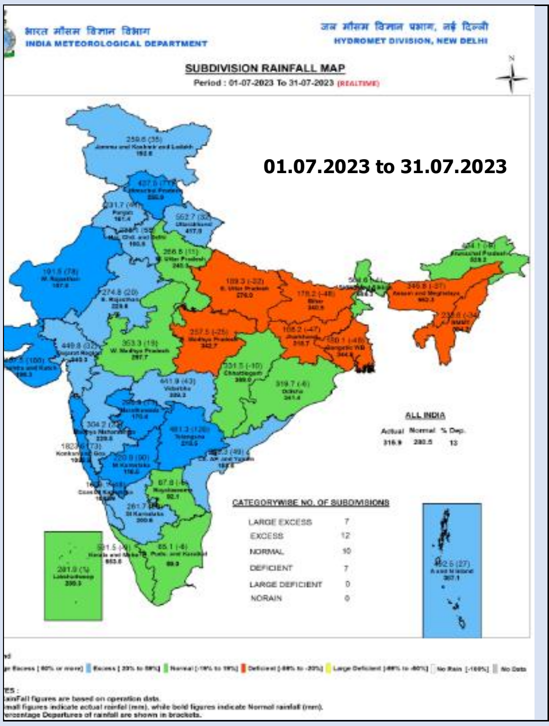
Figure-4: **Share of Retail & Direct business (%) in Diesel consumption month-wise since July 2020**



OTHER FACTORS IMPACTING CONSUMPTION OF HSD:

Seasonal rainfall scenario: The rainfall in the country during July 2023 was 13% above normal precipitation. A rainfall of 315.9 mm was recorded in the month of July 2023 as against a normal reading of 280.5 mm. Out of total 36 subdivisions, 19 division received excess to large excess rainfall, 7 divisions received deficient rainfall whereas 10 division received normal rainfall.

Source: India Meteorological Department (IMD)



E-Way Bill
The electronic bill is mandatory document for transportation of goods of value higher than Rs 50,000. This Electronic document is used to track goods being moved around between cities and states. Economic activity driven by domestic trade is reflected from e-way bill generation. The number of E-way bills reflect quantum of transport activities directly influencing Diesel sales.
The number of e-way bill generation has increased to 8.795 crores in July-23 from 8.60 crores in June-23; registers 3rd Highest Figure since inception.

COMMERCIAL VEHICLE

Based on data from FADA Research, Indian domestic sales of commercial vehicles registered 2% growth as compared to July 2022 as shown in Table-4.

TRACTOR SALE:

Tractor domestic sales in July 2023 with a volume of 90,765 registered 21.1% growth over the volume of 74,977 lacs in July 2022. Cultivation of Kharif crop with heavy rainfall increased the growth in tractor sales for agricultural activities during the month July-2023 as shown in the table.

Table-4: Domestic commercial vehicles & tractors sales with YoY comparison (Secondary sales data)

Commercial vehicles & tractors		July		
		2022	2023	Growth % age
CV	LCV	44672	43236	-3.2
	MCV	5329	6182	16.0
	HCV	19691	20581	4.5
	Others	1927	3066	59.1
Total CVs		71619	73065	2.0
Tractors		74977	90765	21.1

Source: FADA research
"Disclaimer:
1- Vehicle Retail Data has been collated as on 02.05.23 in collaboration with Ministry of Road Transport & Highways

2- Commercia Vehicle is subdivided in the following manner
a. LCV – Light Commercial Vehicle (incl. Passenger & Goods Vehicle)
b. MCV – Medium Commercial Vehicle (incl. Passenger & Goods Vehicle)

c. HCV – Heavy Commercial Vehicle (incl. Passenger & Goods Vehicle)
d. Others – Construction Equipment Vehicles and others

PORT TRAFFIC:

The traffic handled at major ports in India with a volume of 69.6 MMT in July 2023 recorded a growth of 9.7% on YoY basis over the volume of 63.4 MMT in July-22.

Growth was observed in cargo handled during the month of July 2023 in all the major ports like Kolkata & Haldia 10.2%, Paradip 33.3%,Visakhapatnam 8.1%, Chennai 13.2%, V.O. Chidambaranar 5.1%, New Mangalore 38.3%, Mormugao 18.8%, Mumbai 28.2% and JNPT 9% with respect to July-2022.

During 'April-July-FY2023-24', sector wise growth was registered in coal (thermal, steam and coking) 0.8%, Finished Fertilizers 37.7%, Iron ore 30.2% with respect to 'April-July-FY2022-23'.

The Percentage tonnage share in July-23 was maximum in CPOL 31% followed by Coal (thermal, steam and coking) 20.9% and container-tonnage & TEUs 24.5%, Iron ore 6.7% & other miscellaneous cargo 11.3% and fertilizer (finished & dry) 2.6%.

Growth pattern of cargo operation in percentage in all Indian ports and July-23 port wise cargo handled in MMT are depicted in the following Figure-5 and Table-5 respectively.

Figure-5: Growth percentage of cargo operation at major ports since July 2020

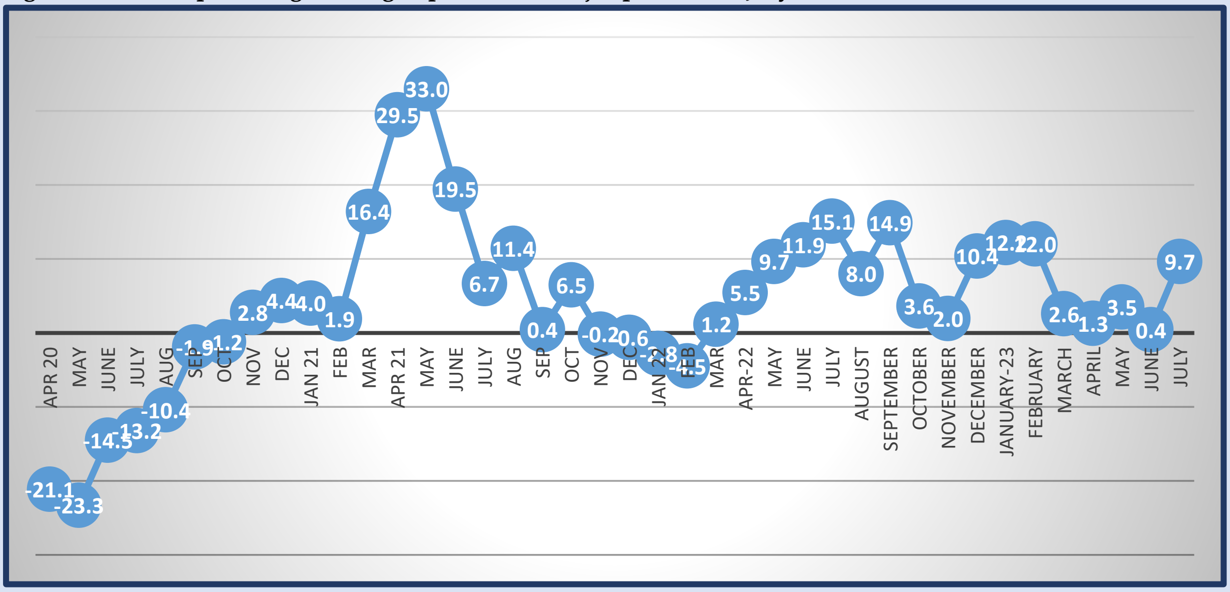


Table-5: Cargo handled at major ports in July 2023(Qty in TMT)

Ports	July 2022	July 2023	Growth (%)
Kolkata & Haldia	5,484	6,042	10.2
Paradip	10,063	13,410	33.3
Visakhapatnam	6,574	7,105	8.1
Kamarajar (Ennore)	3,830	3,377	-11.8
Chennai	3,838	4,343	13.2
V.O. Chidambaranar	3,165	3,325	5.1
Cochin	2,859	2,790	-2.4
New Mangalore	3,220	4,452	38.3
Mormugao	1,135	1,348	18.8

Mumbai	4,618	5,921	28.2
JNPT	6,657	7,258	9.0
Deendayal	12,040	10,239	-15.0
Total:	63,483	69,610	9.7

Source: ipa.nic.in

Power situation:

The position of power supply for the month of July 2023 is given in Table-6. As per the data reported, power deficit position was 0.1% in July-2023 whereas it was 0.3% in July-2022. The requirement of power in July 2023 was 1,36,640 MU and has recorded a growth of 6.2% over requirement of power at 1,28,689 MU in the month of July 2022.

Table-6: Region wise Power supplied vs requirement for July 2023

	July-2022			July-2023		
	Requirement	Supplied (MU)	Deficit %	Requirement	Supplied (MU)	Deficit %
North	45,294	45,112	-0.4%	46,901	46,813	-0.2%
West	34,977	34,969	0.0%	38,948	38,938	0.0%
South	28,805	28,803	0.0%	32,357	32,357	0.0%
East	17,746	17,520	-1.3%	16,452	16,374	-0.5%
North-East	1,866	1,850	-0.9%	1,982	1,959	-1.2%
Total	1,28,689	1,28,255	-0.3%	1,36,640	1,36,441	-0.1%

Source: Central Electricity Authority (CEA)

Sectoral consumption of HSD:

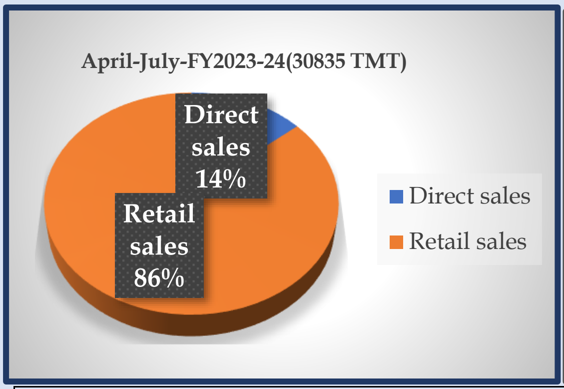
During 'April-July-FY2023-24', HSD total consumption with a volume of 31 MMT registered 7.1%growth Year-on Year basis over the volume of 29 MMT in 'April-July-FY2022-23'.

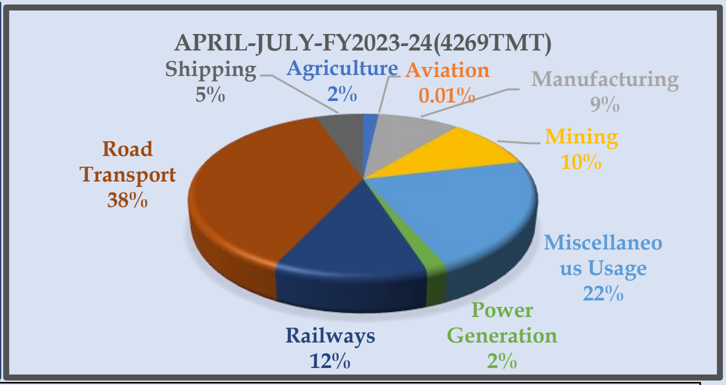
86% of cumulative HSD consumption during 'April-July-FY2023-24', was constituted by retail sales. Balance 14% falls under direct sales category as shown in 5A/B chart. Whereas the bifurcation was 93:7 in 'April-July-FY2022-23'.

In direct sales category, the sectoral consumption break up is shown in 5B chart; i.e., for April-July-FY2023-24 'Road Transport' 38% followed by 'Miscellaneous usage' share was 22% Railways share was 12%, Mining 10%, Manufacturing 9%, Shipping 5%, Agriculture 2% and Power Generation 2%. Most of the retail sales are consumed in road transport.

Sectoral consumption in Railways decreased by 20 percentage points due to electrification of railway-tracks ; shipping sector showed 17 percentage points less where as Road Transport is increased by 20 percentage points YoY basis. Details comparisons are pictorially presented in the following charts.

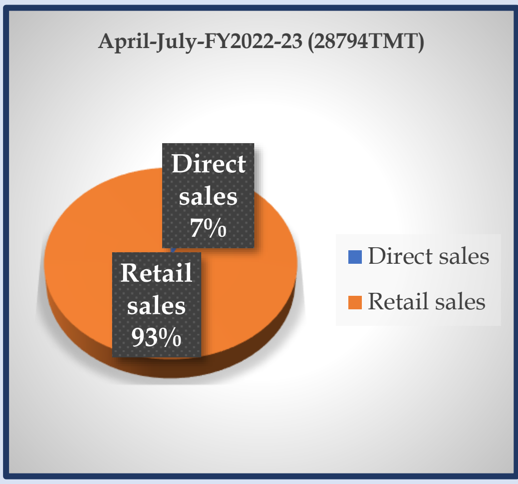
Chart-5A/B: **Sector-wise HSD consumption in April-July FY-2023-24 (P) and its comparison with April-July-FY2022-23 (P)**

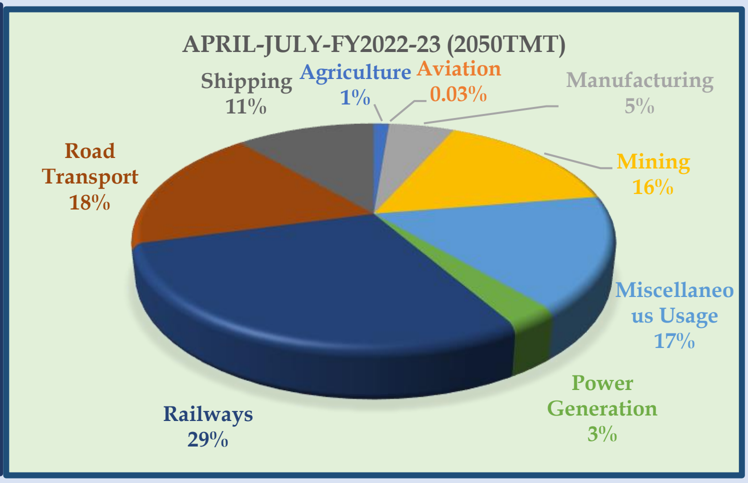




*Miscellaneous Usage (22%) includes 'Bulk applications' (22.2%), Universities (0.02%), Catering & hotels (0.03%), Posts & telegraphs (0.002%), State electricity boards (0.02%).

** Manifacturing (9%) includes chemicals (0.6%), Civil engineering (6.3%), 'Electricals/electronics' (0.1%), Mechanical/Metallurgy (1.5%), Bulk use(0.8%) and 'Textiles' (0.1%)





*Miscellaneous Usage (17%) includes 'Bulk applications' (16.28%), Universities (0.04%), Catering & hotels (0.05%), Posts & telegraphs (0.003%), State electricity boards (0.05%).
** Manifacturing (5%) includes chemicals (1.12%), Civil engineering (1.45%), 'Electricals/electronics' (0.14%), Mechanical/Metallurgy (2.26%), Bulk use(0.29%) and 'Textiles' (0.05%)

KEROSENE:

Kerosene consumption during July-2023 with a volume ***0.05 MMT registered growth of 114.6% over the volume of 0.023 MMT in Jube-2022, however, it showed de-growth of 74.4% over the volume of 0.195MMT in July- 19.***

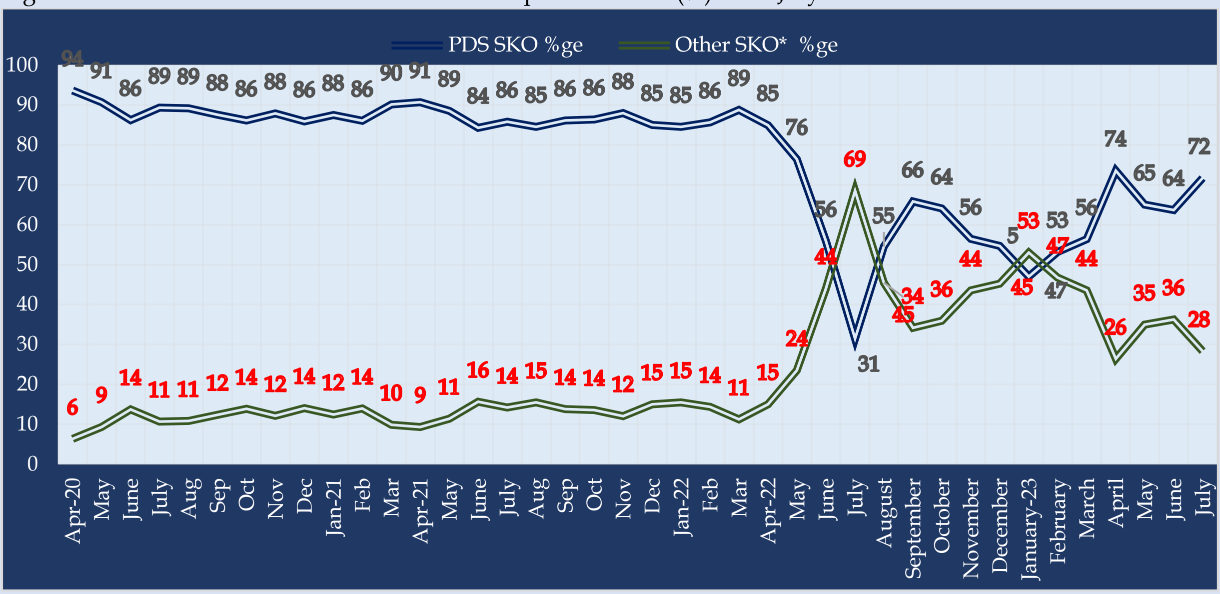
Only 380KL of non-subsidized PDSSKO sales have been registered during the month for the state of Karnataka.

In PDSSKO upliftment, West Bengal (32510 KL) was the biggest consumer followed by Bihar (3464KL) and Tamil Nadu (2712KL)

There are twelve states/UTs who have voluntarily surrendered the PDS kerosene quota as on date namely, except the UT of J&K, Ladakh and Lakshadweep, all UTs and the states of Andhra Pradesh, Delhi, Haryana, Punjab, Uttar Pradesh, Rajasthan, Gujrat and Goa. Q2FY2023-24 PDS SKO allocation for Uttarakhand has been reduced to NIL as per MoPNG lettre M-11021)16)/4/2021-Distribution-PNG (E-37396) dated 01.08.2023

The market share of subsidized-PDS and other SKO was 72% & 28% respectively for the month July-23 as shown in the following figure.

Figure-6: M onth-wise PDS & other-SKO consumption in share (%) since July 2020



*Other SKO: non-subsidized PDS SKO +non-PDS kerosene

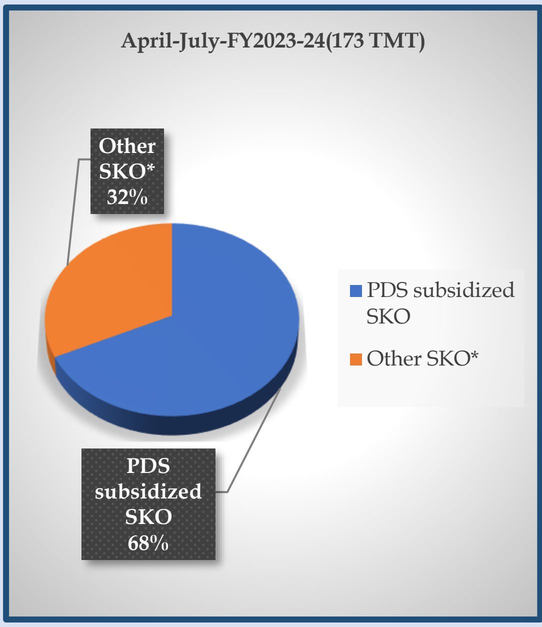
Sectoral consumption of SKO:

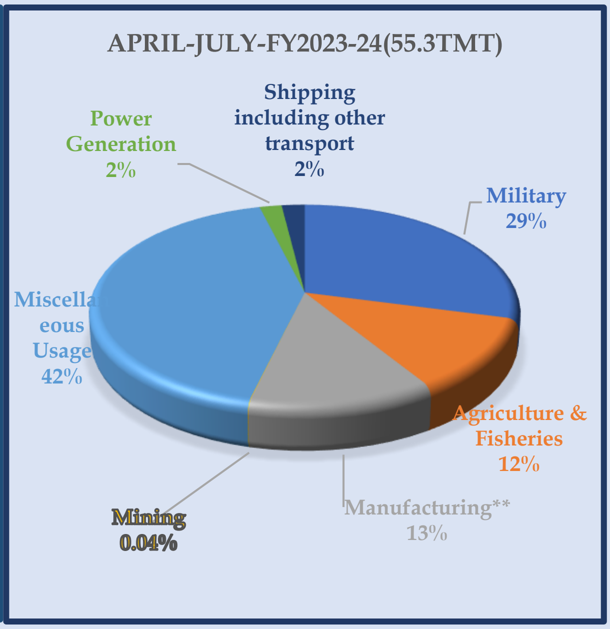
During 'April-July-FY2023-24', SKO total consumption with a volume of 0.173 MMT registered 17.1% degrowth Year-on Year basis over the volume of 0.209 MMT in 'April-July-FY2022-23'.

Out of total SKO sales during 'April-July-FY2023-24' 'PDS subsidized SKO' upliftment constituted to 68%. So far as sales in 'Other SKO' is concerned,' 43% accounted to Industrial applications followed by Military 28%, manufacturing 13%, agriculture & fisheries 12%.

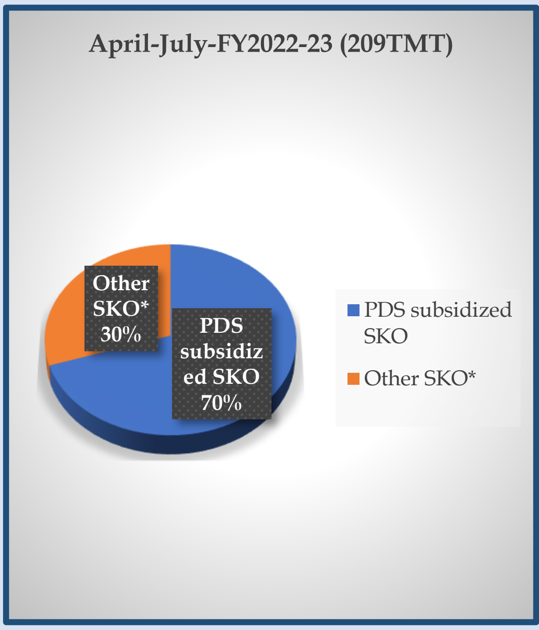
Sectoral consumption in agriculture & fisheries increased by 2 percentage points and manufacturing decreased by 5 percentage points YoY basis. Details comparisons are pictorially presented in the next page of chart-3.

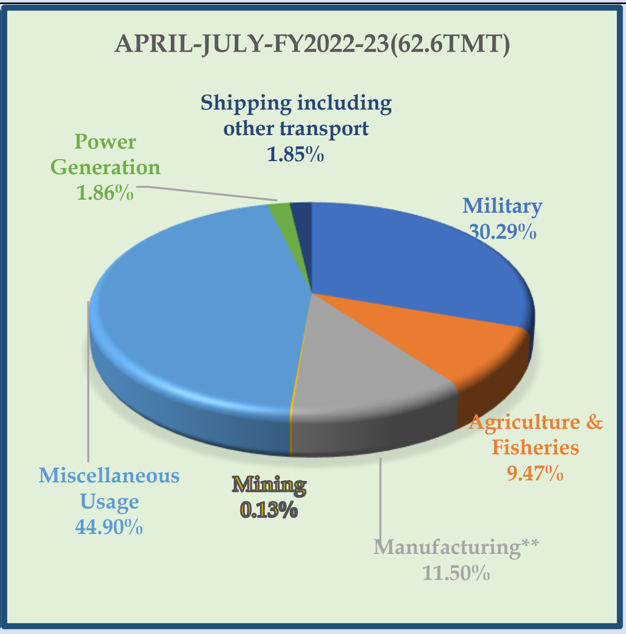
Chart-3:PDS domestic, non-PDS commercial SKO sales & their breakup of 'April-July FY-2023-24' (P) and its comparison with 'April-July-FY2022-23' (P)





Other SKO includes 'Nonsubsidized PDS SKO', 'non-PDS SKO' and 'Imported SKO'
**Manufacturing (13%) includes 'Chemicals' (3.6%), 'Civil engineering' (4.4%), 'Electrical/electronics' (0.1%), Mechanical/ Metallurgy (2.8%) ,'Textiles (NIL%) and 'Bulk applications'(1.7%)





Other SKO includes 'Nonsubsidized PDS SKO', 'non-PDS SKO' and 'Imported SKO'
**Manufacturing (11.5%) includes 'Chemicals' (2.94%), 'Civil engineering' (2.91%), 'Electrical/electronics' (NIL%), 'Iron, steel & metallurgy' (2%),'Textiles (0.05%) and 'Bulk applications'(2.96%)

BITUMEN:

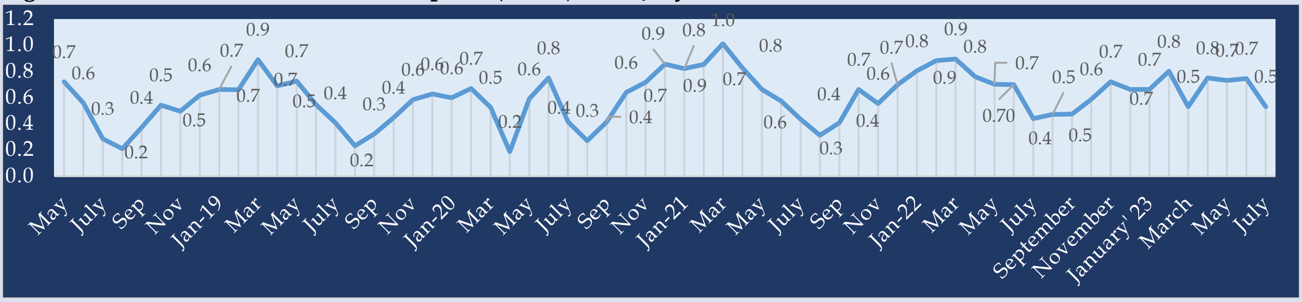
Bitumen consumption during July 2023 with a volume of 0.531 MMT registered 55.8% growth over a volume of 0.690 MMT in the month of July 2022;

Major factors contributing to Bitumen consumption during the month are as follows:

- Road construction activity was run at a faster rate at the advent of new quarter
- However, in few sates like Uttarakhand, Jammu & Kashmir, Kerala, Maharasthra road construction activity was affcetd by heavy rainfall

Pan India based domestic Bitumen monthly consumption since April-18 is shown in the Fig-7.

Figure-7: Month-wise Bitumen consumption (MMT) since July 2018



Sectoral consumption of Bitumen:

During 'April-July-FY2023-24', total bitumen consumption with a volume of 3.03 MMT registered 18% growth Year-on Year basis over the volume of 2.57 MMT in 'April-July-FY2022-23'.

98% of cumulative bitumen sales during 'April-July-FY2023-24', was constituted to Road construction, balance 2% was consumed by miscellaneous industries.

LPG:

LPG consumption during the month of July 2023 with a volume of 2.39 MMT recovered 99.4%, over the volume of 2.40 MMT in July-2022, however, it registered 7% growth over the volume of 2.22 MMT in prepandemaic July-2019.

Domestic LPG is supplied in 14.2 kg and 5 kg cylinders to domestic consumers for use as kitchen fuel. Packed Non-Domestic LPG is sold to commercial or industrial consumers in cylinders having water capacity less than 1000 liter. Bulk LPG is primarily sold to Industries in large containers with water capacity greater than 1000 liter for industrial applications. Auto LPG is an automotive fuel used by three and four-wheeler vehicles.

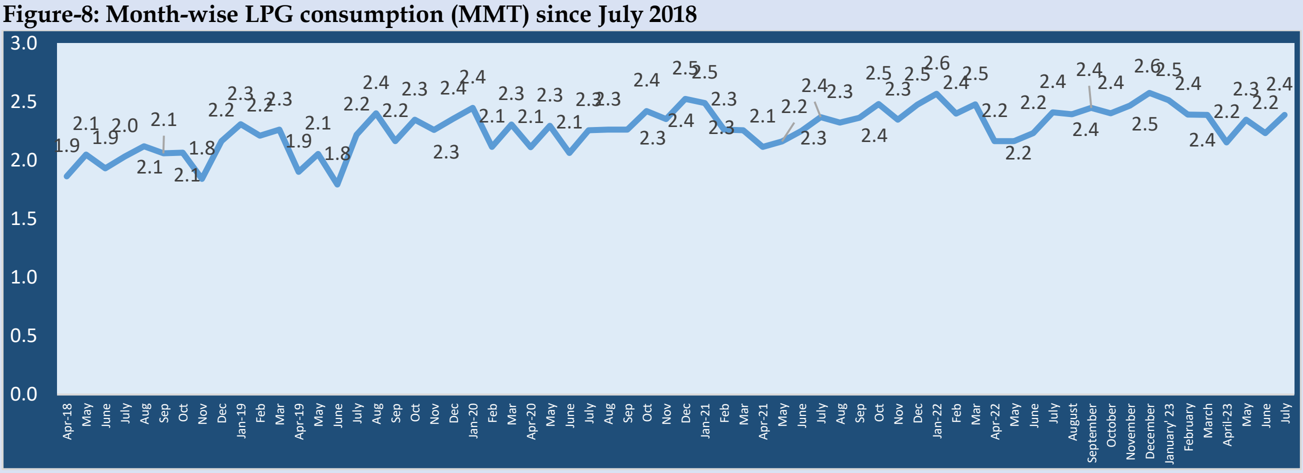
The subsidized prices in domestic LPG and price cut in commercial LPG category contributed to growth rate in LPG consumption.

Moreover, the anticipated price revision in commercial LPG category in July-2023, affected increased LPG consumption in that category as found in the sectoral share chart.

Moreover, LPG consumption might be affected by domestic PNG penetration.OMCs are coming up facilatating domestic PNG network (D-PNG) strongly in recent time.

Pan India based domestic LPG monthly consumption since April-18 is shown in the Fig-8.

Figure-8: Month-wise LPG consumption (MMT) since July 2018

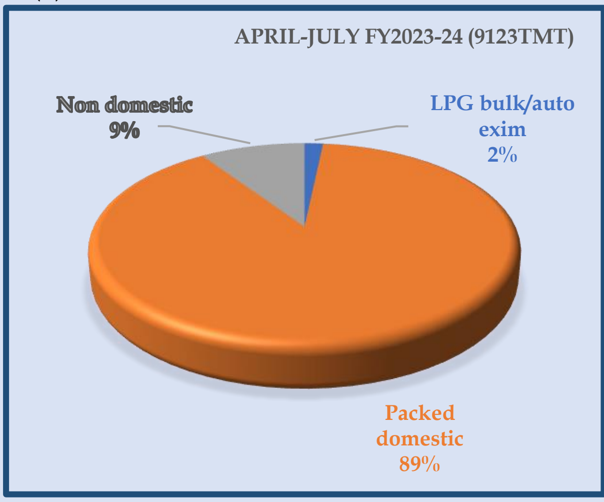


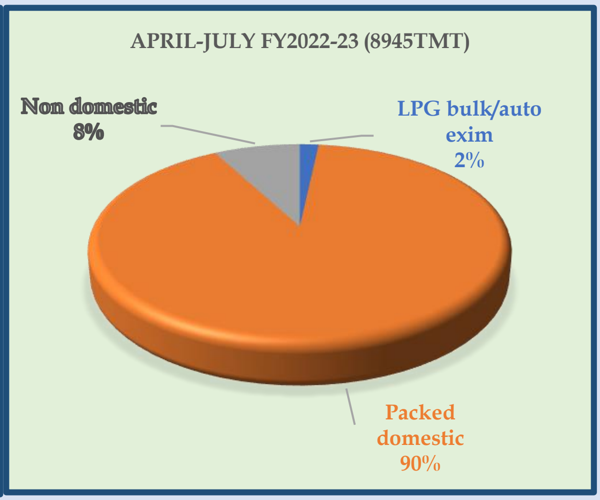
Sectoral consumption of LPG:

During 'April-July-FY2023-24', total LPG domestic consumption with a volume of 9.12 MMT registered 2% growth Year-on Year basis over the volume of 8.95 MMT in 'April-July-FY2022-23'.

The Sectoral LPG consumption during 'April-July-FY2023-24', was driven by packed domestic category 89%, followed by 'non-domestic/industry/commercial sector 9% & 'LPG Bulk, Auto & Exim '2%. With respect to 'April-July-FY2022-23', sectoral LPG consumption profile in commercial LPG category during'April-July-FY2023-24' increased by 1 percentage points.

Chart-4: Sector wise LPG consumption of April-July-FY2023-24 (P) and its comparison with 'April-July-FY2022-23 (P)'





NAPHTHA:

Naphtha consumption during the month of July 2023 with a volume of 1.07 MMT revovered 92.7% & 72.9% over the volume of 1.15 MMT & 1.47 MMT in July-2022 & prepandemaic July-2019 respectively.

Petrochemical industries remain the main consumers of naphtha.

one of the refiners to mitigate the inventory issue.

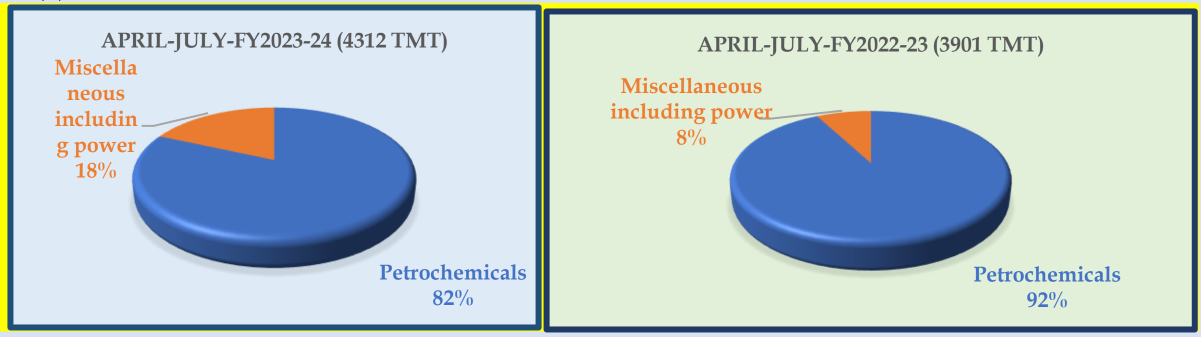
Sectoral consumption of Naphtha:

During 'April-July-FY2023-24', total Naphtha domestic consumption with a volume of 4.31 MMT registered 10.5% growth Year-on Year basis over the volume of 3.90 MMT in 'April-July-FY2022-23'.

Consumption of naphtha during 'April-July-FY2023-24' was driven by petrochemicals sector 82%, whereas 18% naphtha consumption fell in 'miscellaneous industries including power'.

On YoY basis, sectoral naphtha consumption in petrochemicals sector decreased by 10 percentage points. Detailed comparisons are pictorially presented in the following charts.

Chart-5: Sector wise naphtha consumption of 'April-July-FY2023-24' (P) and its comparison to 'April- July-FY2022-23' (P)



ATF:

ATF consumption during July 2023 with a volume of 0.664 MMT registered a growth of 14.8% & 0.9% over the volume of 0.579 MMT & 0.658 MMT in July 2022 and prepandemic July-2019 respectively.

The domestic footfall is back to be comparable with pre-Covid levels, however, international traffic footfall is lagging because of restricted entry in few countries. Various local factors attributed to ATF consumption pattern are listed here:-

- Bihar & Tamil nadu (25%), Delhi & West Bengal (25%), Assam (23.66%) are maintaining high VAT rate
- Domestic footfall increased due to favourable tourism time
- ATF VAT made less in Pune and Mumbai (18% since April-23)area attributed to higher growth in WESTERN region

Pan India based domestic ATF monthly consumption since April-18 is shown in the Fig-9.

Figure-9: Month-wise ATF consumption (MMT) since July 2018

Passengers carried by domestic airlines during the month of July 2023 stood at 121 lakhs as against 97.1 lakhs during July 2022. Total domestic footfall trend for last few months are quite promising as folund in the following chart.

Figure-10: Month-wise passengers carried by domestic airlines in millions since July 2020

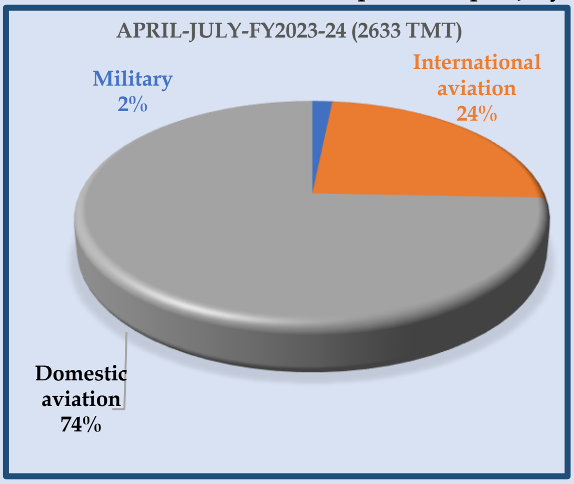
Sectoral consumption of ATF:

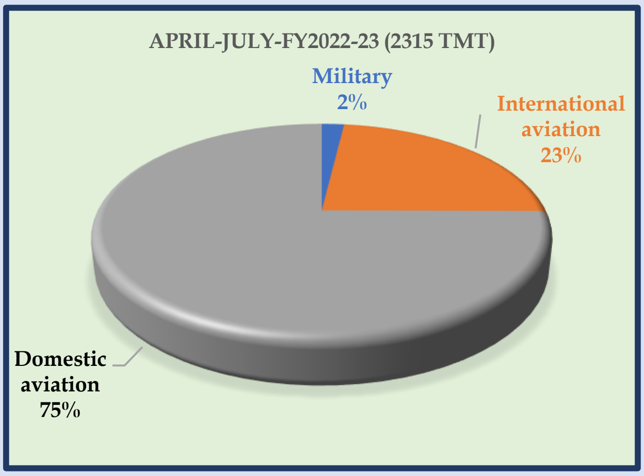
During 'April-July-FY2023-24', total ATF domestic consumption with a volume of 2.63 MMT registered 13.7% growth Year-on Year basis over the volume of 2.32 MMT in 'April-July-FY2022-23'.

Almost entire ATF consumption during 'April-July-FY2023-24', attributed to aviation sector; 74% domestic aviation, 24% international aviation & 2% Military aviation.

On YoY basis, sectoral consumption international aviation increased by 1 percentage points. Details comparisons are pictorially presented in the following charts.

Chart-6: Sector wise ATF consumption of April-July-FY2023-24 (P) and its comparison to 'Apri-July-FY2022-23 (P)





FURNACE OIL & LOW SULPHUR HEAVY STOCK (FO/LSHS):

FO/LSHS consumption during July 2023 with a volume of 0.57 MMT registered 2.1% over the volume of 0.56 MMT in July-2022.

Thegrowth pattern is attributed to consumption shift to LSHS from Natural gas in glass sector. Some companies shifted their internal fueling consumption from FO to CNG due to environmental obligations and to coal to ensure sustainability. Some mining companies reduced FO intake for the month due to inventory limitations. Bunkering FO consumption in Chennai and Tuticorin was less during the month. Some aluminum industries started taking FO as their burning fuel.

Some local factors attributing FO/LSHS consumption pattern are listed here:-

- Power sector in Southern region consumed less Fuel oil
- In some states glass industry growth was observed fur to real-estate industry growth.

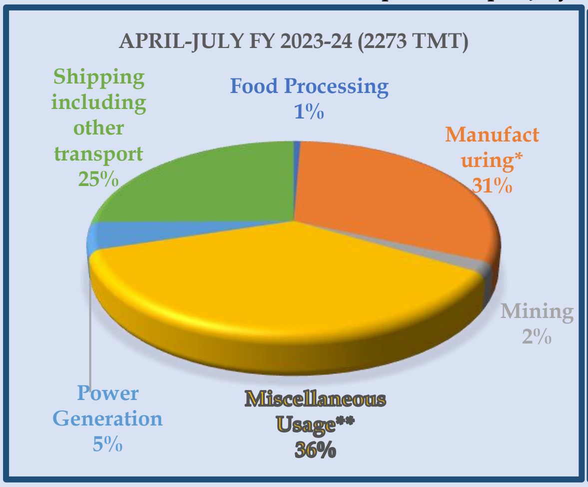
Sectoral consumption of FO/LSHS:

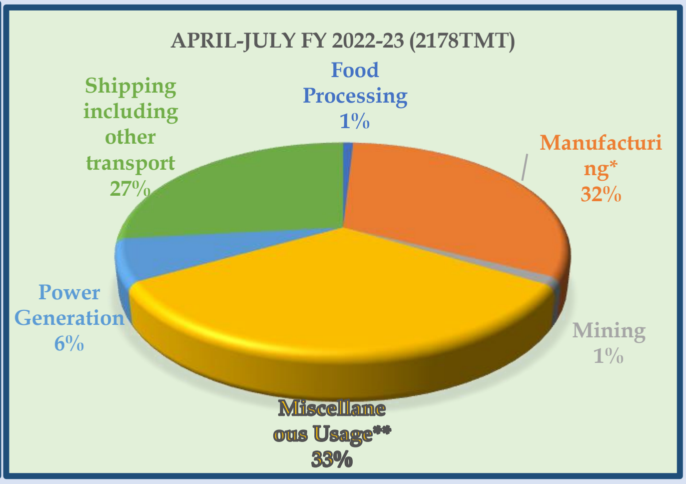
During 'April-July-FY2023-24', total FO/LSHS monthly domestic consumption with a volume of 2.27 MMT registered 4.3% growth Year-on Year basis over the volume of 2.18 MMT in 'April-July-FY2022-23'.

Cumulative consumption of FO/LSHS during 'April-July-FY2023-24'was mainly driven by 'Miscellaneous industries' 36%, followed by Manufacturing 31%, 'shipping including other transport' 25%, 'Power generation 5%.

On YoY basis, sectoral consumption in 'shipping including other transport' decreased by 2 percentage points. Details comparisons are pictorially presented in the following charts.

Chart-7: Sector wise FO+LSHS consumption of 'April-July-FY2023-24' and its comparison to 'April-July-FY2022-23'





*Miscellaneous Usage (36%) includes 'Bulk applications' (35.3%), Universities (0.01%), Catering & hotels (0.02%), & & State electricity boards (0.19%). ** Manfacturing (31%) includes chemicals (7.09%), Civil engineering (0.89%), 'Electricals/electronics' (0.05%), Mechanical/Metallurgy (17.91%), Bulk use(4.76%) and 'Textiles' (0.42%)	*Miscellaneous Usage (33%) includes 'Bulk applications' (31.66%), Universities (0.01%), Catering & hotels (0.01%) & State electricity boards (1.33%). ** Manfacturing (32%) includes chemicals (7.39%), Civil engineering (1.09%), 'Electricals/electronics' (0.06%), Mechanical/Metallurgy (18.34%), Bulk use(4.42%) and 'Textiles' (0.34%)

PETCOKE:

Petcoke consumption during the month of July 2023 with a volume of 1.58 MMT recovered 94% over the volume of 1.669MMT in July-2022.

Directorate General of Foreign Trade (DGFT) under Ministry of Commerce and Industry has banned import of petcoke for use as fuel but has allowed its import only for use as feedstock in some select industries such as cement, lime kiln, calcium carbide and gasification industries.

Various local factors attributing to Petcoke consumption trend are listed here:-

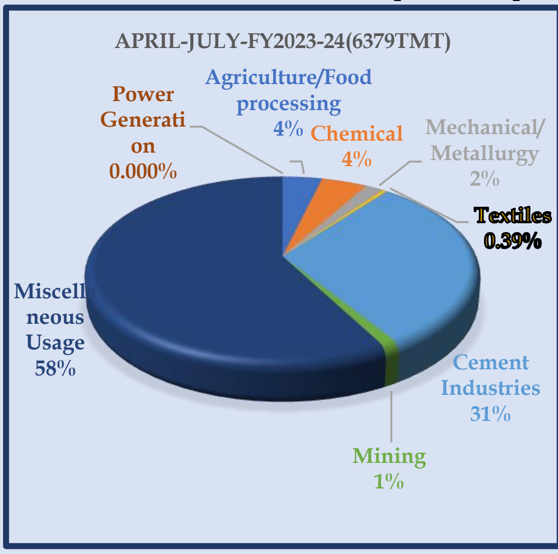
- Oversupply in domestic & global markets, lower price of feedstock coal & crude & sluggish demand from downstream construction sector might be the reasons for the inventrty build up which caused the domestic coke price cut by OMCs.

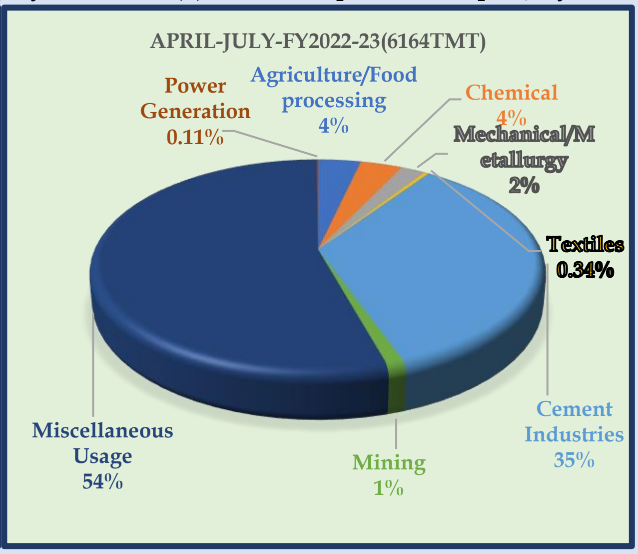
Sectoral consumption of Petcoke:

During 'April-July-FY2023-24', total petcoke monthly domestic consumption with a volume of 6.4 MMT registered 3.5% growth Year-on Year basis over the volume of 6.2 MMT in 'April-July-FY2022-23'.

The domestic sales in 'April-July-FY2023-24' (P) is driven Miscellaneous industry 58% followed by 'cement industries' 31%%, Agriculture & Food processing 4%.
On YoY basis, sectoral consumption in cement industries decreased by 4 percentage points. as presented in the following charts. During April-July Fy 2022-23, in power sector petcoke cosnmution was nil.

Chart-8: Sector wise Petcoke consumption of 'April-July-FY2023-24' (P) and its comparison to 'April-July-FY2022-23' (P)





LIGHT DIESEL OIL:

LDO consumption during the month July-2023 with a volume of 0.063 MMT registered 4.6% & 21.9% growth rate on year-on-year basis over a volume of 0.060MMT& 0.052 MMT in the month of July 2022 & 2019 respectively.
July-23 LDO consumption growth was attributed to following reasons:-

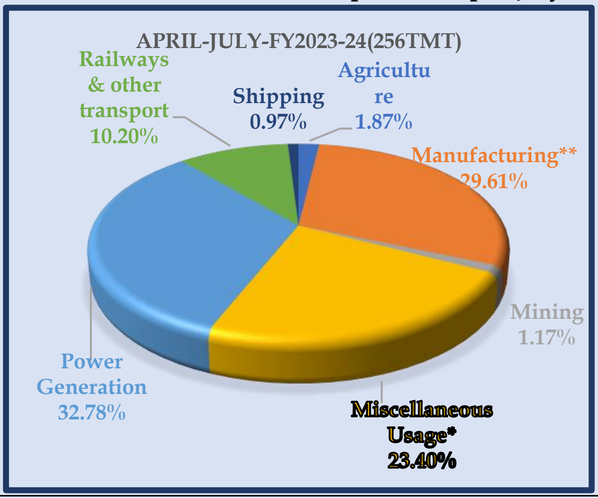
- LDO use as a fuel for industrial boilers (other than power sector) increased due to ease of PM emission standard.
- LDO consumption was largely affected by available alternate fuels like FO&LSHS, LPG/CNG/ Fuel gas etc. and strategy taken by state governments to decrease emission. LDO consumption is banned in Delhi NCR, Haryana, Gujrat etc.
-

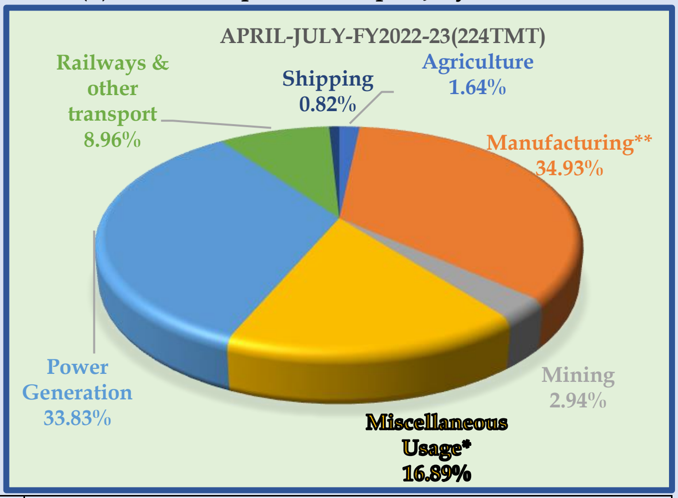
Sectoral consumption of Light Diesel Oil:

During 'April-July-FY2023-24', total LDO monthly domestic consumption with a volume of 0.256 MMT registered 14% growth Year-on Year basis over the volume of 0.224 MMT in 'April-July-FY2022-23'.

The cumulative consumption of Light Diesel oil (LDO) during 'April-July-FY2023-24' (P) was driven by 'Power Generation' 28% followed by 'Miscellaneous industries' (41%) 'Iron& Steel (Metallurgy) 14%, and Civil Engineering 14%. On YoY basis sectoral consumption in power generation sector increased by 12 percentage points. Detailed comparisons are pictorially presented in the following charts.

Chart-9: Sector wise LDO consumption of 'April-July-FY2023-24' (P) and its comparison to April-July-FY2022-23'





*Miscellaneous Usage (23.4%) includes 'Bulk applications' (22.69%), Universities (0.07%), Catering & hotels (nil%) & State electricity boards (0.63%). ** Manfacturing (29.61%) includes chemicals (3.39%), Civil engineering (10.92%), 'Electricals/electronics' (0.31%), Mechanical/Metallurgy (12.69%), Bulk use(2.21%) and 'Textiles' (0.09%)	*Miscellaneous Usage (16.89%) includes 'Bulk applications' (15.76%), Universities (0.06%), Catering & hotels (nil%) & State electricity boards (1.07%). ** Manfacturing (34.93%) includes chemicals (3.61%), Civil engineering (11.24%), 'Electricals/electronics' (0.27%), Mechanical/Metallurgy (16.03%), Bulk use(3.29%) and 'Textiles' (0.50%)

NATURAL GAS:

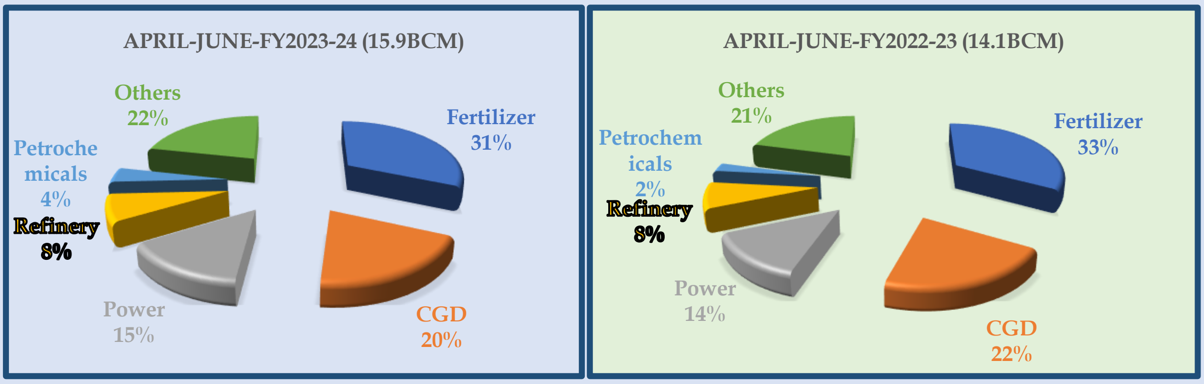
Natural Gas is used as a feedstock in several industries like fertilizers, plastics and other commercially important organic chemicals and used as a fuel for electricity generation, heating purpose in industrial and commercial units. Natural gas is also used for cooking in domestic households and as a transportation fuel for vehicles. Consumption of Natural Gas with a volume of 5.3 BCM (billion cubic meters) during the month of July 2023 registered 4.5% growth year-on year basis over the volume of 5.1 BCM in the month of July 2022

Sectoral consumption of Natural Gas consumption of 'April-June -FY2023-24'& its comparison to 'April-June-FY2022-23': (PROVISIONAL)

During 'April-June-FY2023-24', total Natural Gas monthly domestic consumption with a volume of 20.7 BCM recovered 96.7%, Year-on Year basis over the volume of 21.4BCM in 'April-June-FY2022-23'

During **'April-June-FY2023-24'**, consumption of Natural gas (NG) was driven by fertilizer (31%) followed by Others category (mostly bulk use) 22% CGD (20%), Power (15%) Refinery (8%), Petrochemicals (4%). With respect to 'April-May-FY2022-23', sectoral consumption in fertilizer sector decreased by 2 percentage points CGD sector decreased by 2 percentage points, where as Petrochemicals sector increased by 2 percentage points as shown in the following chart.

Chart-10: Sector wise consumption of Natural Gas of 'April-May-FY2023-24' (P) and its comparison to April-May-FY2022-23'



*Other includes Ceramic, Chemical, Glass, Metal & small customers etc.

Source: PPAC data; P: provisional

$ Totals July not tally due to rounding off. Based on information provided by ONGC, OIL, DGH, GAIL, Torrent PowerLimited, Shell Energy India Pvt. Ltd., BPCL, RIL (P) and IOCL. Components of internal consumption related to VAP shrinkage, LPG Shrinkage, Captive Power Generation, supply to power houses, supply to crematoriums & schools etc. as reported by ONGC, OIL & DGH (prorated) have been included. Others includes sectors like Internal consumption for Pipeline System, Agriculture (Tea Plantation), Industrial, Manufacturing, LPG shrinkage, Sponge Iron and Miscellaneous	*# Totals July not tally due to rounding off. Based on information provided by ONGC, OIL, DGH, GAIL, Torrent Power Limited, Shell Energy India Pvt. Ltd., BPCL, RIL (P) and IOCL. Sectoral consumption data for GSPC is prorated.*

Conversion factors taken for MT to barrel conversion (Table-7)

Conversion factor (approx.)		
Product	Weight (MT)	Bbl.
LPG	1	11.6
SKO	1	8.1
Diesel	1	7.6
Petrol	1	8.9
Naphtha	1	8.7
ATF	1	8.1
Bitumen	1	6.1
Furnace Oil	1	6.7
Lubes	1	7.2
Light Diesel Oil	1	7.4
Petcoke	1	5.5
Product Basket (for Others)	1	8.1

Industry Domestic Consumption Trend in Million Barrel per Day (MBPD)(Table-8)

Industry Consumption Trend Analysis 2022-23 (Provisional)						
('Million barrels per day)						
Product	April-July			July		
	FY2022-23	FY2023-24	Growth(%)_ 2023-24 over 2022-23	2022	2023	Growth(%)_2023 over 2022
(A) Sensitive Products						
LPG	0.85	0.87	2.0	0.90	0.89	-0.6
SKO	0.01	0.01	-17.1	0.01	0.01	114.6
Sub Total	0.86	0.88	1.7	0.91	0.91	0.2
(B) Major Decontrolled Product						
HSD	1.80	1.92	7.1	1.63	1.69	3.9
MS	0.84	0.90	6.7	0.80	0.86	6.3
Naphtha	0.28	0.31	10.5	0.32	0.30	-7.3
ATF	0.15	0.17	13.7	0.15	0.17	14.8
Bitumen	0.13	0.15	18.0	0.07	0.10	55.8
FO/LSHS	0.12	0.13	4.3	0.12	0.12	2.1
Lubes+Greases	0.07	0.07	0.3	0.07	0.07	-1.2
LDO	0.01	0.02	14.0	0.01	0.01	4.6
Sub Total	3.41	3.67	7.8	3.18	3.33	4.8
Sub - Total (A) + (B)	4	5	6.5	4.09	4.24	3.8
(C) Other Minor Decontrolled Products						
Pet.Coke	0.28	0.29	3.5	0.05	0.05	-6.0
Others*	0.33	0.28	-15.1	0.04	0.03	-17.5
Sub Total	0.61	0.57	-6.6	0.09	0.08	-10.9
Total	4.88	5.12	4.9	4.18	4.32	3.4
*Others include sulfur, propylene, propane, reformat, L.A.B.F.S, CBFS, butane, MTO etc.						

Industry Consumption Trend Analysis 2023-24 (Provisional)

('000 MT)

Product	April-July			July								
	FY2022-23	FY2023-24	Growth(%)_ 2022-23over 2021-22	2019	2020	2021	2022	2023	Growth(%)_2023 over 2019	Growth(%)_2023 over 2020	Growth(%)_2023 over 2021	Growth(%)_2023 over 2022
(A) Sensitive Products												
LPG	8945	9123	2.0	2219	2258	2357	2404	2389	7.7	5.8	1.4	-0.6
SKO	209	173	-17.1	195	161	130	23	50	-74.4	-69.0	-61.7	114.6
Sub Total	**9154**	**9296**	**1.6**	**2414**	**2418**	**2487**	**2427**	**2439**	**1.0**	**0.9**	**-1.9**	**0.5**
(B) Major Decontrolled Product												
HSD	28794	30835	7.1	6842	5506	6134	6633	6893	0.75	25.18	12.4	3.9
MS	11591	12363	**6.7**	2523	2261	2630	2808	2985	18.3	32.0	**13.5**	6.3
Naphtha	3901	4312	10.5	1465	1297	1116	1151	1067	-27.1	-17.7	-4.3	-7.3
ATF	2315	2633	13.7	658	233	315	579	664	0.9	184.8	110.6	14.8
Bitumen	2566	3027	18.0	407	414	435	341	531	30.5	28.3	22.2	55.8
FO/LSHS	2178	2273	4.3	571	469	470	558	569	-0.4	21.5	21.1	2.1
Lubes+Greases	1221	1224	0.3	345	346	319	311	307	-11.0	-11.2	-3.8	-1.2
LDO	224	256	14.0	52	62	77	60	63	21.9	0.6	-18.5	4.6
Sub Total	**52790**	**56922**	**7.8**	**12863**	**10588**	**11497**	**12440**	**13080**	1.7	23.5	**13.8**	5.1
Sub - Total (A) + (B)	**61943.6**	**66218.0**	**6.9**	**15276.8**	**13006.2**	**13983.8**	**14867.2**	**15518.8**	**1.6**	**19.3**	**11.0**	**4.4**
(C) Other Minor Decontrolled Products												
Pet.Coke	6164	6379	3.5	1688	1648	1168	1669	1568	-7.1	-4.8	34.2	-6.0
Others*	4992	4239	-15.1	1024	932	1185	1213	1001	-2.2	7.4	-15.6	-17.5
Sub Total	**11156**	**10618**	**-4.8**	**2712**	**2580**	**2353**	**2882**	**2569**	-5.3	-0.4	9.2	-10.9
Total	**73100**	**76836**	**5.1**	**17989**	**15586**	**16337**	**17749**	**18088**	**0.6**	**16.1**	**10.7**	**1.9**

*Others include sulfur, propylene, propane, reformat, L.A.B.F.S, CBFS, butane, MTO etc.

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