INDUSTRY CONSUMPTION REPORT-POL & NG, DECEMBER 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

संख्या : डी-12013/02/2023-I 09.01.2024

No. D-12013/02/2023-I

विषय: पीपीएसी की उद्योग बिक्री समीक्षा रिपोर्ट – दिसंबर 2022

Subject: Industry Consumption Review Report of PPAC: December 2023

पेट्रोलियम योजना एवं विश्लेषण प्रकोष्ठ (PPAC) द्वारा **दिसंबर** 2023 के महीने के लिए मासिक पेट्रोलियम उद्योग उपभोग की समीक्षा रिपोर्ट तैयार की गई है। रिपोर्ट में **दिसंबर** 2023 के महीने के दौरान पी.ओ.एल उत्पादों और प्राकृतिक गैस की खपत का विश्लेषण है। रिपोर्ट आपके सन्दर्भ के लिए सलंग्न है ।

इस संस्करण में उत्पादवार क्षेत्रीय ब्रेक-अप को और अधिक मौलिक बनाया गया है।

यदि इस रिपोर्ट पर आपका कोई प्रश्न है, तो कृपया श्री ऋत्विक कुमार हातियाल, संयुक्त निदेशक-मांग एवं अर्थशास्त्र अध्ययन, को ritwik.hatial@ppac.gov.in पर लिखें।

The monthly Petroleum Industry Consumption Review Report has been prepared by the Petroleum Planning and Analysis Cell (PPAC) for the month of December-2023. The report contains analysis of consumption of POL products and natural gas during the month of December-2023. The same is enclosed for kind reference.

The Product wise sectoral break-ups are made more fundamental in this edition.

If you have any question on this report, please write to Mr. Ritwik Kumar Hatial, Joint Director-Demand & Economics Studies, at ritwik.hatial@ppac.gov.in.

धन्यवाद,

Thanking you,

डॉ पंकज शर्मा

अपर निदेशक (मांग एवं आर्थिक अध्ययन)-प्रभारी

Dr Pankaj Sharma

Additional Director (Demand & Economic Studies)-I/c

Highlights of the month: December-2023

During the Parliamentary Winter Session, Hon'ble PNG Minister proudly announced the projected capacity of 'NRL's 2G-Ethanol plant from bamboo' of 185 KLPD will have potential of creating huge employment opportunity at NE states. As a measure of India's alternate clean cooking fuel project, entire NE states are being covered under CGD network.

In Rajya Sabha, Hon'ble PNG Minister of State informed that, Presently in India the share of natural gas in energy basket is 6.7%. The Government has set a target to raise the share of natural gas in energy mix to 15% in 2030.

Cyclone Michaung hit Chennai resulting excessive rainfall and flooding in some districts like Tirunelveli, Tuticorin and Kanyakumar etc. India Metrological Department (IMD) issued a 'Red Alert' in some cities of South-Eastern part of India.

This month the number of PMUY connection exceeded 10 crore band and total active LPG connection reached at 32 crore mark, i.e., more than one third of the population are now covered under LPG connections.

GST Revenue collection for December 2023, at ₹1,64,882 lakh crore registered growth rate of 10.3% Y-o-Y basis. During the April-December 2023 period, gross GST collection witnessed a robust 12% y-o-y growth, reaching ₹14.97 lakh crore, as against ₹13.40 lakh crore collected in the same period of the previous year (April-December 2022).

The average FOB (Free on Board) price of Indian basket crude oil during the month December-2023 was USD 77.42/bbl.

The power demand in December 2023 recovered 99% as compared to December 2022 and power deficit was reduced to 0.1% in the month of December 2023.

The average rainfall during the month was at 25.5 mm with 60% departures from Long Period Average (LPA).

Traffic at major ports during the month of December 2023 recorded a YoY growth 0.7% of the volumes in the month of December 2022.

The growth percentage in consumption of petroleum products, category-wise, for the month of December 2023 is given in Table-1.

SUMMARY OF PRODUCT WISE POL CONSUMPTION PROFILE FOR DECEMBER-23

1. The consumption of petroleum products in December 2023 with a volume of 20.1 MMT registered 2.6% & 5.9% growth with the volume of 19.5MMT & 18.9 in December-22 & pre pandemic December-19 respectively.

2. MS (Petrol) consumption during the month of December 2023 with a volume of 2.99 MMT (0.86 mbpd) recorded a growth of 0.2% on the volume of 2.98 MMT (0.85 mbpd) in December 2022.

   The Sale of Passenger Vehicles in December-2023 with a volume of 2.43 lacs registered 3.2% growth over volume of 2.35 lacs during December-2022.

3. HSD (Diesel) consumption during the month of December 2023 with a volume of 7.6 MMT (1.87 mbpd) recovered 97.7% on the volume of 7.8 MMT (1.91 mbpd) MMT in the month of December-22

4. LPG consumption during the month of December 2023 with a volume of 2.6 MMT registered 2.3% growth over the volume of 2.57 MMT in December-2022. On YoY basis, LPG consumption during the month had been largely driven by consumption in domestic packed (4% YoY growth) & 5Kg Refill (25% YoY growth) and LPG-Bulk (13% YoY growth).

5. ATF consumption during December 2023 with a volume of 0.72 MMT registered a growth of 9.2%, over a volume of 0.66 MMT during the month of December 2022.

6. Bitumen consumption during December 2023 with a volume of 0.79 MMT registered 10.8% growth over the volume of 0.72 MMT in the month of December 2022.

7. Kerosene (SKO) consumption with a volume of 0.041 MMT registered a growth of 2.3% in December 2023 as compared to December 2022.

SKO consumption during the month is largely constituted by PDS category 0.024MMT.

8. Average percentage of ethanol blending in petrol (EBP) during Nov-23 to Dec-23 marked 10.7. Around 82.1 cr litre ethanol has been blended in petrol under EBP program during persent 'Ethanol Supply Year.

9. Total Natural Gas Consumption (including internal consumption)for the month of December-2023 with a volume of 5.5 BCM, registered 10% growth over the volume of 5 BCM, in corresponding month of the previous year.

10. As on 1st January-24, number of LPG domestic connections 3199.5 lacs, PMUY connections 1001.3 lacs.

This report analyses the trend of consumption of petroleum products in the country during the month of December 2023. Data on product-wise monthly consumption of petroleum products for December 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	December				April-December		
	2022	2023	% share of Dec-23	Growth (%)	2022-23	2023-24	Growth (%)
(A) Sensitive Products Unit-TMT							
LPG	2570	2628	13	2.3	21199	21746	2.6
SKO	40	41	0.2	2.3	393	376	-4.4
Sub Total	**2609**	**2669**	**13**	**2.28**	**21592**	**22121**	**2.5**
(B) Major Decontrolled Product							
HSD	7787	7605	38	-2.3	63925	66757	4.4
MS	2984	2990	15	0.2	26265	27773	5.7
Naphtha	1040	1326	7	27.5	8798	10156	15.4
ATF	659	720	4	9.2	5396	6067	12.4
Bitumen	717	794	4	10.8	5397	6228	15.4
FO/LSHS	622	574	3	-7.8	5195	4927	-5.2
Lubes+Greases	297	329	2	10.8	2682	2956	10.2
LDO	65	67	0.3	2.2	541	585	8.2
Sub Total	**14171**	**14404**	**72**	**1.6**	**118199**	**125450**	**6.1**
(C) Other Minor Decontrolled Products							
Pet.Coke	1419	1598	8	12.6	13432	14470	7.7
Others*	1340	1384	7	3.3	11408	10616	-6.9
Sub Total	**2759**	**2982**	**15**	**8.1**	**24840**	**25086**	**1.0**
Total	**19539**	**20054**	**100**	**2.6**	**164631**	**172657**	**4.9**

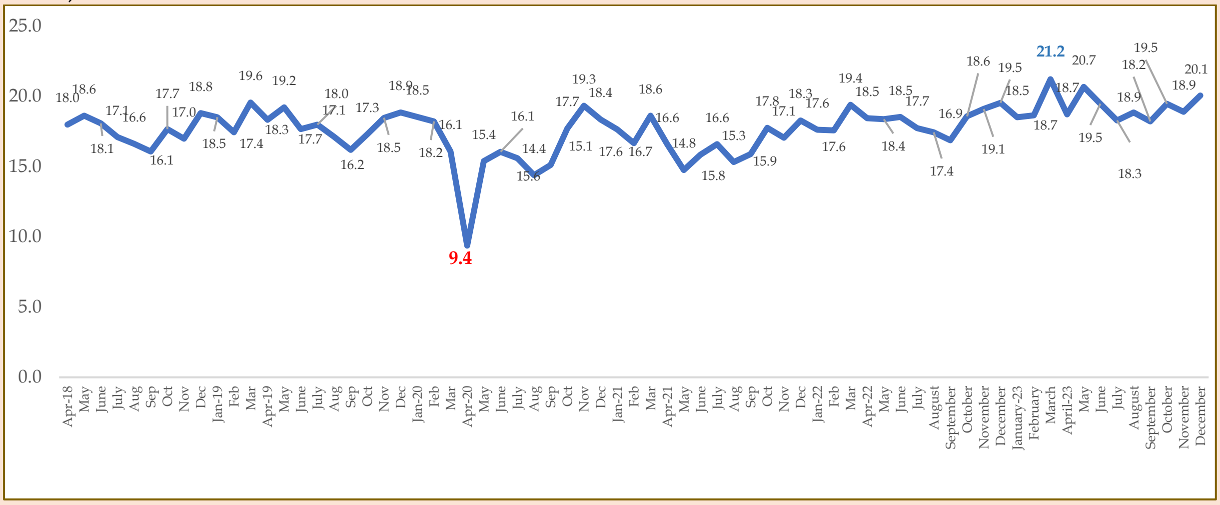
**Others include sulfur, propylene, propane, reformat, L.A.B.F.S, CBFS, butane, MTO etc.*
NOTE :
i) All figures are provisional.
ii) The source of information includes Oil Companies, DGCIS & online SEZ data.
iii) The consumption estimates represent market demand and is aggregate of :
(a) actual sales by oil companies in domestic market.
(b) consumption through direct imports by private parties (Private direct imports prorated for November'23 & December'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.

Domestic POL consumption for December'23, 20.054MMT (FIRST time crossed 20MMT band in FY2023-24), registered 2.6% growth rate, YoY basis; moreover, growth was observed in LPG at 2.3%, Naphtha at 27.3%, MS at 0.2%, ATF at 9.2%, SKO at 2.3%, LDO at 2.2% and Lubes & Greases at 10.8%, Bitumen at 10.8 % and Petroleum Coke at 12.6%.

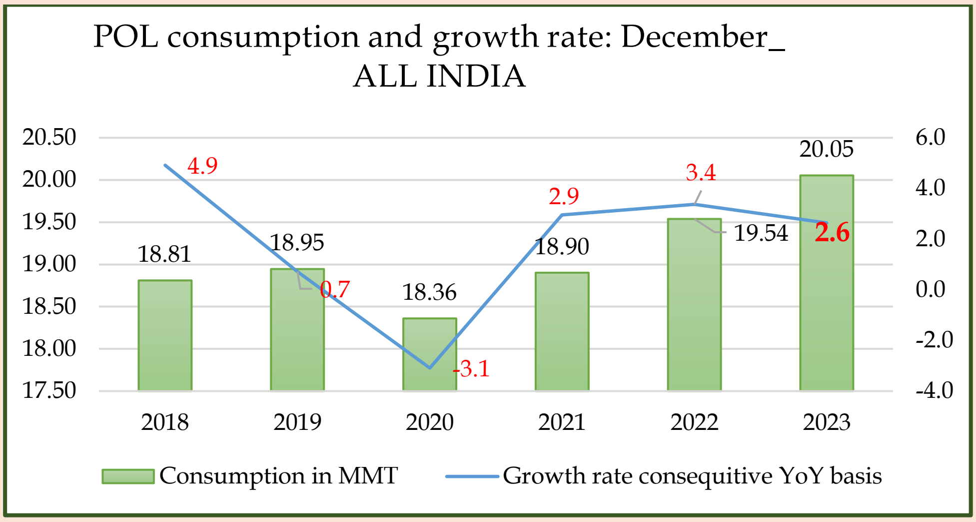
On cumulative perspective, total POL consumption of 173 MMT during April-December-23 registered 4.9% growth YoY basis; moreover product wise growth was observed in LPG 2.6%, Naphtha 15.4%, MS 5.7%, ATF 12.4%, HSD 4.4%, LDO 8.2% , Lubricants & Greases 10.2%, Bitumen 15.4% and Petroleum coke at 7.7%. ***Pan India based domestic POL monthly consumption trend since April-2018 is shown in Figure-1.***

Figure-1: **Monthly POL consumption (MMT) since December 2018 (max March-23 (21.2MMT) min April-20 (9.4 MMT)**



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

Chart-1: POL consumption & Growth rate YoY basis

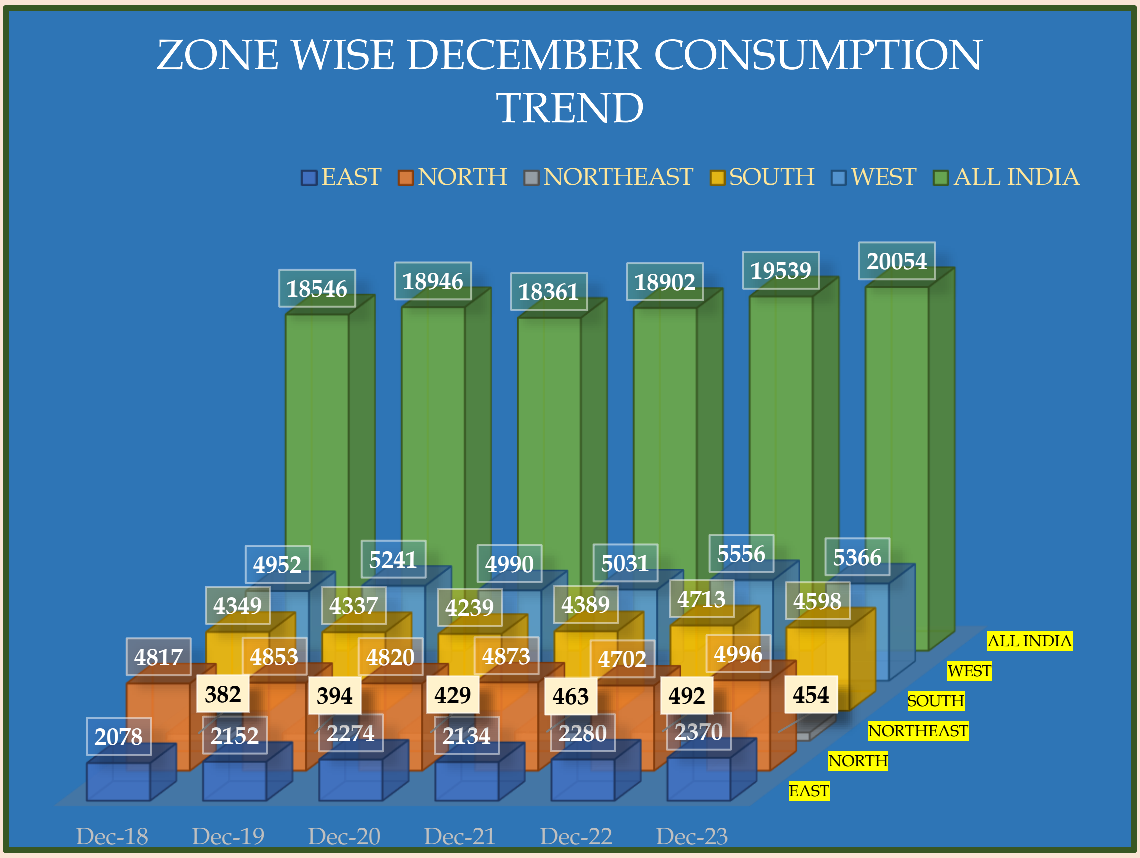


With respect to zone wise POL consumption highest growth rate YoY basis observed in North zone 6.3%, followed by EAST zone 3.9%.

North-East (92.2%) and South (97.6%) & West (96.6Y) showed YoY recovery pattern

The following chart-1A shows Zone wise POL December-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):

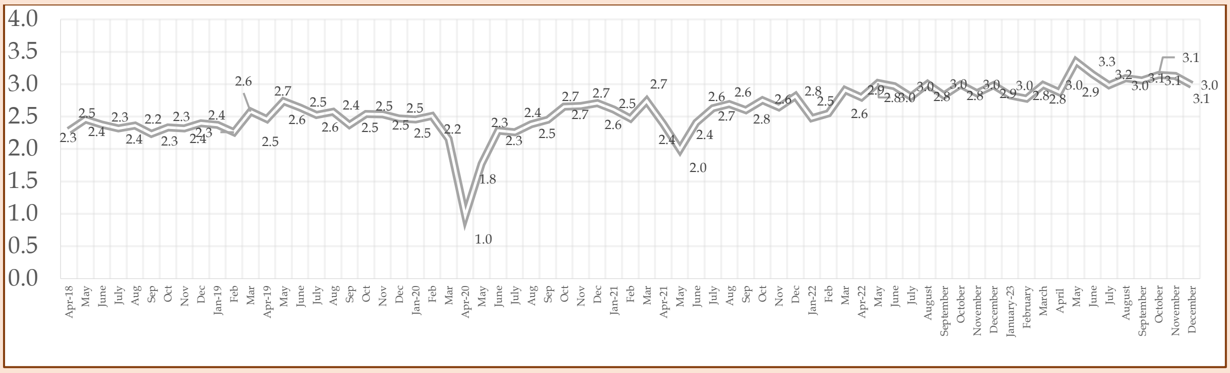
MS (Petrol) consumption during the month of December 2023 with a volume of 2.99 MMT registered a growth of 0.2% and 6.2% over the volume of 2.98 MMT & 2.5MMT in December 2022 & pre-pandemic 2019 respectively.

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;
- Growth in Economy and Auto industry was driving the growth of MS consumption. Also Touristic Demand increased due to clubbing of Holidays with Weekends.
- However, OMC sales was affected due to Cyclone Michaung hit in south-eastern part.
- Sentiment of Price Drop was high in the Market. Induced by the sentiment, dealers maintained less stock affecting primary sales.
- Moreover, the month end sale in various states was affected due to the Transporter Strike against the new penal law with provision regarding hit-and-run cases. In Kerala, all ROs were shut down on 31st December. Only KSRTC operated 'Yatra Fuel' outlets were continuing operation. The weekend at the month end & new year day also affected 'month-end-sales'.

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

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



OTHER FACTORS IMPACTING CONSUMPTION OF MS:

The Sale of Passenger Vehicles in December 2023 at 2.43 lacs registered 3.2% growth YoY basis over sale of 2.35 lacs in the month of December 2022.

PASSENGER VEHICLE SALES:

The details of various segmnets of PVs are tabulated below, *as shown in the following Table-2.*

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

Vehicle Segment	December		
	2022	2023	Growth %age
Passenger Cars	1,04,601	75,544	-27.8
Utility Vehicles	1,20,015	1,57,339	31.1
Vans	10,693	10,037	-6.1
Total PV	2,35,309	2,42,920	3.2

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

TWO-WHEELER SALES:

Two-wheeler sales in December 2023 with a volume of 12.1 lacs registered 16% growth, YoY basis over volume of 10.5 lacs during December 2022, ***as shown in the following table-3.***

THREE-WHEELER SALES

Three-wheeler domestic sales in December 2023 with a volume of 0.5 lac recorded a growth of 30.6%, YoY basis over the volume of 0.4 lac in December-2022, ***as shown in the following table-3***

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

Vehicle Segment	December		
	2022	2023	Growth %age
Scooters/Scotrette	2,95,498	4,05,274	37.1
Motor Cycles/Step-Throughs	7,23,593	7,68,402	6.2
Mopeds	25,961	38,290	47.5
Total Two Wheelers	10,45,052	12,11,966	16.0
Passenger Carrier-3 wheeler	28,473	38,995	37.0
Goods Carrier-3 wheeler	7,314	9,120	24.7
E-Rickshaw	2,783	2,147	-22.9
E-cart	123	275	123.6
Total Three Wheelers	38,693	50,537	30.6

Source: SIAM

HIGH SPEED DIESEL (HSD):

HSD (Diesel) consumption during the month of December 2023 with a volume 7.6 MMT recovered 97.7% over the volume of 7.8MMT in December-2022.

However, it registered 2.9% growth rate over the volume of 7.4 MMT during per-covid December-2019.

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

- The harvesting season of Rabi crop in some parts of the country ramped up diesel sales during December-23 for various agricultural activities,
- Full-fledged industrial and mining activities in various parts of India increased diesel consumption.
- However, OMC sales was affected due to Cyclone Michaung hit in south-eastern part.
- Sentiment of Price Drop was high in the Market. Induced by the sentiment, Dealers maintained less stock affecting primary sales.
- Moreover, the month end sale in various states was affected due to the Transporter Strike against the new penal law with provision regarding hit-and-run cases. In Kerala, all ROs were shut down on 31st December. Only KSRTC operated 'Yatra Fuel' outlets were continuing operation. The weekend at the month end & new year day also affected 'month-end-sales'.

The Manufacturing Purchasing Managers' Index (PMI) for the month, slipped to an 18-month low of 54.9. Though the value is below the quarterly average (55.5) since Q1 fiscal year 2022-23, the MoM differential growth values are auto-compensating in nature.

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 December 2018

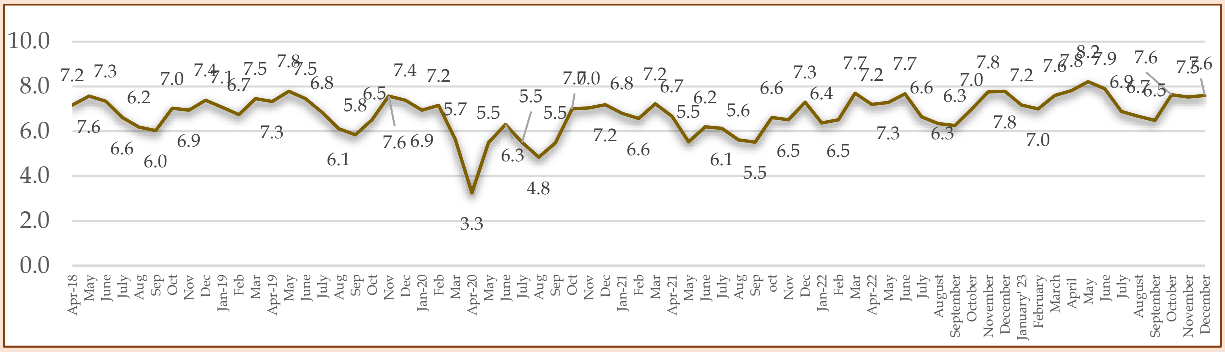
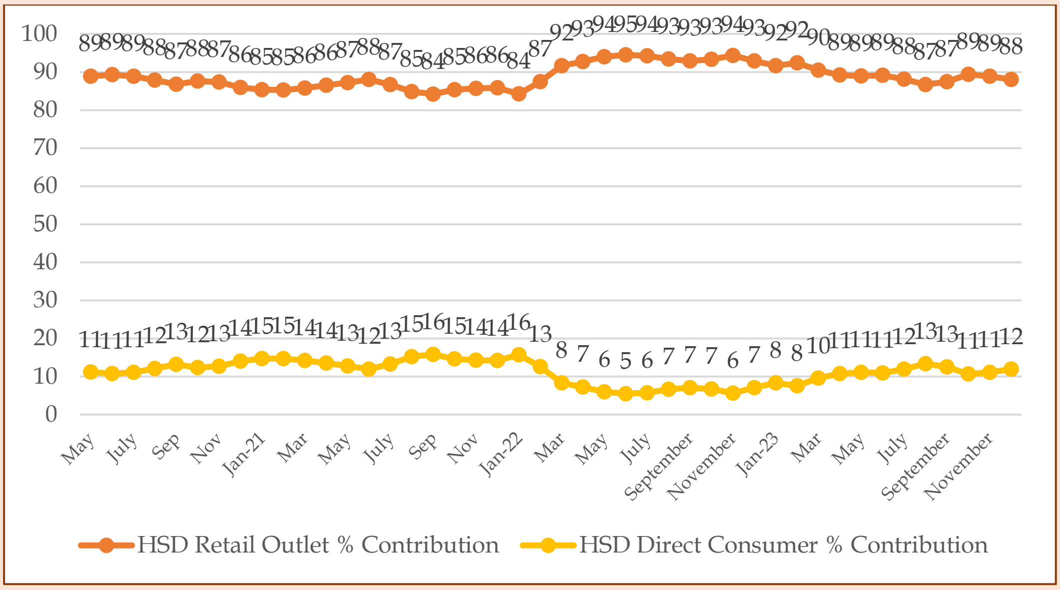


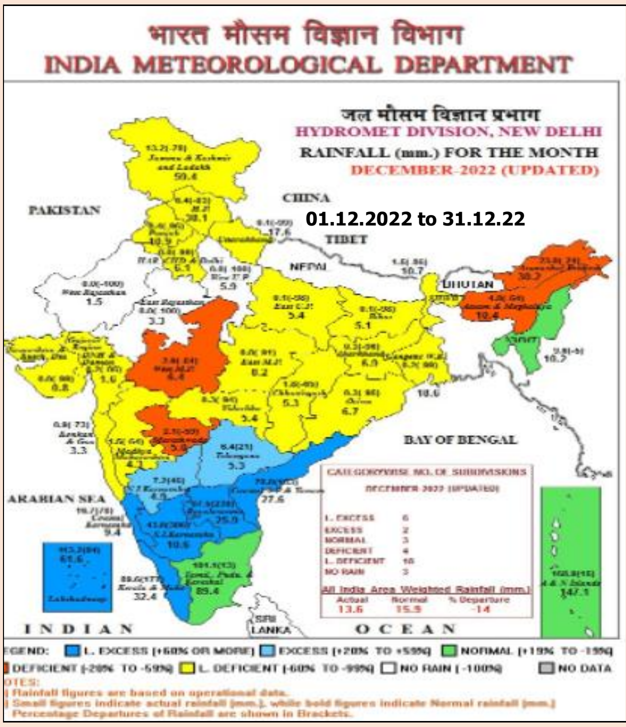
Figure-4: **Share of Retail & Direct business (%) in Diesel consumption month-wise since April 2020**

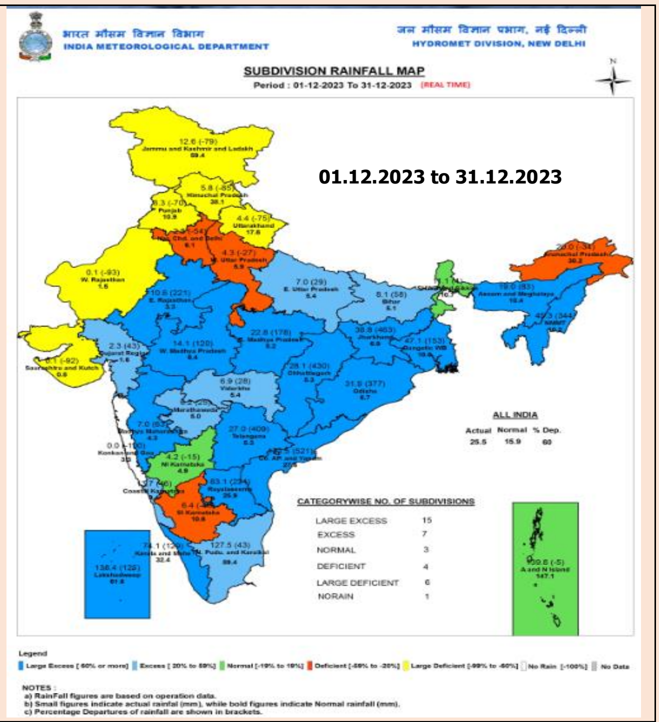


OTHER FACTORS IMPACTING CONSUMPTION OF HSD:

Seasonal rainfall scenario: The rainfall in the country during December 2023 was 60% higher than normal precipitation. A rainfall of 25.5 mm was recorded in the month of December 2023 as against a normal reading of 15.9 mm. Out of total 36 subdivisions, 22 division received excess to large excess rainfall, 11divisions received deficient rainfall whereas 3 divisions 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 all time high to 9.5 crores in December-23, up from 8.75 crores in November-23 pointing healthy supply chain during the month.

COMMERCIAL VEHICLE

Based on data from FADA Research, Indian domestic sales of commercial vehicles registered 1.3% growth as compared to December 2022 as shown in Table-4.

TRACTOR SALE:

Tractor domestic sales in December 2023 with a volume of 0.078 8 lacs registered 0.2% growth over the volume of 0.787 lacs in December 2022.

The tractor sales growth in December-23 was the due to harvesting seasons in some parts of the country.

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

Commercial vehicles & tractors		December		
		2022	2023	Growth % age
CV	LCV	42,925	41,804	-2.6
	MCV	4,305	4,808	11.7
	HCV	22,847	23,050	0.9
	Others	2,867	4,234	47.7
Total CVs		72,944	73,896	1.3
Tractors		78,700	78,872	0.2

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 cargo traffic handled at major ports in India with a volume of 69.98 MMT in December 2023 recorded a growth of 0.7% on YoY basis over the volume of 69.5 MMT in December-22.

Growth was observed in cargo handled during the month of December 2023 in all the major ports like Kolkata & Haldia 11.4%, Paradip 0.4%, V.O. Chidambaranar at 3%, New Mangalore at 12.9% and Mormugao at 21.4% with respect to December-2022.

During 'April-December-FY2023-24', sector wise growth was registered in 'Iron ore including pallets' at 45% followed by fertilizers (finished & raw combined) at 10.8%, Cude & Petroleum at 4%, 'coking & others' coal 3.8%, with respect to 'April-December-FY2022-23'.

The Percentage tonnage share in December-23 was maximum in CPOL 34% followed by Coal (thermal, steam and coking) 24%, 'container-tonnage & TEUs 22%, , Iron ore 9% & other miscellaneous cargo 11% and fertilizer (finished & dry) 2%.

Growth pattern of cargo operation in percentage in all Indian ports and December-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 December 2020

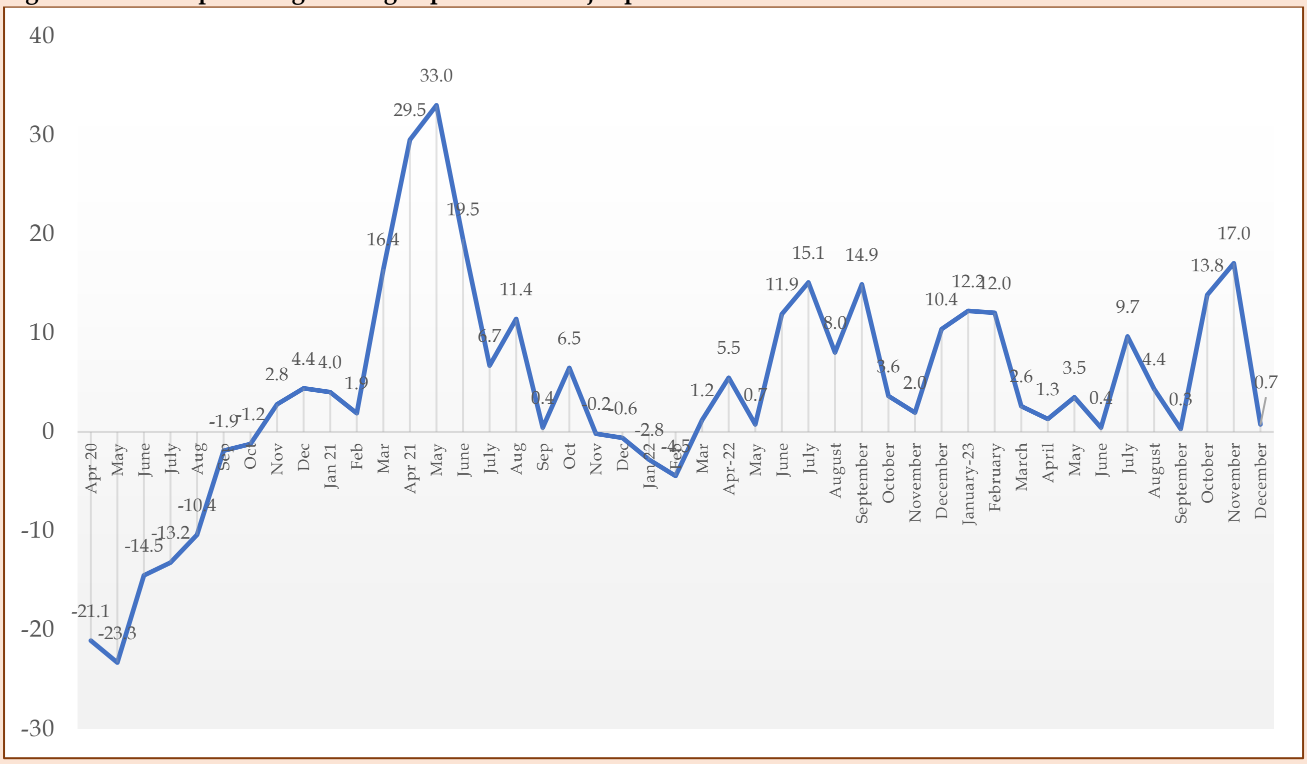


Table-5: Cargo handled at major ports in December 2023(Qty in TMT)

Ports	December 2022	December 2023	Growth (%)
Kolkata & Haldia	6,149	6,847	11.4
Paradip	12,599	12,604	0.0
Visakhapatnam	6,574	6,420	-2.3
Kamarajar (Ennore)	3,524	3,391	-3.8
Chennai	4,031	3,758	-6.8
V.O. Chidambaranar	3,012	3,101	3.0
Cochin	3,324	3,118	-6.2
New Mangalore	4,031	4,553	12.9
Mormugao	1,667	2,024	21.4
Mumbai	5,820	5,792	-0.5
JNPT	7,627	7,479	-1.9
Deendayal	11,106	10,891	-1.9
Total:	69,464	69,978	0.7

Source: ipa.nic.in

Power situation:

The position of power supply for the month of December 2023 is given in Table-6. As per the data reported, power deficit percentage was 0.1 %in December-2023 whereas it was 0.3% in December-2022. The requirement of power in December 2023 was 1,20,653 MU and has recovered 98.7% over requirement of power at 1,22,291 MU in the month of December 2022.

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

	December-2022			December-2023		
	Requirement	Supplied (MU)	Deficit %	Requirement	Supplied (MU)	Deficit %
North	34,679	34,427	-0.7%	32,102	32,041	-0.2%
West	43,800	43,799	-0.0024%	43,171	43,171	-0.001%
South	29,583	29,583	0.0%	30,942	30,941	0.0%
East	12,759	12,633	-1.0%	13,001	12,972	-0.2%
North-East	1,471	1,471	0.0%	1,437	1,436	-0.1%
Total	1,22,291	1,21,913	-0.3%	1,20,653	1,20,562	-0.1%

Source: Central Electricity Authority (CEA)

Sectoral consumption of HSD:

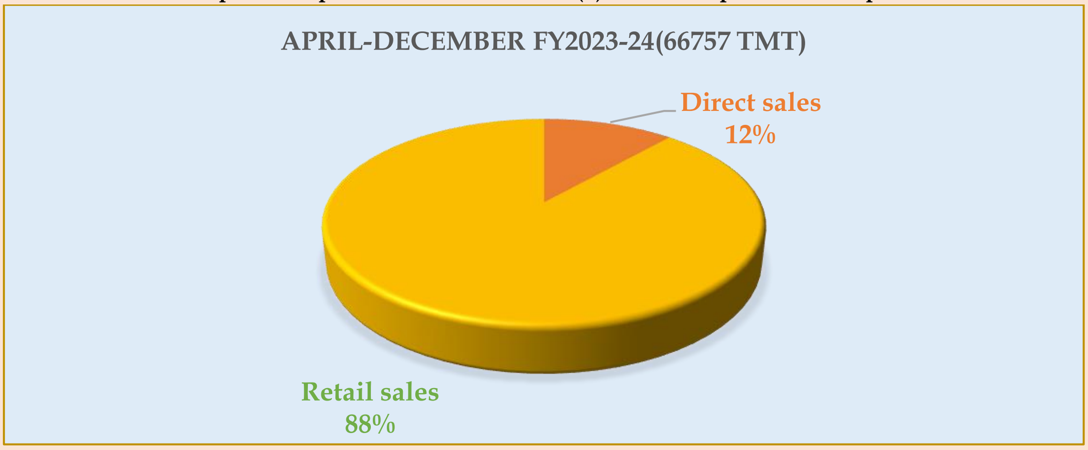
During 'April-December-FY2023-24', HSD total consumption with a volume of 67 MMT registered 4.4%growth Year-on Year basis over the volume of 64 MMT in 'April-December-FY2022-23'.

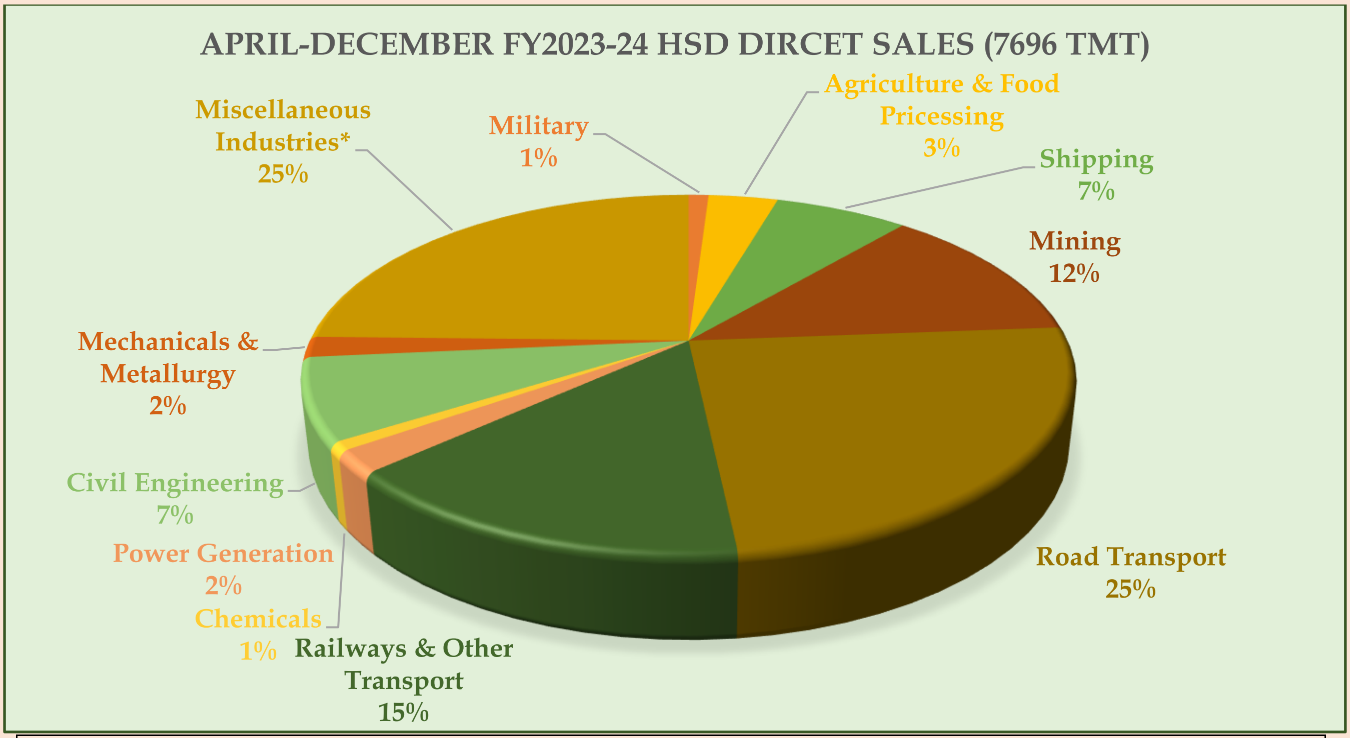
88% of cumulative HSD consumption during 'April-December-FY2023-24', was constituted by retail sales. Balance 12% falls under direct sales category as shown in 5A/B chart. Whereas the bifurcation was 94:6 in 'April-December-FY2022-23'.

In direct sales category, further sectoral consumption break up is shown.

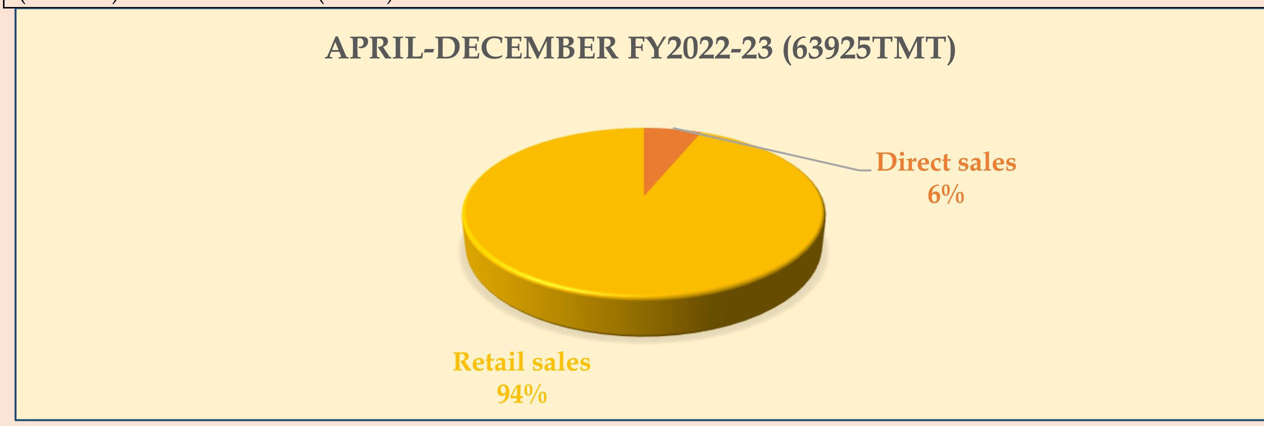
Details comparisons & YoY analysis are pictorially presented in the following charts.

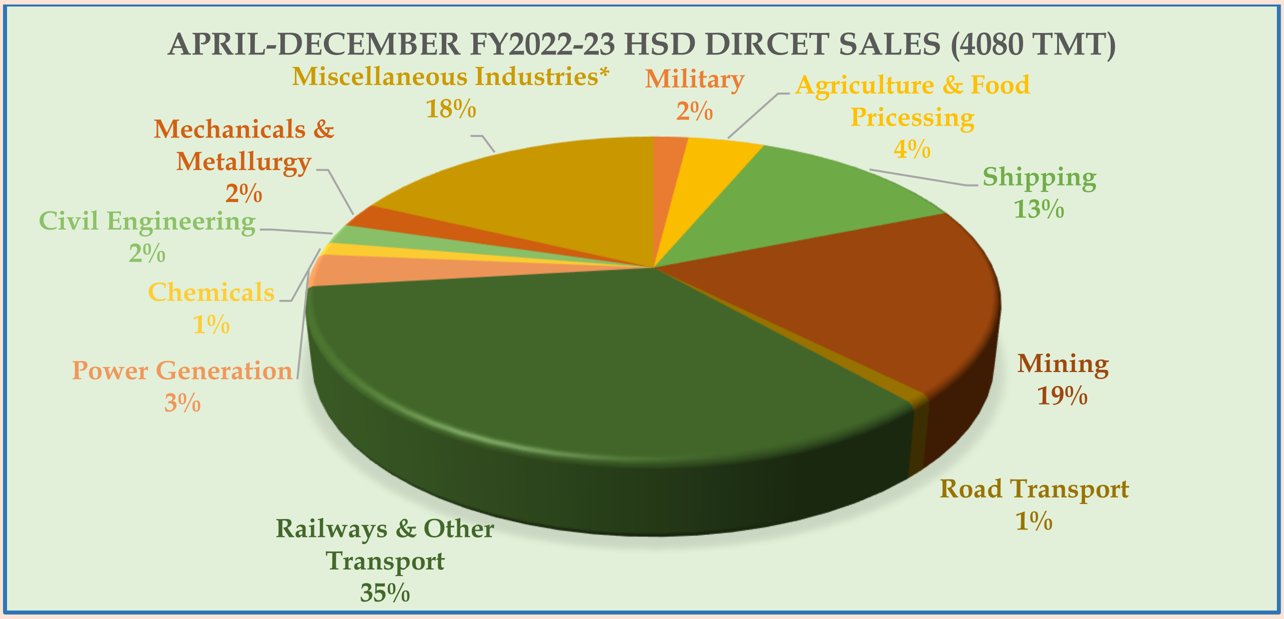
Chart-5A/B: **Sector-wise HSD consumption in April-December FY-2023-24 (P) and its comparison with April-December-FY2022-23**





*Miscellaneous Industries (25%) includes 'Electricals/electronics' (0.16%), 'Textiles' (0.07%) , 'Candle Industry' (0.007), 'Catering & Hotels' (0.04%), Galss & Ceramics (0.04%),'Abrasives & Others' (0.72%), 'Leather Industry' (0.007%), Matches Industry (0.001), 'Other usages' (23.55%),'Packing Materials (0.02%), 'Paper & Plastic Industry (0.04%),'Post, Telegraphs and Processors' (0.005%),'Rubber & Tyre Industry' (0.02%),'State Electricity Boards ' (0.03%),'Tobacco Industries' (0.0003%) and 'Universities' (0.02%)





* Miscellaneous Industries (18%) includes 'Electricals/electronics' (0.16%), 'Textiles' (0.05%) , 'Candle Industry' (Nil), 'Catering & Hotels' (0.06%), Galss & Ceramics (0.05%),'Abrasives & Others' (0.2%), 'Leather Industry' (0.004%), Matches Industry (Nil), 'Other usages' (17.18%),'Packing Materials (0.01%), 'Paper & Plastic Industry (0.03%),'Post, Telegraphs and Processors' (0.01%),'Rubber & Tyre Industry' (0.03%),'State Electricity Boards ' (0.07%),'Tobacco Industries' (0.001%) and 'Universities' (0.03%)

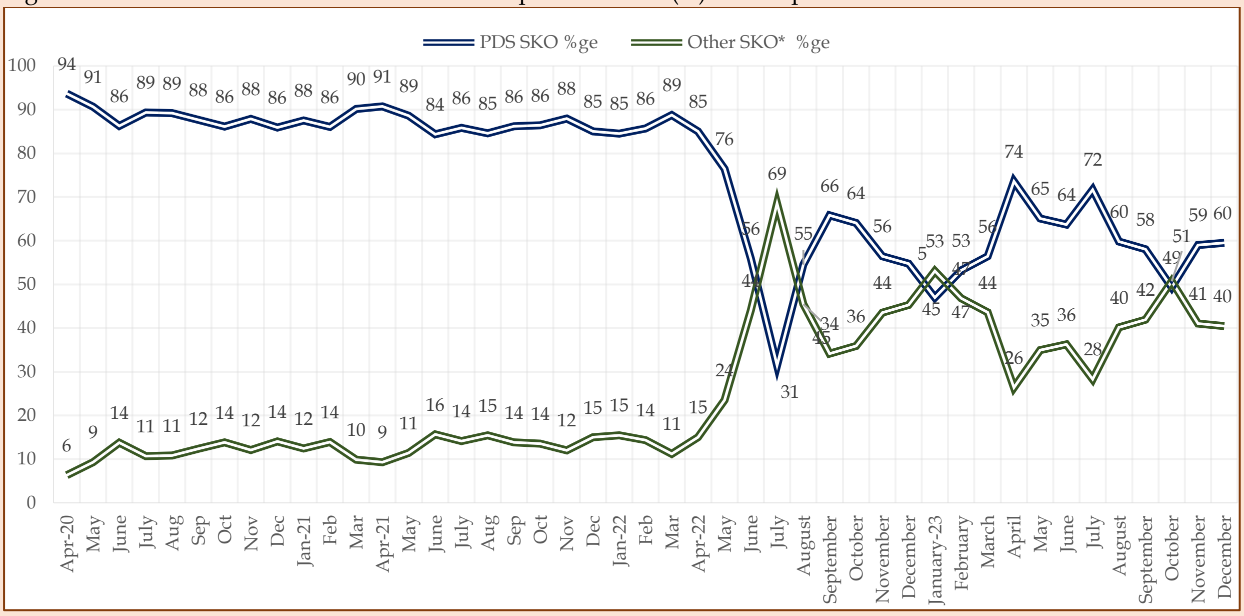
KEROSENE:

Kerosene consumption during December-2023 with a volume ***0.041 MMT registered growth of 2.3% &-73.4%(NEGATIVE) over the volume of 0.040 MMT & 0.15 MMT in December-2022 & pre-Pandemic December- 19 respectively.***

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.

The market share of subsidized-PDS and other SKO was 60% & 40% respectively for the month December-23 as shown in the following figure.

Figure-6: Month-wise PDS & other-SKO consumption in share (%) since April 2020 to till date



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

Sectoral consumption of SKO:

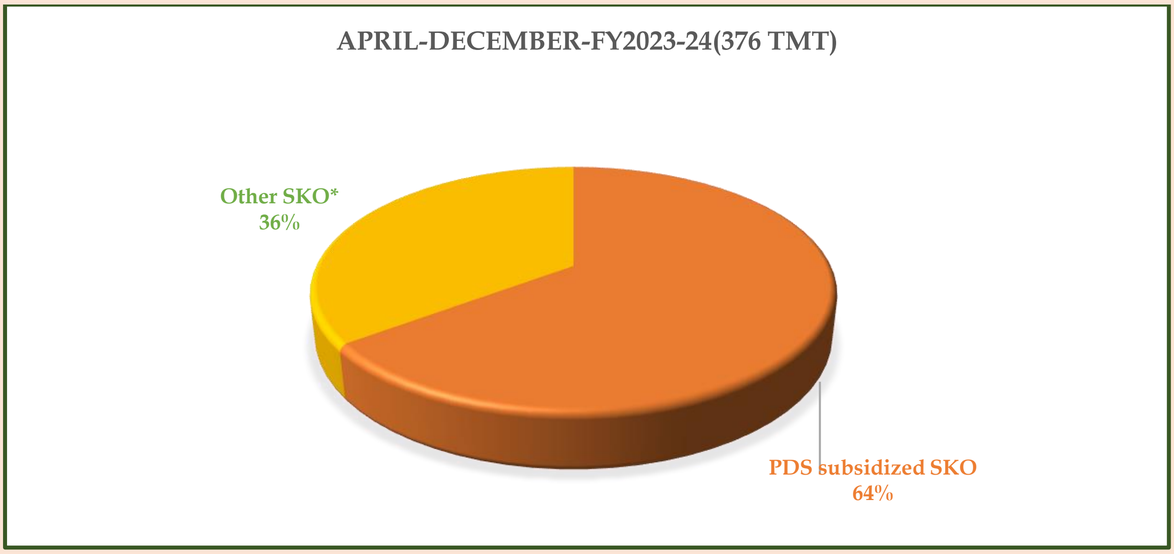
During 'April-December-FY2023-24', SKO total consumption with a volume of 0.38 MMT registered

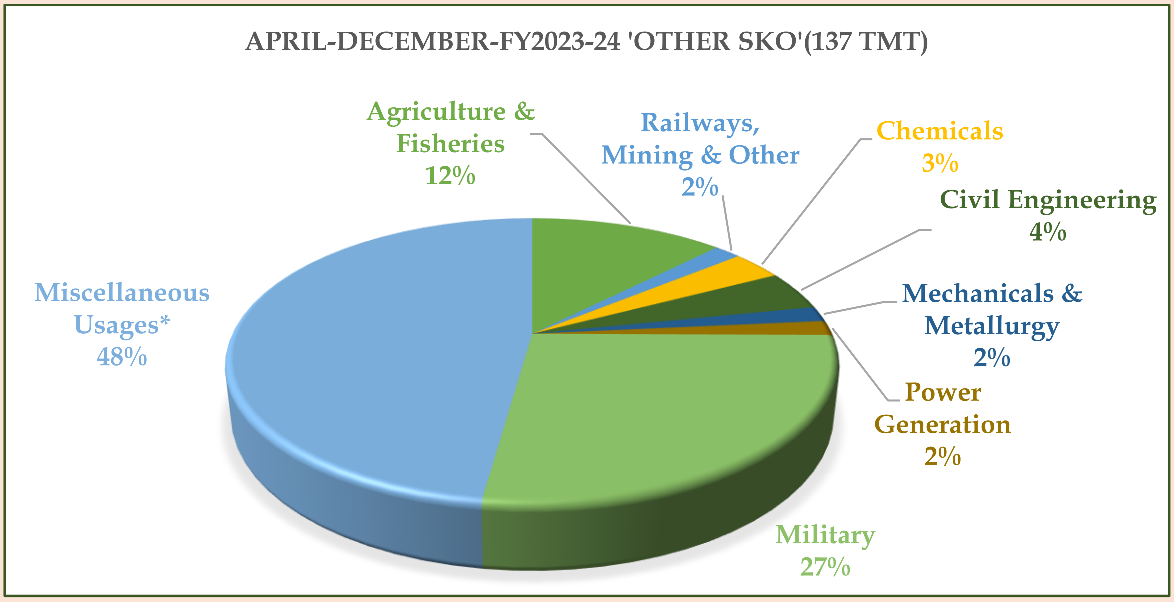
4.4% degrowth Year-on Year basis over the volume of 0.39 MMT in 'April-December-FY2022-23'.

Out of total SKO sales during 'April-December-FY2023-24' 'PDS subsidized SKO' upliftment constituted to 64%.

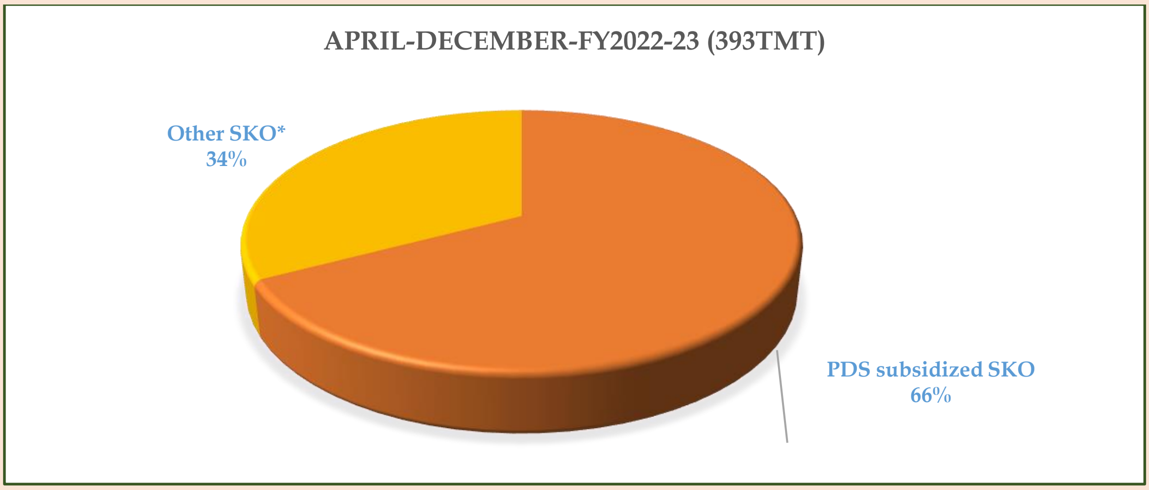
Sectoral Break up of SKO and its YoY comparison is shown in the following charts.

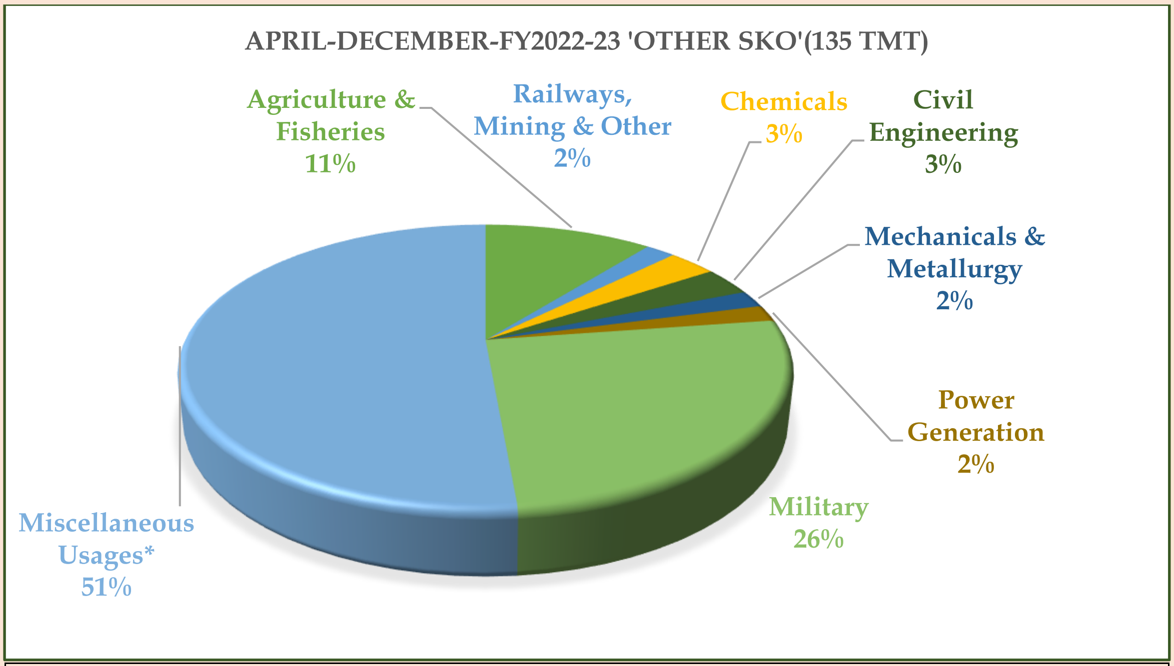
Chart-3: Cumulative 'PDS subsidized SKO' & 'Other SKO' sales breakup and Sectoral bifurcation of 'Other SKO' sales during 'April-December FY-2023-24' (P) and its YoY comparison with 'April-December-FY2022-23'





Other SKO includes 'Nonsubsidized PDS SKO', 'non-PDS SKO' and 'Imported SKO'
*Miscellaneous Usages (48%) includes 'Electrical/electronics' (0.03%) and 'Other Industries' (47.73%)





Other SKO includes 'Nonsubsidized PDS SKO', 'non-PDS SKO' and 'Imported SKO'
*Miscellaneous Usages (51%) includes 'Electrical/electronics' (0.01%) , Textiles (0.05%) and 'Other Industries' (51.39%)

BITUMEN:

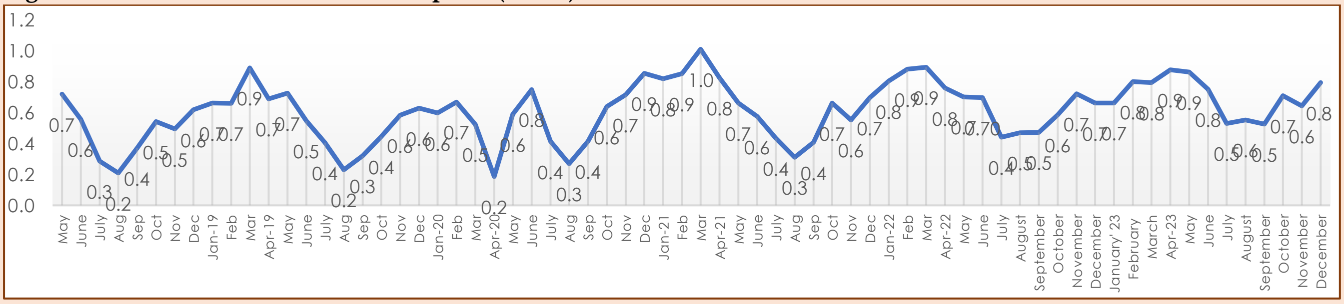
Bitumen consumption during December 2023 with a volume of 0.79 MMT registered 10.8% & n26.2% growth rate over the volume of 0.72MMT & 0.63 MMT in December-2022. & Pre-Pandemic December-2019 respectively.

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

- Road construction activity was in full swing to mitigate the Q3FY2023-24 end- targets.
- Appreciable amount of Packed Bitumen demand from Border Roads Organizations(BRO) was observed.
- Favourable weather in some parts of the coutray attributed good consumption growth of bitumen.

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

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



Sectoral consumption of Bitumen:

During 'April-December-FY2023-24', total bitumen consumption with a volume of 6.2 MMT registered 15.4% growth Year-on Year basis over the volume of 5.4 MMT in 'April-December-FY2022-23'.

97% of cumulative bitumen sales during 'April-December-FY2023-24', was constituted to Road construction, balance 3% was consumed by miscellaneous industries.

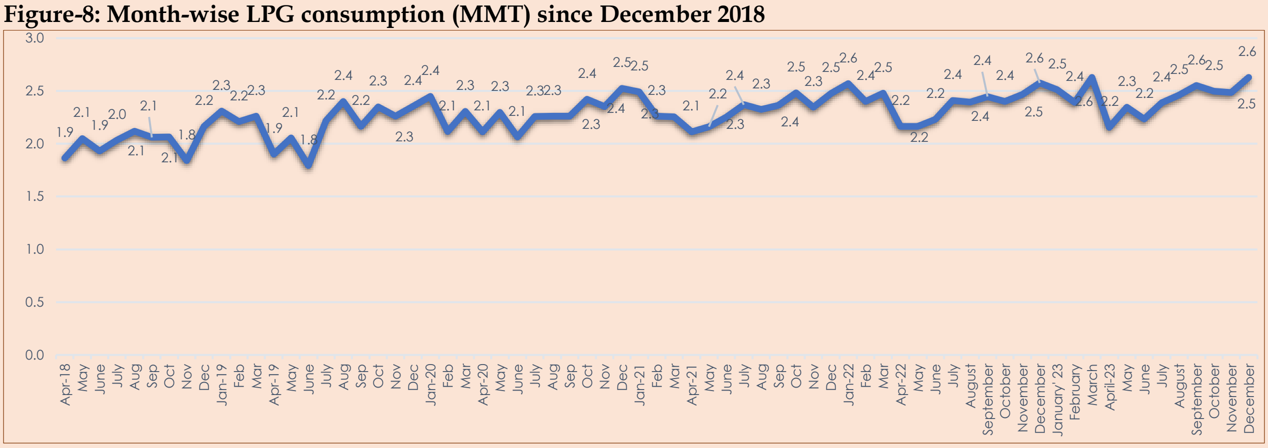
LPG:

LPG consumption during the month of December 2023 with a volume of 2.62 MMT registered 2.3% & 11.6% growth rate over the volume of 2.57 MMT & 2.34 MMT in December-2022 and prepandemaic December-2019 respectively.

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 contributed to growth rate in LPG consumption.
- State subsidy scheme of Rs.600/- on PMUY customers in addition to 300/- centre subsidy has made it free for PMUY customers in UP . Thereby driving a growth for PMUY sector
- Moreover, the anticipated price cut in 'LPG Packed Non-Domestic' category in January - 2024, affected LPG consumption in that category (recovered 90% YoY).
- Moreover, LPG consumption might be affected by domestic PNG penetration. CGDs are coming up facilatating domestic PNG
- Foam industries, Ceramic Industries based near Morbi region,. who were earlier using imported Propane and Butane have shifted to indegeneous LPG because of favorable pricing and *Antmanirvar Bharat* centiment.
- ***Pan India based domestic LPG monthly consumption since April-18 is shown in the Fig-8.***

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

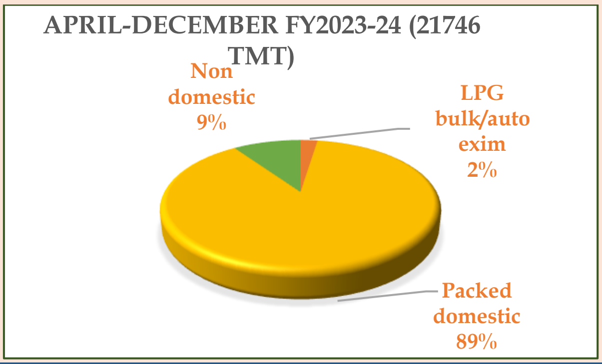


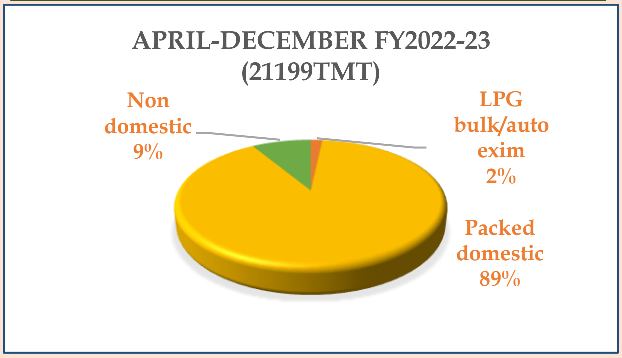
Sectoral consumption of LPG:

During 'April-December-FY2023-24', total LPG domestic consumption with a volume of 21.7 MMT registered 2.6% growth Year-on Year basis over the volume of 21.2 MMT in 'April-December-FY2022-23'.

The Sectoral LPG consumption during 'April-December-FY2023-24' and YoY comparison are shown in the following charts.

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





NAPHTHA:

Naphtha consumption during the month of December 2023 with a volume of 1.32 MMT registered 27.5% & 4.2% growth rate over the volume of 1 MMT & 1.27 in December-2022 & prepandemic December-2019 respectively.

Petrochemical industries remain the main consumers of naphtha.

Based on the market survey, Naphtha consumption during the month may be attributed due to the following reasons:-

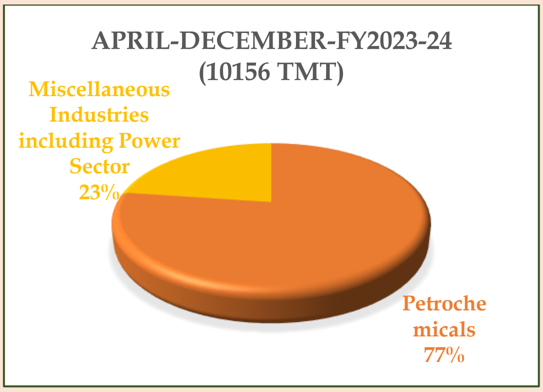
- Low base factor resulted high growth value.
- Some petrochemical companies increased naphtha consumption to optimize the feed based on the NG pricing

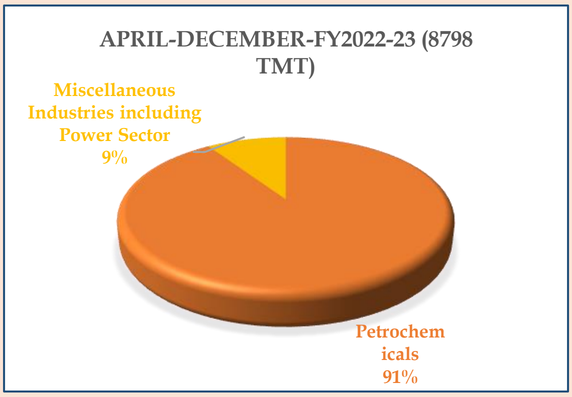
Sectoral consumption of Naphtha:

During 'April-December-FY2023-24', total Naphtha domestic consumption with a volume of 10.2 MMT registered 15.4% growth Year-on Year basis over the volume of 8.8 MMT in 'April-December-FY2022-23'.

On YoY basis, detailed comparisons of Sectoral Consumption breakup are pictorially presented in the following charts.

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





ATF:

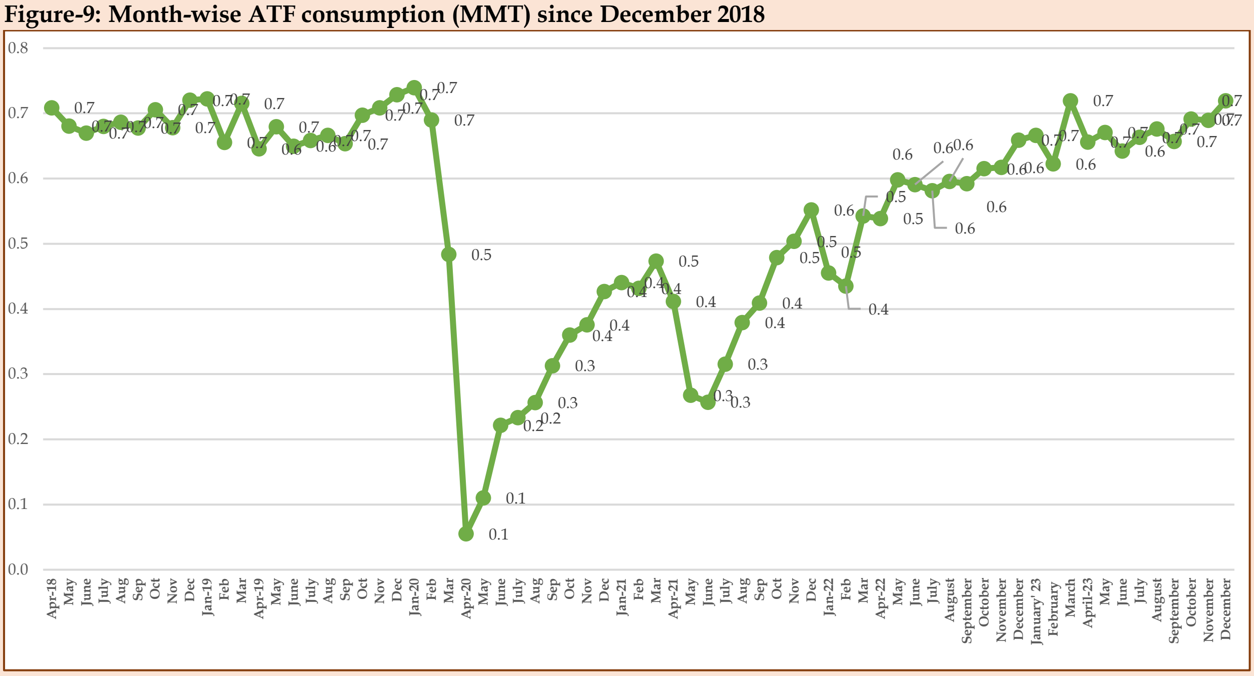
ATF consumption during December 2023 with a volume of 0.72 MMT registered a growth of 9.2% over the volume of 0.66 MMT in December 2022; however, it recovered 97.3% over the vоume of 0.729 MMT in prepandemic December-2019.

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 rate has been maintained less in Pune and Mumbai (18%) since April-23, attributing to higher consumption in WESTERN region (18.9% YoY)
- India's monthly dometic passengers foot-fall during the December was the highest in this FY2023-24 so far.

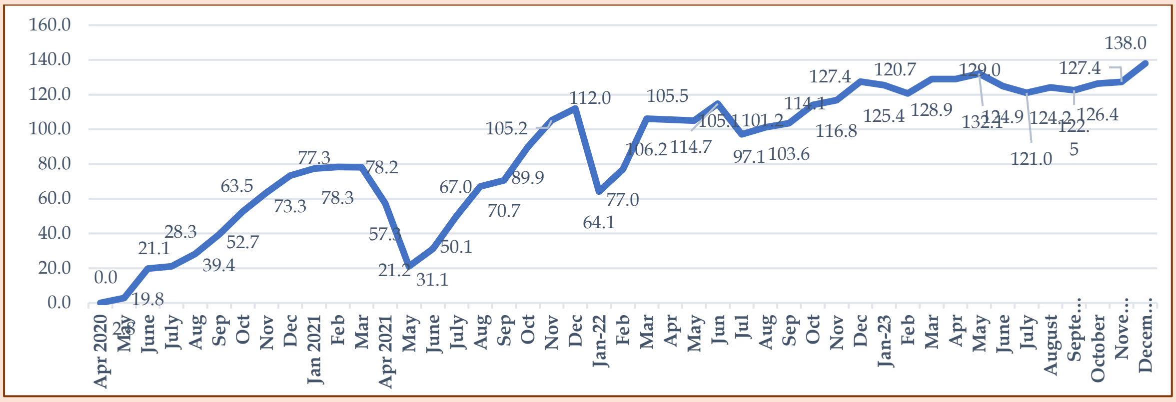
Pan India based domestic ATF monthly consumption since April-18 is shown in the Fig-9.

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



Passengers carried by domestic airlines during the month of December 2023 stood at 137.98 lakhs as against 127.4 lakhs during December 2022. Monthly domestic footfall trend for last few months are quite promising as folund in the following chart and December-23 domestic footfall marked the highest in this Financial Year so far.

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



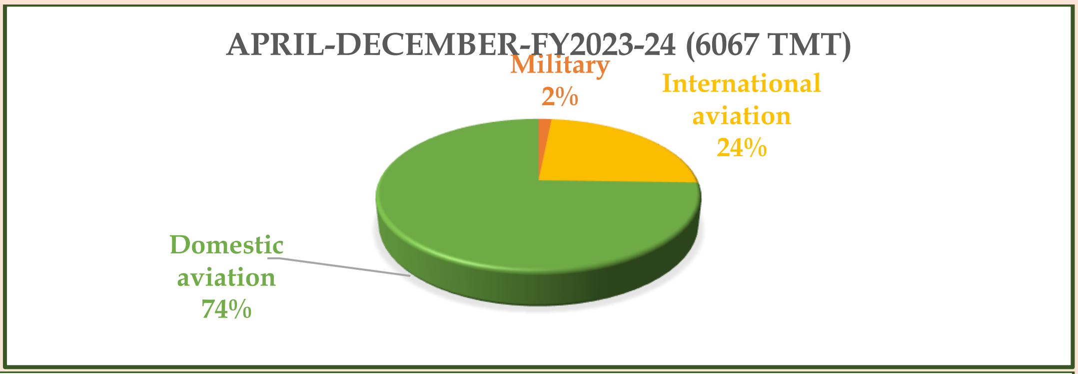
Sectoral consumption of ATF:

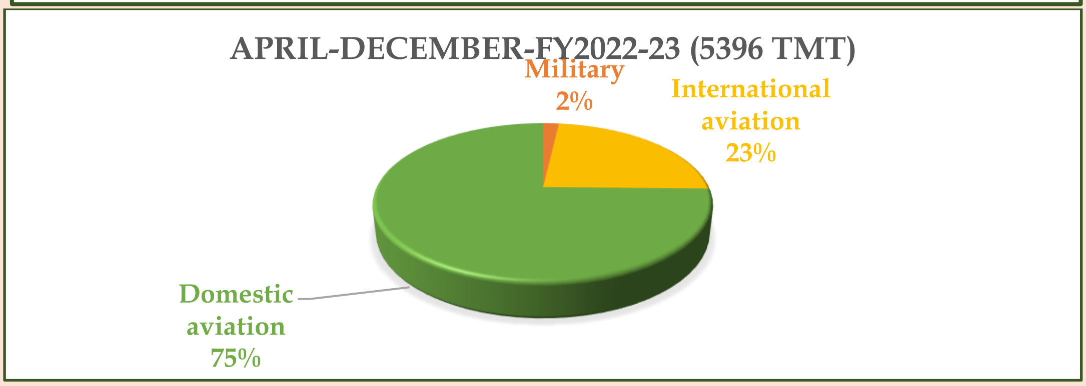
During 'April-December-FY2023-24', total ATF domestic consumption with a volume of 6.1 MMT registered 12.4% growth Year-on Year basis over the volume of 5.4 MMT in 'April-December-FY2022-23'.

Almost entire ATF consumption during 'April-December-FY2023-24' was attributed to aviation sector.

Details sectoral breakup for FY2023-24 (April-December) and its YoY analysis are pictorially presented in the following charts.

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





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

FO/LSHS consumption during December 2023 with a volume of 0.57 MMT recovered 92.2% & 91.3% over the volume of 0.622 MMT & 0.628 MMT in December-2022 & in Pre-pandemic December-2019 respectively.

The growth pattern is attributed to consumption shift from LSHS to 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 during last couple of months
- In some states, glass industries, which consume FO as internal fuel, consumed more FO to mitigate the demand of real-estate industries with robust growth during the month.
- Fuel Oil sales in J&k was prohibited effective from mid December. In Punjab a cheaper substitute of FO namely CBFS, is being sold.
- Government of Punjab released a circular on 04th November-2023 on prohibition of Fuel oil exceeding 1.8% (w/w) sulfur as fuel. However, effective date had been fixed at a later stage as 4.1.2024.

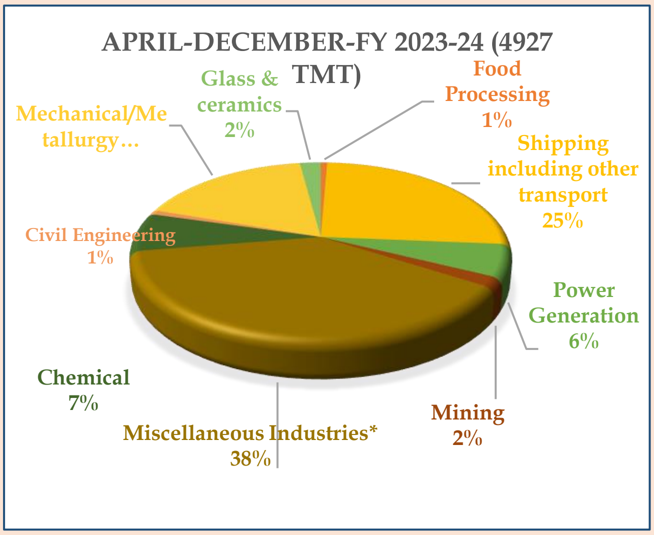
Hence, the circular & its implementation date impacted FO inventory building during the month.

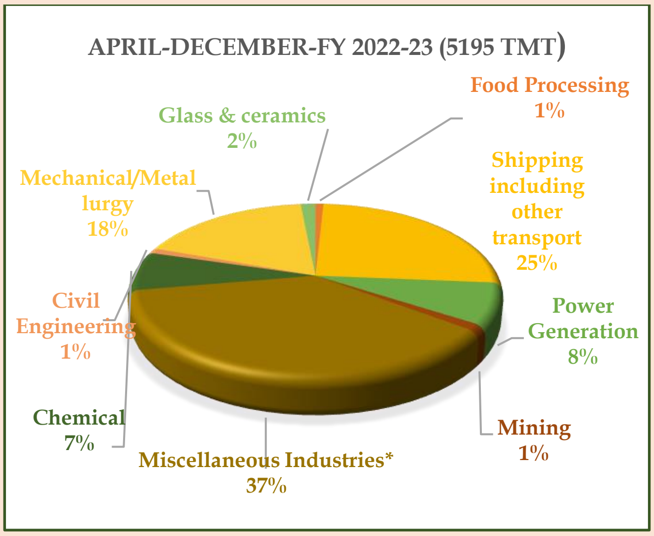
Sectoral consumption of FO/LSHS:

During 'April-December-FY2023-24', total FO/LSHS monthly domestic consumption with a volume of 4.9 MMT recovered 94.8% Year-on Year basis over the volume of 5.2 MMT in 'April-December-FY2022-23'.

Sectoral consumption of FO/LSHS during 'April-December-FY2023-and its YoY comparison is shown in the following charts.

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





FY2023-24:-	FY2022-23:-
*Miscellaneous Usage (38%) includes Electricals/ Electronics (0.06%),Catering & Hotels (0.02%),Matches Industry (Nil),Other Usages (35.68%),Packing Materials (0.05%),Paper, Plastic & Processors (1.23%),Universities (0.01%),State Electricity Board(0.2%),Textiles (0.4%), Abrasives Industry (0.37%) and Rubber Industry (0.38%).	*Miscellaneous Usage (37%) includes Electricals/ Electronics (0.05%),Catering & Hotels (0.01%),Matches Industry (0.06%),Other Usages (32.29%),Packing Materia (0.04%),Paper, Plastic & Processors (1.41%),Universities (0.01%),State Electricity Board(1.55%),Textiles (0.34%), Abrasives Industry (0.49%) and Rubber Industry (0.74%)

PETCOKE:

Petcoke consumption during the month of December 2023 with a volume of 1.6 MMT registered 12.6% growth rate over the volume of 1.4 MMT in December-2022.

However, it recovered 79.8% over the volume of 2 MMT in pre-pandemic December-2019.

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:-

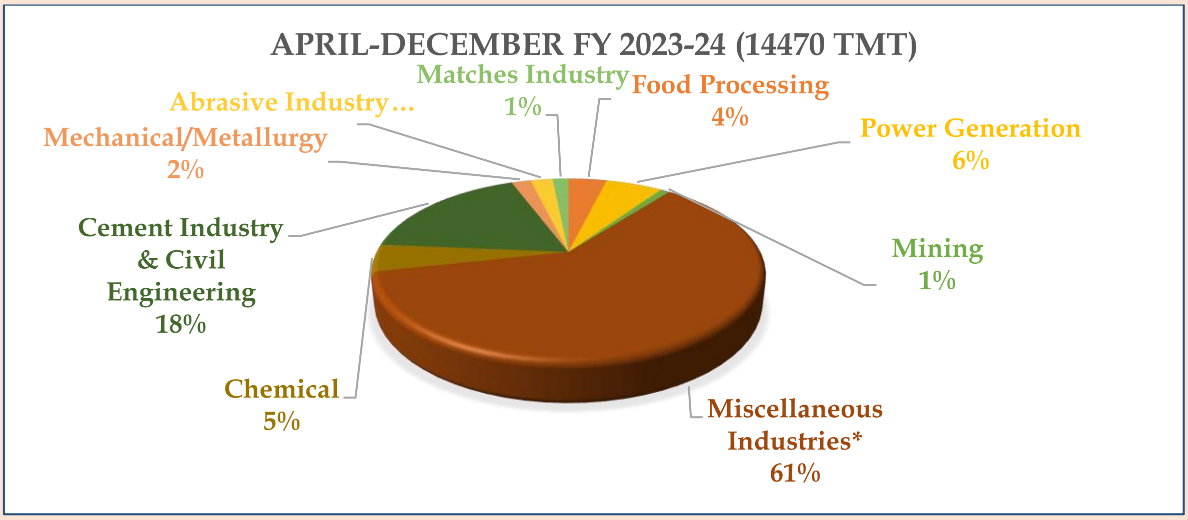
- Petcoke demand was increased after November-low inventory
- Availability of rakes after festival season in November, increased petcoke upliftment

Sectoral consumption of Petcoke:

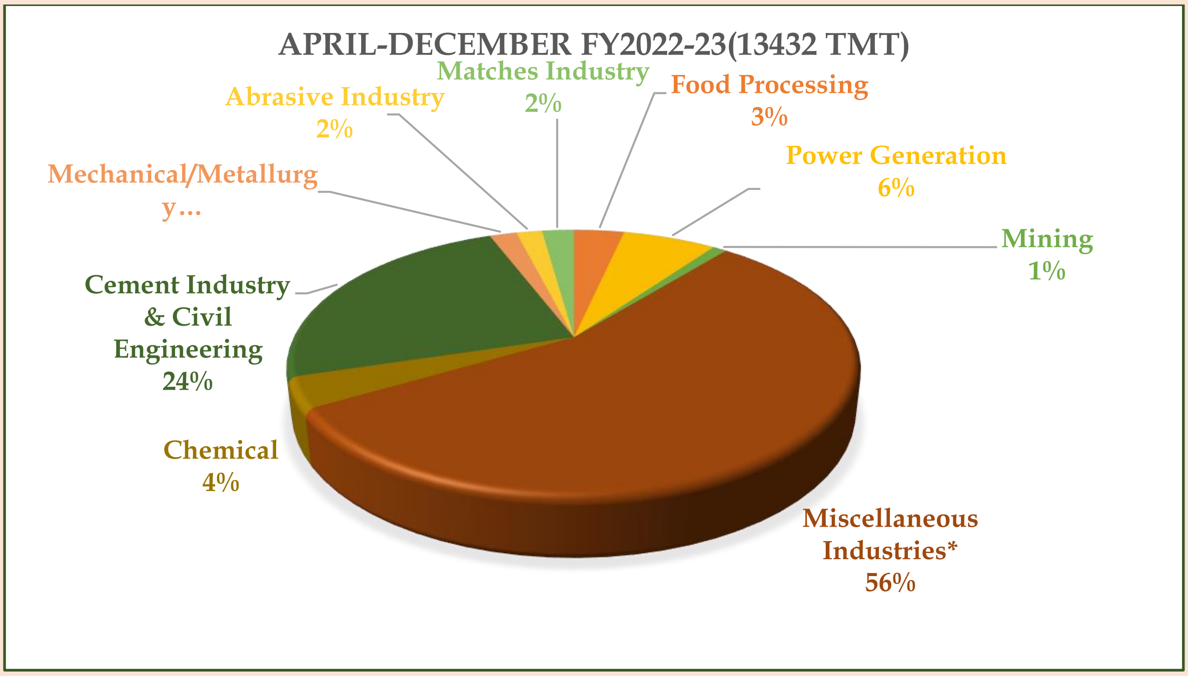
During 'April-December-FY2023-24', total petcoke monthly domestic consumption with a volume of 14.5 MMT registered 7.7 % growth rate Year-on Year basis over the volume of 13.4 MMT in 'April-December-FY2022-23'.

On YoY basis, sectoral consumption for April-December is shown in the following charts.

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



FY2023-24:-	FY2022-23:-
*Miscellaneous Usage (61%) includes Textiles (0.4%),Candle Industry (0.07%),Glass & Ceramics (0.16%),Other Usages (59.55%),Packing Industry (0.08%),Paper and Plastic Industry (0.45%),Processors (0.36%) and Rubber Industry (0.03%)	*Miscellaneous Usage (56%) includes Textiles (0.37%),Candle Industry (0.07%),Glass & Ceramics (0.25%),Other Usages (53.62%),Packing Industry (0.12%),Paper and Plastic Industry (0.52%),Processors (0.7%) and Rubber Industry (0.06%)



LIGHT DIESEL OIL:

LDO consumption during the month December-2023 with a volume of 0.067 MMT registered 2.2% & 7.45 growth rate over the volume of 0.065 MMT & 0.046 MMT in December-2022. & Pre-pandemic December-2019 respectively

December-23 LDO consumption growth was attributed to following reasons:-

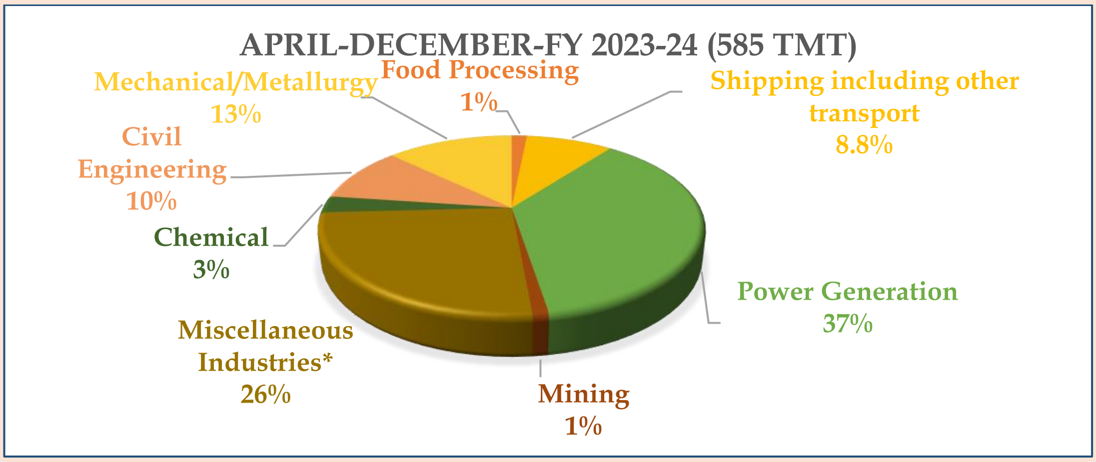
- In some parts especially in southern region LDO consumption in power sector got increased due to highest power demand growth (4.6% YoY).
- Good LDO demand was observed in sates like UP due to NTPC plant operation
- LDO consumption was largely affected by availability of alternate fuels like FO&LSHS, LPG/CNG/ Fuel gas etc. and strategy taken by state governments to decrease emission. LDO consumption is banned in Delhi NCR, Haryana, Gujrat etc.
- LDO use as a fuel for industrial boilers (other than power sector) decreased due to PM emission during winter season.

Sectoral consumption of Light Diesel Oil:

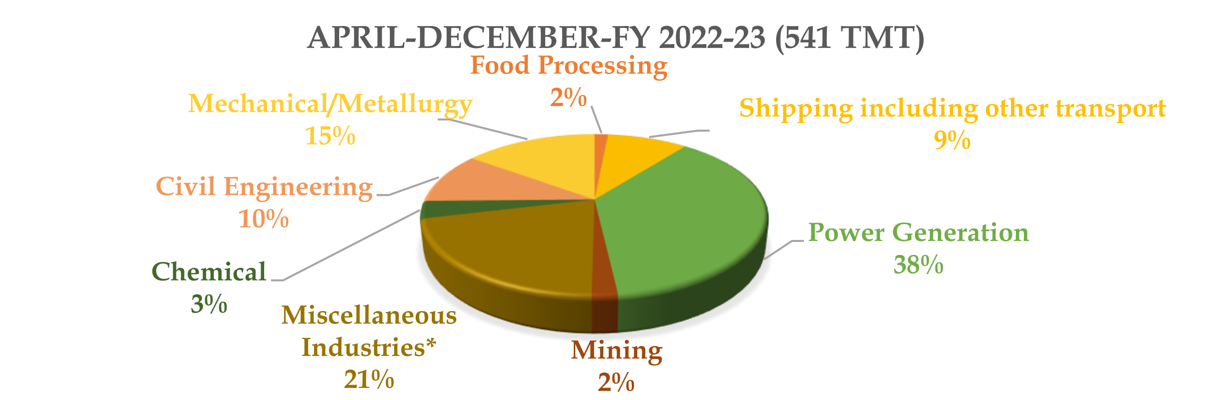
During 'April-December-FY2023-24', total LDO domestic consumption with a volume of 0.59 MMT registered 8.2% growth Year-on Year basis over the volume of 0.54 MMT in 'April-December-FY2022-23'.

On YoY basis LDO sectoral consumption are pictorially presented in the following charts.

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



FY2023-24:-	FY2022-23:-
*Miscellaneous Usage (26%) includes Electricals/ Electronics (0.21%),Candle Industry (0.01%),Catering & Hotels (0.01%),Glass & Ceramics (0.17%),Abrasives Industry(1.22%),Leather Industry (0.03%),Other Usages (23.06%),Paper and Plastic Industry (0.02%),Processors (0.01%),Rubber Industry (0.24%),State Electricity Board (0.51%),Universities (0.05%) and Textiles (0.09%)	*Miscellaneous Usage (21%) includes Electricals/ Electronics (0.29%),Candle Industry (0.01%),Catering & Hotels (NIL),Glass & Ceramics (0.85%),Abrasives Industry(1.27%),Leather Industry (0.03%),Other Usages (16.43%),Paper and Plastic Industry (0.12%),Processors (0.02%),Rubber Industry (0.17%),State Electricity Board (1.31%),Universities (0.06%) and Textiles (0.44%)



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.

Reporting of NG consumption data by CGDs take a bit longer time than other POL data by OMCs. As the target to publish ICR is withing first fortnight of the month, we will update the NG consumption data as per recent update. For the monthly consumption data, please refer NG report published by PPAC.

Consumption of Natural Gas (including internal consumption) with a volume of 5.5 BCM (billion cubic meters) during the month of December 2023 registered 10% growth year-on year basis over the volume of 5 BCM in the month of December 2022.

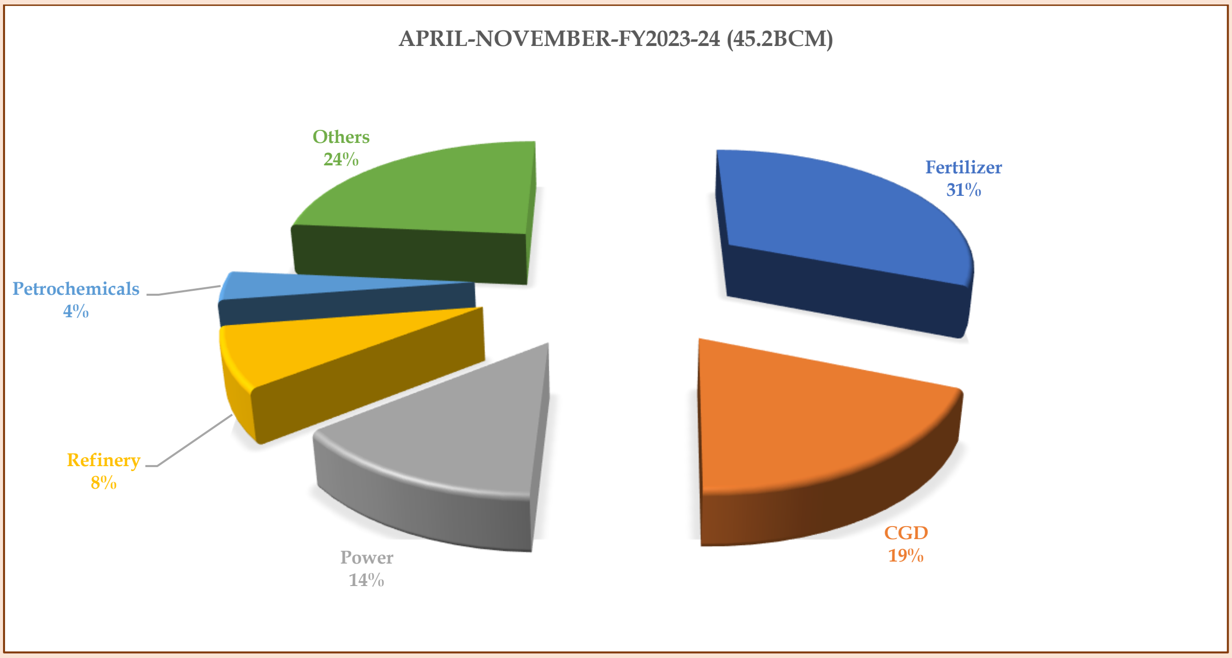
During 'April-December-FY2023-24', total Natural Gas monthly domestic consumption with a volume of 49.5 BCM registered 9.3% growth, Year-on Year basis over the volume of 45.3 BCM in 'April-December-FY2022-23'

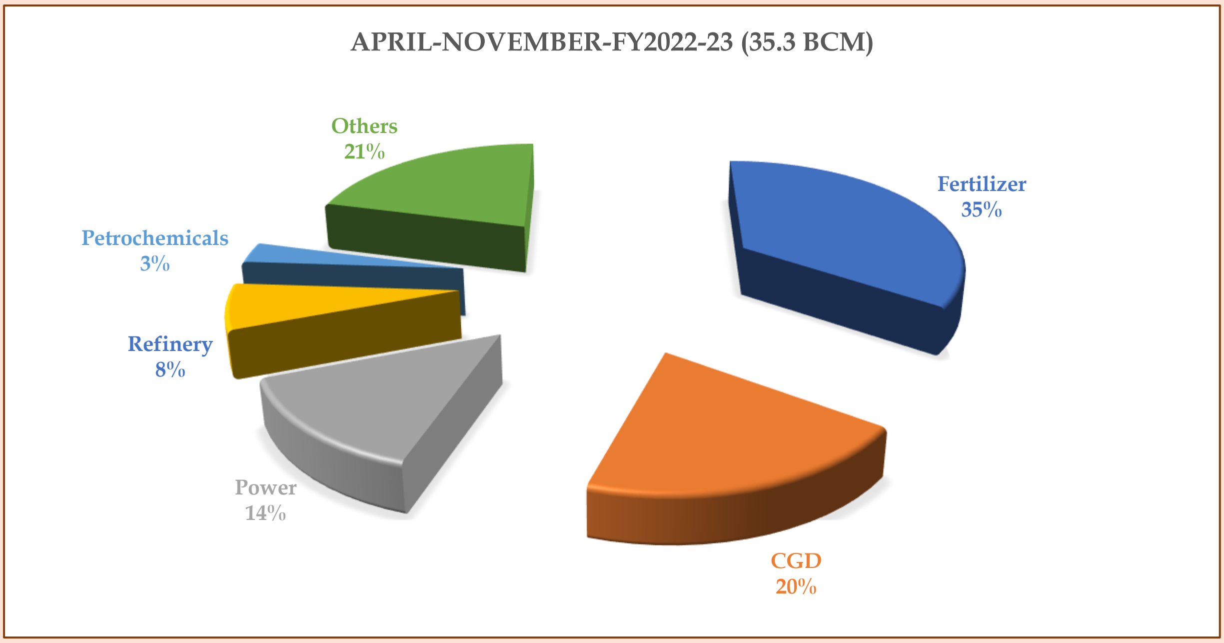
The Sectoral consumption break up of NG is available till November-2023

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

The sectoral breakup of NG consumption during FY2023-24 (April-November) & its YoY comparison are shown in the following charts.

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





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

Source: PPAC data; P: provisional

$ Totals December 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 December 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 2023-24 (Provisional)						
('Million barrels per day)						
Product	April-December			December		
	FY2022-23	FY2023-24	Growth(%)_ 2023-24 over 2022-23	2022	2023	Growth(%)_2023 over 2022
(A) Sensitive Products						
LPG	0.89	0.92	2.6	0.96	0.98	2.3
SKO	0.01	0.01	-4.4	0.01	0.01	2.3
Sub Total	0.91	0.93	2.5	0.97	0.99	2.3
(B) Major Decontrolled Product						
HSD	1.77	1.85	4.4	1.91	1.87	-2.3
MS	0.85	0.90	5.7	0.85	0.86	0.2
Naphtha	0.28	0.32	15.4	0.29	0.37	27.5
ATF	0.16	0.18	12.4	0.17	0.19	9.2
Bitumen	0.12	0.14	15.4	0.14	0.16	10.8
FO/LSHS	0.13	0.12	-5.2	0.14	0.12	-7.8
Lubes+Greases	0.07	0.08	10.2	0.07	0.08	10.8
LDO	0.01	0.02	8.2	0.02	0.02	2.2
Sub Total	3.39	3.60	6.2	3.59	3.66	1.8
Sub - Total (A) + (B)	4	5	5.4	4.56	4.65	1.9
(C) Other Minor Decontrolled Products						
Pet.Coke	0.27	0.29	7.7	0.05	0.05	12.6
Others*	0.33	0.31	-6.9	0.04	0.04	3.3
Sub Total	0.60	0.60	-0.4	0.09	0.10	8.1
Total	4.90	5.13	4.7	4.65	4.75	2.0

*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-December			December								
	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	21199	21746	2.6	2354	2523	2469	2570	2628	11.6	4.2	6.4	2.3
SKO	393	376	-4.4	153	135	119	40	41	-73.4	-69.9	-66.0	2.3
Sub Total	**21592**	**22121**	**2.5**	**2507**	**2659**	**2589**	**2609**	**2669**	**6.5**	**0.4**	**3.1**	**2.3**
(B) Major Decontrolled Product												
HSD	63925	66757	4.4	7387	7192	7302	7787	7605	2.94	5.74	4.1	-2.3
MS	26265	27773	**5.7**	2473	2706	2816	2984	2990	20.9	10.5	**6.2**	0.2
Naphtha	8798	10156	15.4	1272	1212	1099	1040	1326	4.2	9.4	20.7	27.5
ATF	5396	6067	12.4	729	427	552	659	720	-1.3	68.6	30.3	9.2
Bitumen	5397	6228	15.4	630	856	772	717	794	26.2	-7.1	3.0	10.8
FO/LSHS	5195	4927	-5.2	628	529	566	622	574	-8.7	8.4	1.3	-7.8
Lubes+Greases	2682	2956	10.2	307	439	450	297	329	7.4	-25.0	-26.8	10.8
LDO	541	585	8.2	46	88	93	65	67	44.7	-24.3	-28.1	2.2
Sub Total	**118199**	**125450**	**6.1**	**13472**	**13448**	**13649**	**14171**	**14404**	6.9	7.1	**5.5**	1.6
Sub - Total (A) + (B)	**139791.2**	**147571.1**	**5.6**	**15978.7**	**16106.9**	**16238.0**	**16780.1**	**17072.6**	**6.8**	**6.0**	**5.1**	**1.7**
(C) Other Minor Decontrolled Products												
Pet.Coke	13432	14470	7.7	2002	1244	1683	1419	1598	-20.2	28.4	-5.1	12.6
Others*	11408	10616	-6.9	965	1009	981	1340	1384	43.4	37.1	41.0	3.3
Sub Total	**24840**	**25086**	**1.0**	**2967**	**2254**	**2664**	**2759**	**2982**	0.5	32.3	11.9	8.1
Total	**164631**	**172657**	**4.9**	**18946**	**18361**	**18902**	**19539**	**20054**	**5.9**	**9.2**	**6.1**	**2.6**

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

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