

**GOVERNMENT OF INDIA  
PETROLEUM AND NATURAL GAS  
LOK SABHA**

UNSTARRED QUESTION NO:1454

ANSWERED ON:18.11.2010

LOSSES TO OIL COMPANIES

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

- (a) the profit/losses incurred by the public sector oil companies during the last three years;
- (b) the reasons for their losses;
- (c) whether the Government is providing subsidy to certain public sector oil companies; and
- (d) if so, the amount of subsidy provided to the said companies during above period?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI JITIN PRASADA)

(a)&(b): The Profit after Tax (PAT) of Public Sector Oil Marketing Companies (OMCs) and Public Sector Upstream Oil Companies during the last three years is given below:

(` Crore)				
Company	2007-08	2008-09	2009-10	
Public Sector OMCs				
Indian Oil Corporation#	6963	2950	10221	
Bharat Petroleum Corporation#	1581	736	1538	
Hindustan Petroleum Corporation#	1135	575	1301	
Total	9679	4261	13060	

Upstream Oil Companies

Oil and Natural Gas Corporation	16702	16126	16768
Oil India Limited	1789	2162	2611
GAIL (India) Limited	2601	2804	3140
TOTAL	21092	21092	22519

# Profit of public sector OMCs are after taking into account financial support from upstream oil companies and the Government

(c)&(d): Yes, Madam. The details of fiscal subsidy given by the Government under the "PDS Kerosene and Domestic LPG Subsidy Scheme 2002" to the OMCs during the last three years are given below:

(` crore)			
	2007-08	2008-09	2009-10
Fiscal Subsidy on PDS	2641	2688	2770
Kerosene and Domestic LPG			

In addition to the aforesaid fiscal subsidy, under the burden sharing mechanism, Government has partially compensated the under-recoveries incurred by the OMCs on the sale of sensitive petroleum products namely, Petrol, Diesel, PDS Kerosene and Domestic LPG, as per the details given below:

(` crore)			
2007-08	2008-09	2009-10	
Government-through issue of	35290	71292	26000
Oil bonds/Cash assistance			