

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

UNSTARRED QUESTION NO:834

ANSWERED ON:04.08.2011

LOSSES INCURRED BY NUMALIGARHA REFINERY LIMITED

Purkayastha Shri Kabindra

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

- (a) whether the Numaligarha Refinery Limited (NRL) is incurring losses in the retail marketing business;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the corrective measures being taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS(SHRI R. P. N. SINGH)

(a)to(c): The Numaligarh Refinery Limited (NRL) has informed that they have been incurring losses/under-recoveries from their retail marketing business. The details of under-recoveries incurred by them on the sale of Petrol and Diesel during the last three financial years and first quarter of the current financial year are given below :

(crore)
Year Under-recoveries

2008-09 121.57

2009-10 11.50

2010-11 54.58

2011-12 58.58
(April-June,
2011)

NRL has mentioned that the prices of Petrol and Diesel sold from their Retail Outlets are in line with those of Public Sector Oil Marketing Companies (OMCs). However, all companies, including NRL who have been granted authorization to market Petrol and Diesel in terms of the Government Resolution of 8th March, 2002 are free to take their pricing decisions on commercial considerations and accordingly, not covered under the subsidy sharing mechanism.