

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:465  
ANSWERED ON:13.08.2012  
REPORT OF TARIFF COMMISSION  
Natarajan Shri P.R.

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) whether the Tariff Commission set up for the study of a cost based petroleum products of the national oil marketing companies has given its report;
- (b) if so, the details thereof;
- (c) whether the Union Government has referred the cost appraisal study of national upstream oil companies for assessing the cost of indigenous crude oil and gas produced by both public and private sector companies to the Tariff Commission;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a): Yes, Sir.

(b): Tariff Commission had undertaken the study at the behest of Department of Expenditure and the report was sent to that Department on 4th January, 2012. A copy of the report was also sent to Ministry of Petroleum and Natural Gas on 13th June, 2012. The study brought out that the current methodology needs to be revised in the changed import/export scenario. With the methodology suggested in the study, there is no under recovery in the case of Motor Spirit and High Speed Diesel. However, under recovery for LPG and special kerosene oil is much reduced.

(c): No, Sir.

(d): Not applicable.

(e): The Tariff Commission has sought concurrence of Ministry of Petroleum and Natural Gas for undertaking the similar cost based study of national oil and gas production companies like ONGC and OIL to assess the actual cost of production of crude oil and natural gas.