

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

UNSTARRED QUESTION NO:772

ANSWERED ON:01.03.2013

LOSSES OF OIL PSUs

Angadi Shri Suresh Chanabasappa;Mishra Shri Mahabal ;Naik Dr. Sanjeev Ganesh;Natarajan Shri P.R.;Patil Shri Sanjay Dina ;Sule Supriya

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

- (a) the details of losses suffered and financial assistance granted/released by the Government to various Oil Public Sector Undertakings (PSUs) on account of subsidy given on diesel, Liquefied Petroleum Gas (LPG) and kerosene during each of the last three years and the current year, PSU-wise;
- (b) the details of the financial contributions including dividend paid by various Oil PSUs to the Government during the said period, PSUs-wise;
- (c) whether there has been delay in reimbursement of subsidy dues to these PSUs during the said period;
- (d) if so, the details thereof along with the reasons therefor; and
- (e) the steps taken by the Government for improving the performance of Oil PSUs and timely reimbursement of subsidy dues of these PSUs?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SMT. PANABAAGA LAKSHMI)

(a):The details of losses suffered, financial assistance granted/released by the Government to the Public Sector Oil Marketing Companies (OMCs) on account of subsidy given on Petrol (upto 25.06.2010) , Diesel, PDS Kerosene and Domestic LPG during the last three years and current year, company-wise are given in Annexure-I.

(b):The details of contribution made by various Oil PSUs to the Central Government during last 3 years and first half year of the current financial year are given in Annexure-II.

(c) & (d):Yes, Madam. As regards the compensation of under-recovery, it depends upon various factors including the price of Crude Oil in the international market, share of upstream assistance and the capacity of OMCs to absorb under recoveries. Therefore, it is difficult to assess under recovery of OMCs in advance.

(e):The Government has taken the following reform measures:

(i) The price of Petrol has been made market determined since 26.06.2010;

(ii) OMCs have been authorized to increase the retail selling price of Diesel in the range of 40 paise to 50 paise per litre per month (excluding VAT as applicable in different State/Union Territories) until further orders; and to sell Diesel to all consumers taking bulk supplies directly from the installations of the OMCs at the non-subsidized market determined price since 18.01.2013; and

(iii) Restrict the supply of subsidized LPG cylinders to each consumer to 9 cylinders (of 14.2 Kg) per annum.

Besides, to improve their performance, OMCs have been following austerity measures towards their official expenses as advised by the Government from time to time.