

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

UNSTARRED QUESTION NO:322
ANSWERED ON:06.12.2013
TRADE IN PETROLEUM PRODUCTS
Rajesh Shri M. B.

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

- (a) The standard reference temperature used in the international trade for density calculation of petroleum products;
- (b) Whether various Oil Marketing Companies (OMCs) are purchasing and paying for petroleum products/crude oil for the volume at 15 degree Celsius;
- (c) If so, the details thereof and if not, the reasons therefor;
- (d) whether certain OMCs are making profits by not selling petroleum products at standard reference temperature of 15 degrees Celsius; and
- (e) If so, the details thereof and the corrective measures taken by the Government in this regard?

Answer

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

(a to c): The Public Sector Oil Marketing Companies are purchasing petroleum products at 15 degree Celsius. Crude oil is measured in US barrels at 60 degree Fahrenheit. Inter oil companies transactions (purchase and payment) of Petroleum Products takes place as per inter-company agreements covering transactions on all India basis. Transactions for MS, HSD, SKO, ATF, FO & LDO are done for the volume at 15 degree Celsius whereas for LPG, Bitumen, LSHS & Naphtha these are done (in Metric Tonnes) on weight basis.

(d to e): The Public Sector Oil Marketing Companies are selling MS/HSD/SKO in natural litres in Retail Market. This is the standard practice followed for many years by all Public Sector Oil Marketing Companies. The Ministry also advises ex-storage price of HSD and PDS SKO which is in KL at natural temperature.