

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

UNSTARRED QUESTION NO:3586
ANSWERED ON:04.08.2014
FACILITIES TO OMCS AT PORTS
Owaisi Shri Asaduddin

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

- (a) whether Oil Marketing Companies (OMCs) are incurring huge expenditure on account of demurrage costs due to lack of requisite infrastructure on domestic ports;
- (b) if so, the details thereof and the reasons therefor along with demurrage cost incurred by OMCs during the last three years and the current year, company-wise;
- (c) whether the Government has taken up the issue with Port Trust of India in regard to offloading facilities of oil products at various ports; and
- (d) if so, the details thereof along with the steps taken/being taken by the Government to minimize demurrage costs and provide better facilities at ports to OMCs?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)

(a) & (b): Yes, Madam. Public Sector Oil Marketing Companies viz. Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) has informed that demurrage costs are being incurred due to lack of requisite infrastructure in domestic ports. The details of demurrage cost incurred by them since 2011-12 and onwards are as follows:-

BPCL
2011-12 2012-13 2013-14 April- June
2014
Demurrage cost 44.52 44.58 54.71 5.79
(INR Crores)

HPCL
2011-12 2012-13 2013-14 April- June
2014
Demurrage cost 12.06 19.31 11.43 0.62
(in million
USD)

(c) & (d): This Ministry has been taking up various problems being faced by Oil Companies in relation to shipping of petroleum products/crude oil with Ministry of Shipping from time to time.