

Losses incurred by oil marketing companies

†3057. SHRI RAM JETHMALANI:
SHRI RAVI SHANKAR PRASAD:

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

- (a) whether it is a fact that all companies engaged in crude oil processing and production of petroleum products in the country, are profit-making institutions;
- (b) if so, what is Government's reaction thereto;
- (c) whether it is also a fact that the companies engaged in sales of these products to consumers are running in losses; and
- (d) if so, the details thereof and whether these losses are caused by a faulty price fixing policy?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI JITIN PRASADA): (a) and (b) The Profit After Tax (PAT) of the Public Sector Oil Companies engaged in the crude oil processing and production of petroleum products during the year 2009-10 and first half of the current financial year 2010-11 is given as under:—

	(Rs. in crore)	
Company	2009-10	2010-11 (April-September, 2010)
Indian Oil Corporation Limited*	10,221	1,906
Bharat Petroleum Corporation Limited*	1,538	424
Hindustan Petroleum Corporation Limited*	1,301	205
Mangalore Refinery and Petrochemicals Limited	1,112	310
Numaligarh Refinery Limited	232	60
Chennai Petroleum Corporation Limited	603	42

*Profits of Public Sector Oil Marketing Companies are after taking into account financial support from the Government and assistance from the upstream oil companies.

(c) and (d) Public Sector Oil Marketing Companies (OMCs) are incurring under-recoveries on the sale of sensitive petroleum products, since to protect the interest of the common man, the retail selling prices for these sensitive products have not been maintained in line with the prices in the international markets. The OMCs could report

†Original notice of the question was received in Hindi.

profits only as a result of getting financial support on account of under-recoveries from the Government and from the Public Sector Upstream Oil Companies. The details of the under-recoveries incurred by the OMCs during 2009-10 and first half of the current financial year 2010-11 are given below:—

(Rs. in crore)

Product	Under-Recovery	
	2009-10	April-September, 2010 (Provisional)
PDS Kerosene	17,364	9,201
Domestic LPG	14,257	8,786
Petrol 15,151	2,227*	
Diesel	9,279	11,153
TOTAL	:	46,051 31,367

*Under-recovery on Petrol is only upto 25th June, 2010.

Financial assistance to small oil and gas producing companies

†3058. SHRI ISHWARLAL SHANKARLAL JAIN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether financial assistance is being provided to small oil and natural gas production companies functioning in the country for mobilization of resources;

(b) if so, the details thereof;

(c) whether any proper steps have been taken or are being taken to provide easy loan to these small oil and natural gas production companies from the public sector undertakings; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI JITIN PRASADA): (a) No, Sir.

(b) Does not arise in view of (a) above.

(c) No, Sir.

(d) Does not arise in view of (c) above.

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