

Government has allowed the sale of Bio-diesel (B100) by private manufacturers to bulk consumers like Railways, State Transport Corporations and other bulk consumers. Retailing of bio-diesel blended diesel by Oil Marketing Companies also started on 10th August, 2015.

(c) and (d) The Government has allowed procurement of ethanol produced from other non-food feedstocks besides molasses, like cellulosic and ligno cellulosic materials including petrochemical route. Now, Oil PSUs have entered into Memorandum of Understanding (MoUs) with State Governments and Technology Providers for 2G ethanol bio-refineries. Foundation Stone of one bio-refinery has been laid by Hindustan Petroleum Corporation Limited at Bathinda, Punjab.

Losses to oil companies

†2349. SHRIMATI CHHAYA VERMA:

SHRI VISHAMBHAR PRASAD NISHAD:

CH. SUKHRAM SINGH YADAV:

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

(a) the quantum of losses accrued to various petroleum companies during the last three years by supplying petrol, diesel, kerosene and LPG at lower rates;

(b) the quantum of losses shown by these companies in their annual reports during the above period;

(c) whether experts are of the view that the losses shown in annual reports of various petroleum companies is just a jugglery of data;

(d) whether it is also a fact about a decade ago the above petroleum companies used to show huge profits in their annual reports; and

(e) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) The prices of Petrol and Diesel have been made market determined effective 26.06.2010 and 19.10.2014 respectively.

The Government continues to modulate the effective cost to consumer for Subsidized Domestic LPG and Retail Selling Price of PDS Kerosene. As a result, Public Sector OMCs have incurred under recoveries on the sale of Diesel (upto 18.10.2014), Subsidized Domestic LPG and PDS Kerosene which have been shared by

† Original notice of the question was received in Hindi.

the Government and Public Sector Upstream Oil Companies and a very small share of under-recoveries is borne by Public Sector OMCs. The details of under-recovery incurred and burden sharing since 2013-14 is given below:

(₹ in crore)

Year	Total Under-recovery/ Subsidy	Cash assistance by Government	Discount by upstream companies	Under-recovery absorbed by the OMCs
2013-14	1,43,738	74,641	67,021	2,076
2014-15	76,285	31,279	42,822	2,184
2015-16	27,571	26,301	1,251	18

(b) and (c) Public Sector OMCs have not reported losses during 2013-14 onwards. The details of Profit After Tax (PAT) of Public Sector OMCs since 2013-14 are given as under:-

(₹ in crore)

Oil Companies	2013-14	2014-15	2015-16	2016-17 (April-December, 2016)
IOC	7,019	5,273	10,399	15,386
HPC	1,734	2,733	3,863	4,390
BPC	4,061	5,085	7,432	6,198

IOCL has informed that financial statements are prepared in line with the applicable accounting standards and are audited by the statutory auditor appointed by CAG. Further, CAG themselves conduct audit of such financial statements and have given nil comments for all these years which is also published in the annual report.

(d) and (e) The PAT of Public Sector OMCs during 2006-07 and 2015-16 is given as under:-

(₹ in crore)

Oil Companies	2006-07	2015-16
IOC	7,499	10,399
HPC	1,571	3,863
BPC	1,806	7,432