

GOVERNMENT OF INDIA  
MINISTRY OF PETROLEUM AND NATURAL GAS

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 1254**  
ANSWERED ON 13/02/2023

**Profits/losses of oil companies**

1254 Shri Sushil Kumar Modi:

Will the Minister of Petroleum and Natural Gas be pleased to state:

- (a) profits/losses incurred on the domestic sale of petrol, diesel and LPG by Indian Oil Corporation Ltd (IOCL), Bharat Petroleum Corporation Ltd (BPCL) and Hindustan Petroleum Corporation Ltd (HPCL) in FY 2022-23;
- (b) the difference between input costs and retail sale prices of petrol, diesel and LPG as of January 2023;
- (c) amount of under-recoveries compensated for the three OMCs as of January 2023;
- (d) whether Government is considering to extend additional compensation to the three OMCs for losses incurred on domestic sale of petrol and diesel; and
- (e) if so, the amount of compensation decided?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS  
(SHRI RAMESWAR TELI)

- (a) Public Sector Oil Marketing Companies (OMCs) report financial results broadly under the segments of downstream petroleum activity including refining and marketing of petroleum products, petrochemicals and other business streams. Considering commercial confidentiality and complexities involved in cost apportionment amongst individual refined products, product-wise costs are not reported separately by the OMCs in their financial statements.

The Standalone Profit After Tax (PAT) of the Public Sector oil Marketing Companies (OMCs) for the period 2021-22 & 2022-23 (April to Sept 22) is given below:

(Rs. in crore)

<b>Oil Marketing Company</b>	<b>2021-22</b>	<b>April- Sept 2022</b>
IOCL	24,184	(2,265)
BPCL	8,789	(6,567)
HPCL	6,383	(12,369)

Source : Oil Companies

(b) to (e) Prices of petrol, diesel and LPG in the country are linked to the prices of respective products in the international market. Retail prices of petrol and diesel in the domestic market have been market-determined with effect from 26.06.2010 and 19.10.2014 respectively. Since then, the Public Sector Oil Marketing Companies (OMCs) take appropriate decision on pricing of petrol and diesel. Public Sector Oil Marketing Companies (OMCs) have not increased prices of petrol and diesel since 6<sup>th</sup> April 2022.

The details of monthly average prices of Indian basket of crude oil and Petroleum products in the international market and Retail Selling Prices (RSP) of Petrol, Diesel and LPG at Delhi during January, 2023 is as under:

<b>Month</b>	<b>Average Indian Basket of Crude Oil (\$/bbl)</b>	<b>Average Petrol FOB (\$/bbl)</b>	<b>Average Diesel FOB (\$/bbl)</b>	<b>Average LPG FOB (\$/MT)</b>	<b>Average RSP Petrol (Rs./Ltr)</b>	<b>Average RSP Diesel (Rs./Ltr)</b>	<b>RSP of Domestic LPG (Rs./14.2 KG Cylinder)</b>
Jan-23	80.92	95.59	111.22	599.00	96.72	89.62	1053.00

Government continues to modulate the effective price to consumer for domestic LPG. Public Sector Oil Marketing Companies have suffered huge losses on sale of domestic LPG. To compensate these losses, the Government has recently approved a one-time compensation of Rs. 22000 crore to OMCs.

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