

LOK SABHA
UNSTARRED QUESTION NO. 2591
TO BE ANSWERED ON 22 DECEMBER, 2022

State owned OMCs

2591. SHRI KOTHA PRABHAKAR REDDY:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) the details of the country's State-owned Oil Marketing Companies (OMCs) who suffered losses on petrol and diesel sales due to the virtual freeze in retail prices since, 2014; and
- (b) the reasons for such virtual freeze and the corrective steps taken/being taken by the Government to mitigate such losses?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्य मंत्री
(श्री रामेश्वर तेली)

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

(a) & (b): Standalone Profit/(Loss) After Tax of the Public Sector oil Marketing Companies (OMCs) since 2014 is given below:

(Rs. Crore)

| OMCs | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | (April 2022-September 2023) (P) |
|------|---------|---------|---------|---------|---------|---------|---------|---------|------------------------------------|
| IOCL | 5,273 | 11,242 | 19,106 | 21,346 | 16,894 | 1,313 | 21,836 | 24,184 | (2,265) |
| BPCL | 5,085 | 7,056 | 8,039 | 7,919 | 7,132 | 2,683 | 19,042 | 8,789 | (6,567) |
| HPCL | 2,733 | 3,725 | 6,209 | 6,357 | 6,029 | 2,637 | 10,664 | 6,383 | (12,369) |

Source: Petroleum Planning and Analysis Cell (PPAC) P – Provisional

Prices of petrol and diesel 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.

For domestic LPG, Government continues to modulate effective price to consumers. During the period from April 2020 to April 2022, the international prices of LPG increased by around 300%. However, to insulate consumers from fluctuations in international LPG prices, the cost increase was not fully passed on to consumers of domestic LPG which led to significant losses to the OMCs. To compensate these losses, Government has recently approved a one-time compensation of Rs. 22000 crores to OMCs.