

LOK SABHA
UNSTARRED QUESTION NO. 937
TO BE ANSWERED ON 08 February, 2024

Compensation to OMCs

937. SHRI SANJAY KAKA PATIL:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

(a) whether the Government proposes to provide any kind of compensation to Oil Marketing Companies (OMCs) given the huge losses incurred by them in the first two quarters of 2022-23 on retail sales of fuel;

(b) if so, the details thereof and if not, the reasons therefor;

(c) whether the Government is aware that OMCs have adopted 'ration system' in the supply of petrol and diesel to minimise their losses, leading to reduced petrol and diesel supplies to many districts;

(d) if so, the steps taken by the Government to address this issue; and

(e) whether the decreased value of rupee would lead to a further increase in the price of India's net oil and net gas imports considering that India meets 86 per cent of its crude oil and 50 per cent of natural gas requirements through imports and if so, the details thereof?

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): No Sir. Prices of petrol and diesel are market determined and Public Sector Oil Marketing Companies (OMCs) take appropriate decision on pricing of petrol and diesel.

(c) & (d): No Sir. Sale of petrol and diesel have witnessed steady and accelerated growth in demand, consistent with growth in economic activity. Supply has kept pace accordingly. Government has also extended the scope of Universal Service Obligations (USOs) to all retail outlets. USOs have been prescribed so that authorized entities provide quality and uninterrupted fuel supply services to the consumers.

(e): Yes Sir. Any depreciation of Rupee/\$ exchange rate leads to increased outgo on imports.