

LOK SABHA
UNSTARRED QUESTION NO. 3678
TO BE ANSWERED ON 8TH AUGUST, 2016

SUBSIDY ON KEROSENE

3678. SHRI NALIN KUMAR KATEEL:
SHRI ASADUDDIN OWAISI:
SHRI N.K. PREMACHANDRAN:
SHRI BHAIRON PRASAD MISHRA:
DR. K. KAMARAJ:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) the details of under-recoveries/ subsidy given on kerosene and LPG to upstream/downstream companies and quantum of burden borne by the Government during the last three years and the current year, company-wise including ONGC;
- (b) the details of increase in the price of natural gas during the above period and subsidy given by the Government to the domestic consumers;
- (c) whether high administrative costs/ inventory losses by downstream companies have taken away the benefits accruing from fall in the prices of crude oil and if so, the details thereof and the reaction of the Government thereto along with the corrective measures taken/being taken by the Government in this regard; and
- (d) whether the Government proposes to set up a committee for ensuring proper distribution of kerosene in the country and if so, the details thereof?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्री (स्वतंत्र प्रभार)
(श्री धर्मेन्द्र प्रधान)

MINISTER OF STATE (I/C) IN THE MINISTRY OF PETROLEUM AND NATURAL GAS
(SHRI DHARMENDRA PRADHAN)

(a): The company-wise details of under-recovery/subsidy incurred on the sale of PDS Kerosene and Subsidized Domestic LPG (including DBTL) by the Public Sector Oil Marketing Companies (OMCs) and the burden sharing of under-recoveries on the sale of Diesel (up to 18.10.2014), PDS Kerosene and Subsidized Domestic LPG (including DBTL) during the last three years and the current year (1st Quarter) are given in **Annexure**.

(b): The details of revision in price of natural gas since 1st April 2013 are given below:

From	To	\$/MMBTU
1.4.2013	31.10.2014	4.20*
1.11.2014	31.3.2015	5.05
1.4.2015	30.9.2015	4.66
1.10.2015	31.3.2016	3.82
1.4.2016	30.9.2016	3.06

*on NCV basis, all others are on GCV basis.

The subsidy provided on natural gas to the North East region of India since 2013-14 is as under:

(Rs. Crore)			
2013-14	2014-15	2015-16	Q1, 2016-17
625	661	660	136.97*

*provisional

(c): The Public Sector Oil Marketing Companies (OMCs) purchase crude oil based on the price in the international markets. The price of finished products in India is linked to their price in the international markets. The spread (crack margin) between the price of crude oil and petroleum products is linked to the gross profits of refineries. The overall profitability position of oil PSUs depends upon various other general and specific factors including inventory losses. The Profit After Tax (PAT) of Public Sector Oil Marketing Companies (OMCs) during the last three years is given below:

(Rs.crore)			
	2013-14	2014-15	2015-16
IOCL	7019	5273	10399
BPCL	4061	5085	7432
HPCL	1734	2733	3863

(d): There is no such proposal before the Government.

X-X-X-X-X

Annexure

Annexure referred to in reply to part (a) of the Lok Sabha Unstarred Question No. 3678 asked by Shri Nalin Kumar Kateel, Shri Asaduddin Owaisi, Shri N.K. Premachandran, Shri Bhairon Prasad Mishra and Dr. K. Kamaraj to be answered on 8th August, 2016 regarding “Subsidy on Kerosene”.

(Rs. Crore)

Under-recovery/Subsidy on PDS Kerosene and Domestic LPG (including DBTL)							
Year	IOCL		HPCL		BPCL		Total
	Domestic LPG	PDS Kerosene	Domestic LPG	PDS Kerosene	Domestic LPG	PDS Kerosene	
2013-14	25,658	20,903	13,422	5,440	13,166	4,912	83,502
2014-15	19,894	16,635	10,484	4,293	10,192	3,876	65,375
2015-16	8,229	7,748	3,986	1,952	3,859	1,797	27,571
2016-17(Q1)	1,142	1,332	485	328	504	307	4,098

Burden sharing of the under-recoveries

(Rs. Crore)

Year	Government	Upstream Companies			OMCs		
		ONGC	OIL	GAIL	IOCL	HPCL	BPCL
2013-14	77242	56384	8737	1900	1083	482	512
2014-15	31302	36300	5523	1000	1201	496	487
2015-16	26301	1096	155	0	9	8	1
2016-17(Q1)	4095	0	0	0	2	0	0