
IOC loosing INR 92 crore daily on fuel sales

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BL reported that Indian Oil Corporation is losing INR 92 crore per day on sale of petrol, diesel, domestic LPG and kerosene as the Government has not allowed it to revise rates in line with firming international oil prices.

An IOC official said that “International crude oil prices are on the rise again and so are our under-recoveries (or revenue loss) on fuel sales.”

The official said that the company is currently losing INR 3.85 per liter on petrol, INR 3.71 a liter on diesel, INR 16.34 per liter on kerosene sold through PDS and INR 201.88 per 14.2 kg domestic LPG cylinder.

The official said that “Till last week, we were losing INR 84 crore per day on the four products. This is now widened to INR 92 crore a day.”

The official said the Government had earlier this year decided to make good all of the revenue loss on sale of domestic LPG and kerosene through issue of oil bonds, while the same on petrol and diesel would be mostly met by upstream firms like Oil and Natural Gas Corporation. He added that “But the Government is yet to issue oil bonds for the revenue loss in first half.”

(Sourced from Business Line)

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