

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2514
ANSWERED ON:25.07.2014
COST BASED STUDY ON PETROLEUM PRODUCTS
Khan Shri Md. Badariddoza

Will the Minister of FINANCE be pleased to state:

- (a) the details of recommendations of the cost based study on petroleum products along with the action taken thereon, point-wise;
- (b) whether any assessment of the impact thereof has been made; and
- (c) if so, the details thereof and reaction of the Government thereto?

Answer

Minister of State in Ministry of Finance: (SMT. NIRMALA SITHARAMAN)

(a) Inter alia. Cost Based Study conducted by the Tariff Commission has made recommendations on pricing policy to be followed for Upstream Companies and Oil Marketing Companies(OMCs), consolidation of operations under various segments of the three OMCs, separation of refinery and marketing functions, necessity to create a mechanism for better coordination regarding capacity expansion, reduction of entitlements of Kerosene under PDS, tax reforms and need to encourage cleaner sources of energy.

(b) No.

(c) Does not arise.