



**IndianOil**  
*The Energy Of India*

## IOC says will hike petrol prices if crude costs rise

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**Mr BM Bansal Chairman  
Indian Oil Corporation Ltd**

IndianOil is trying to resist political pressures that threaten its profitability in the name of consumer interest. Its chairman and managing director B M Bansal says absorbing or delaying a hike in the price of decontrolled fuel like petrol is not desirable.

Speaking to the Hindustan Times, Bansal said, "I have no choice. If the international crude oil prices continue to increase, I will have to further increase price of petrol."

On increasing petrol prices six times after its deregulation on June 26, Bansal said, "We do not get any fun in doing so. The choice is either to let go off company's interest, which is already bleeding because of selling other fuels at a loss, or take a decision which saves the company." "It is not that we overlooking the public interest. Even after the deregulation of petrol prices we have always keeping some part uncovered, hoping that tomorrow if the global crude oil prices come down, then I can break even."

Bansal said that after the recent hike of Rs. 2.50 per litre, oil companies are still bearing a loss of Rs. 1.20 on every litre of petrol sold. He said that before Deregulation of petrol prices, the situation was completely different as the under recoveries on sale of petrol were being compensated by the government.

He said IOC will report net loss in the third quarter ending December 31, 2010, unless the government compensates it for revenue loss due to selling a and cooking fuels below cost.

Oil companies are also losing Rs. 6.80 per litre on diesel, Rs. 18.66 per litre on kerosene and Rs. 366.28 per 14.2kg LPG cylinder.