

**Additional duty on HSD**

2428. SHRI ABANI ROY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to refer to answer to Unstarred Question 1047 given in the Rajya Sabha on 4th March, 1999 and state:

(a) whether it is a fact that Government are charging Re.1/- per litre on HSD as additional duty for Central Road Fund, when the International prices of oil were very low;

(b) if so, what are the reasons for not taking back this Rs.2/-per litre duty considering the extraordinary price hike of oil in International market; and

(c) the reasons for putting additional burden on the consumers of HSD?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI E. PONNUSWAMY): (a) to (c) The decision of Government to levy additional duty of Re. 1 per litre on HSD is a part of Budget passed by the Parliament for 1999-2000. The continuation of these measures is necessary to raise resources for road and social/development sectors.

**Formula to compensate the impact of price hike**

2429. SHRI ABANI ROY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) what is the formula for T/T Transporter to compensate the impact of price hike in the rates of chassis HSD, Mobile, Tyres and road taxes, item-wise;

(b) how much per kilometre cost of transportation is being incurred by the PSUs for operating their own T/Ts; and

(c) what is the better formula to compensate the dealers/distributors on account of increase in wages and salaries and price hike in the products separately?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI E. PONNUSWAMY): (a)

No provision exists for compensating the impact of price hike in the rate of chassis for tank truck transporters. The escalation formula and methodology uniformly adopted by the oil marketing companies for the bulk transportation contracts for increase/decrease in price of HSD, mobile(lubricants), tyres and road taxes are given below:

1. Increase/decrease in the transportation rates on account of increase/decrease in retail selling price of HSD:

Increase/decrease in one litre of HSD RSP EX-STATE Capital cities (within municipal limits) of the supply point concerned inclusive of taxes

$$Q \times 4$$

Where Q represent notional capacity of tank truck

2. Increase/decrease in the transportation rate on account of increase/decrease in the retail selling price of automotive lube:

Increase/decrease in one litre of automotive lube oil ex-state Capital cities (Municipal limits) of the supply point concerned inclusive of taxes

$$Q \times 400$$

3. Increase/decrease in transportation rate on account of increase/ decrease in the average list price of tyres, tubes, flaps:

Average increase/decrease in the listed price of tyres, tubes and flaps of four companies (Modistone, Dunlop, MRF; Ceat) Ex-State Capital of the supply point concerned x 12

$$Q \times 1,00,000$$

(b) The approximate cost of transportation being incurred by oil marketing companies for operating their own tank trucks is as follows;

(i) Hindustan Petroleum Corporation Limited-p Rs. 0.71 per Kilolitre per Kilometre

(ii) Indian Oil Corporation Limited—Rs.0.85 per Kilolitre per Kilometre.

(iii) Bharat Petroleum Corporation Limited—Rs.2.55 per Kilolitre per Kilometre

(iv) IBP Company Limited—Rs.1.90 per Kilolitre per Kilometre.

(c) The transportation contract being short duration contract, the contractor takes into account all the anticipated increases/hike in wages, salary etc. Since the contract is renewed generally every two years the hike in wages and salary etc. are automatically taken into account by the contractor while submitting his quotation against the new tender from time to time.

**Corrective measures to stop irregularities at plant level**

2430. SHRI GHUFRAN AZAM: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the ED Oil Coordination Committee in his affidavit submitted in High Court Delhi has admitted the 60 irregularities out of 110 inspections at Terminal level and 113 irregularities in enroute checking of T/Ts and found 2433 defective cylinders at plant level;

(b) what action has been taken by Government against the officers responsible for these said irregularities;

(c) what is the impact of these irregularities on the economics of dealers/distributors; and

(d) whether Government would take corrective steps to ensure the stoppage of irregularities at plant/Terminal level before taking actions against dealers/distributors?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI E. PONNUSWAMY): (a) to (d) OCC has not submitted any affidavit in High Court of Delhi. However, Ministry of Petroleum and Natural Gas had filed an affidavit in Delhi High Court in CWP No. 2876/98 enclosing as an annexure the report given by Executive Director, Oil Coordination Committee on Special Vigilance Drive launched by oil companies from 29.10.98 to 2.11.98. The drive was launched to check installations/terminals, tank lorries enroute, LPG distributorships and LPG