

- (d) if so, the details thereof; and
- (e) the role of the downstream regulator in fixing natural gas prices?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA PATEL): (a) and (b) MGL is currently being supplied 1.15 to 1.4 mmscmd gas and IGL is being supplied 2 mmscmd of gas at Administered Price Mechanism (APM) rate of Rs.3840 per SCM.

(c) and (d) IGL is selling CNG at Rs.18.90 per kg. in Delhi and MGL is selling CNG at Rs.21.70 per kg in Mumbai. Apart from the basic cost of natural gas, the Companies have to account for royalty, transportation charges, overdrawl charges, service charges, octroi, operating cost, excise duty, VAT, depreciation, income tax and operating margin.

(e) The Petroleum and Natural Gas Regulatory Board does not fix the prices of natural gas, including prices of CNG and PNG.. However, the network tariff and compression charges being charged by the City Gas Distribution Companies are determined by the Board.

#### **Supply and demand of petrol and diesel**

1655.SHRIMATI T. RATNA BAI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) the supply and demand of petrol and diesel in the country;
- (b) whether many people are facing difficulties in getting such products;
- (c) if so, the details thereof and reasons therefor; and
- (d) the steps being taken to improve the supply of such products according to demand?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA PATEL): (a)The demand for petroleum products is estimated by aggregating sale of products by Oil Marketing Companies (OMCs) to their dealers as well as imports by private parties. The demand for Petrol and Diesel in the country for the period April -October, 2008 is provisionally is given below:

	Demand (MMT)
Product	
Petrol	6.44
Diesel	29.26

The above demand was met through supply of products either through domestic production or through imports in case of deficit.

(b) and (c) There is no shortage of petrol and diesel in the country. Government had received some complaints/reports about the non-availability of diesel in various States in the period from July to October, 2008. Oil Marketing Companies (OMCs) reported that sporadic incidence of non-availability was due to a surge in demand for diesel for power generation in these States. However, the demand of all sectors including Agriculture and transport sector is fully met.

OMCs have been directed to take urgent steps to ensure adequate supply and availability of Diesel and Petrol at the Retail Outlets (ROs) across the country. OMCs have also been directed to take all necessary steps to build sufficient stocks of petroleum products at different locations in the country to take care of any unforeseen contingency including any temporary disruption in the movement of petroleum products.

OMCs have reported that they ensure the availability of petrol and diesel in the country at all times and are supplying petrol and diesel to the ROs as per indents. OMCs have also reported that they have not restricted/curtailed supply of petrol and diesel to their ROs anywhere in the country.

(d) Steps taken to improve domestic availability of products to meet demand include augmentation of production at existing refineries through expansion programmes and setting residue up gradation facilities and setting up of new grass-root refineries.

#### **Windfall profit tax on oil companies**

1656. SHRI D. RAJA : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

(a) whether it is a fact that private Oil Companies in the country are making more, profit as global crude oil price increases;

(b) if so, the details thereof;

(c) whether Government is considering a proposal to make them share a part of the huge subsidy burden of the public sector oil companies and Government would impose a windfall profit tax on the private oil companies in the country; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA PATEL): (a) and (b) Out of the two private sector refining companies, namely, Reliance Industries Limited (RIL) and Essar Oil Limited (EOL), the RIL has posted profits (before interest & taxes) for its refining segment, amounting to Rs.7722.59 crore and Rs. 10372.76 crore during 2006-07 and 2007-08 respectively. EOL has posted losses (before tax) amounting to Rs.54.55 crore and Rs.44.09 crore during 2006-07 and 2007-08 respectively.

(c) and (d) At present, no such proposals are under consideration.

#### **Award of gas contract to GSPCL**

1657. SHRI VIJAYKUMAR RUPANI: Will the Minister of PETROLEUM AND NATURAL GAS be please refer to the reply of Unstarred Question 176 given in Rajya Sabha on 11th March, 2008 and state:

(a) the reasons for inviting bids, when as per Production Sharing Contract (PSC) signed by the Government with PMT JV, GAIL was Government nominee for lifting of natural gas;

(b) the reasons for not offering gas to the Gujarat State Petroleum Corporation Ltd., (GSPCL) though the bid of GSPCL was highest amongst the bidders;

(c) whether State Government of Gujarat has represented to the Central Government to follow the rules of tender procedure in offering as to GSPCL; and