

through their PDS network is the responsibility of the concerned States/UTs. The scale of distribution of PDS kerosene per card holder, is decided by the State Government and it varies from State to State. Some of the States are distributing PDS kerosene to Above Poverty Line (APL) cardholders in addition to BPL cardholders.

(b) With effect from 01 Jan 2009 no marker is used in kerosene.

(c) and (d) No marker is being blended with kerosene as on date. However, adequate precautions would be taken as and when marker is blended in PDS kerosene in future to safeguard against any health hazard.

#### **Oil refinery in Rajasthan**

□2515. DR. PRABHA THAKUR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether oil and natural gas reserves have been discovered in various districts of Rajasthan; if so, the areas in which surveys for oil and gas reserves have been completed;

(b) whether the Central Government has finalized any plan for setting up of an oil refinery in any area of Rajasthan; and

(c) if so, the details of area which has been selected for setting up of oil refinery and by when construction work would commence?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI JITIN PRASADA): (a) Yes, Sir. Oil and Natural Gas has been discovered in the districts of Barmer, Jalore and Jaisalmer in Rajasthan.

(b) and (c) Government of India had nominated Mangalore Refinery Private Limited (MRPL), a subsidiary company of Oil and Natural Gas Corporation (ONGC) for setting up a Refinery. The proposal to set up an oil refinery in Barmer is subject to techno-commercial viability to be assessed by ONGC.

#### **Increase in oil refining capacity of IOC**

□2516. SHRI SHIVANAND TIWARI:

SHR J RAJ MOHINDER SINGH MAJITHA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the Indian Oil Corporation has decided to increase the oil refining capacity of the country by investing Rs.60,000 crore;

(b) if so, the details thereof and how much additional oil refining capacity this investment is likely to generate;

(c) whether Government has considered the economic aspect of increasing oil refining capacity of the country;

(d) if so, whether this project would be economically viable; and

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□Original notice of the question was received in Hindi.

(e) if so, the assessment with regard to its viability?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI JITIN PRASADA): (a) and (b) Indian Oil Corporation Limited (IOCL) has decided to set up a new refinery at Paradip, Orissa with a refining capacity of 15 million metric tonnes per annum (MMTPA) and increase the refining capacity of its refineries at Panipat by 3 MMTPA and Haldia by 1.5 MMTPA at a total approved cost of Rs.33,653.83 crore resulting in an increase of 19.5 MMTPA in the refining capacity. In addition, IOCL is implementing fuel quality upgradation projects at its existing refineries to produce Euro-III/IV quality fuels, at an approved cost of Rs.25,959.99 crore.

(c) to (e) The refining sector was delicensed in June, 1998. Since then a refinery can be set up anywhere in India by private or public sector enterprises depending on the promoters' assessment of its viability. Public or private sector enterprises consider proposals for setting up new refineries/expansion of capacity depending on economic viability.

Increase in refining capacity will boost export earnings from petroleum products through value addition. It will also enhance energy security by meeting the energy needs of the country in a cost-effective manner.

#### **Price fixation of NG from KG basin**

2517. SHRI VIRENDRA BHATIA:

SHRI NAND KISHORE YADAV:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) what is the criteria and basis adopted by Government in fixing the prices of natural gas being extracted by Reliance from KG basin; and

(b) whether all the stakeholders have followed transparent and acceptable guidelines for the same?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI JITIN PRASADA): (a) and (b) The Empowered Group of Ministers (EGoM) approved a price formula for the KG D6 gas, based on which the current gas price works out to US\$ 4.20 per mmbtu at a crude price greater or equal to US \$ 60 per barrel.

The EGoM, while approving the price formula took into account the prices obtained by the producer / contractor from the market through a tendering process. It also considered the interest of various stakeholders including those in the Power and Fertilizer sectors.

#### **Gas price formula in US dollar**

2518. SHRI VIRENDRA BHATIA:

SHRI NAND KISHORE YADAV:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state: