

#### Pricing of oil

2078. SHRI JAI PRAKASH NARAYAN SINGH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether it is a fact that when the international price of oil touched a peak of USD 145 a barrel, the private companies engaged in retailing oil products closed their pumps in India;
- (b) if so, the details thereof;
- (c) whether the implementation of Kirit Parikh Report on decontrol of oil prices would lead to opening up of closed private petrol pumps of these private companies which would lead to drastic erosion of the market share including huge financial losses to Public Sector Oil Companies; and
- (d) if so, the action being proposed by Government to have a level playing field and protect the interest of the Public Sector Oil companies?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI JITIN PRASADA): (a) to (d) As per the Resolution of 8th March 2002, Government have granted authorization to market transportation fuels to four private companies namely, M/s. Reliance Industries Limited (RIL), M/s. Essar Oil Limited (EOL), M/s. Shell India Marketing Pvt. Limited (SIMPL) and M/s. Reliance Petroleum Limited (RPL).

When the international price of crude oil was high, the sales of Motor Spirit and High Speed Diesel at the retail outlets (ROs) of private companies was negligible due to selling price differential between private and public sector ROs, leading to the closure of some of their ROs in the country. The private sector companies are free to take pricing decisions on commercial considerations.

The Expert Group constituted under the Chairmanship of Dr. Kirit Parikh to advise on a Viable and Sustainable System of pricing of petroleum products has recommended, *inter-alia*, that the prices of Petrol and Diesel should be market-determined, both at the refinery gate and at the retail level. The Government has not taken a decision on implementation of the Expert Group's recommendations.

#### Oil exploration works in Rajasthan

2079. SHRI RAMDAS AGARWAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) the details of exploration work undertaken by the Oil and Natural Gas Corporation (ONGC), other Public Sector Undertakings and the private companies in Rajasthan, till-date;