

(b) whether the Ministry has sent its comments to the Comptroller and Auditor General (CAG); and

(c) whether CAG plans to complete the entire audit process which will include the Ministry's comment on its findings?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA): (a) No Sir.

(b) Does not arise.

(c) The procedure followed by the CAG in finalizing an Audit Report involves issue of the draft audit findings to the concerned Ministry/Department for their comments and responses within a stipulated time frame. The procedure will be followed for this audit as well.

#### **Trading of unused transmission capacity**

900. SHRI MOHD. ALI KHAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Petroleum Natural Gas Regulatory Board (PNGRB) has proposed that those who have contracted transmission capacity for petroleum products and gas from pipeline operators could trade their unused capacity, but not for more than 125 per cent of the tariff approved for a particular route; and

(b) if so, the details thereof and the present status thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA): (a) and (b) Petroleum and Natural Gas Regulatory Board (PNGRB) is in the process of public consultation for evolving Guidelines on "Trading in Pipeline Capacity". The proposed Guidelines envisage *inter alia* bidding for transportation tariff up to a maximum of 125% of the published tariff for the said pipeline by PNGRB. The draft guidelines have been webhosted by PNGRB for public consultation.

#### **Revenue earned from royalty imposed on petroleum products**

†901. SHRI RAGHUNANDAN SHARMA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the amount of revenue earned as a result of royalty imposed on petroleum products and the Central and concerned State Government's share in that revenue;

(b) the mechanism available to fix the royalty for natural gas and petroleum;

(c) the time period for fixation of royalty;

(d) the date on which royalty was fixed last time; and

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†Original notice of the question was received in Hindi.

(e) by when Government proposes to make amendment in royalty?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA): (a) In accordance with the Statutory provisions, Royalty on oil/gas produced from offshore blocks accrues to the Central Government whereas from onshore blocks, it accrues to the respective State Governments. During 2009-10, the Royalty paid to the Central Government and State Governments on crude oil and natural gas was Rs. 4356.05 crore and Rs. 3454.87 crore respectively.

(b) The Royalty is payable on well-head price of crude oil and natural gas.

(c) and (d) There is no periodicity for fixation of Royalty as per Oilfields (Regulation and Development) Act, 1948. The Royalty rates were last revised *vide* Notification dated 16th December, 2004.

(e) No proposal is under consideration of the Government for revision of Royalty rate.

#### **Financial assistance for refinery at Barmer**

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

(a) the assistance that will be given to the State Government of Rajasthan by the Central Government to establish refinery in Barmer;

(b) whether a Central Government undertaking like the Oil and Natural Gas Corporation (ONGC) will set up refinery as main promoter, in which marketing agreement can be signed with ONGC as petro product pipeline of Indian Oil Corporation (IOC) is passing through nearby district, Jalore; and

(c) the decision taken by Government in this regard?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA): (a) to (c) Oil and Natural Gas Corporation Limited (ONGC) is in consultation with the Government of Rajasthan (GoR) on the feasibility of setting up a commercially viable refinery at Barmer. ONGC has informed that the GoR has indicated to take up 26% equity stake in the proposed refinery. It has also been reported that GoR is also in consultation with IOCL and BPCL for possible marketing tie-up. However, ONGC has informed that a decision on setting up of the refinery would be based on a detailed feasibility study and financial appraisal, bankable marketing agreement for off-take of products and adequate fiscal incentives from State Government to meet the viability gap.

#### **Mechanism for administering change in gas price**

903. SHRI VIJAY JAWAHARLAL DARDA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

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†Original notice of the question was received in Hindi.