(a) whether it is a fact that there is projection of heavy loss by the oil PSUs in the year 2010-11;

(b) if so, the details thereof along with the reasons therefor;

(c) whether it is also a fact that the Ministry has requested Government to release Rs. 10,000 crores in order to compensate for the cases to the oil PSUs;

(d) if so, whether this amount has been released; and

(e) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R. P. N. Singh): (a) and (b) At present, the retail selling prices of Diesel, PDS Kerosene and Domestic LPG are not being maintained in line with the international oil prices due to which the Public Sector Oil Marketing Companies (OMCs) namely, Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) have been incurring under recoveries on sale of these sensitive petroleum products. The OMCs have incurred under recoveries of Rs. 46,963 crore on the sale of sensitive petroleum products during the period April-December, 2010 during the year 2010-11. However, taking into account, the sanction of Government support to the tune of Rs. 21,000 crore and assistance by the Upstream Oil PSUs amounting to Rs. 15,654 crore, the OMCs have declared a combined profit after tax of 4,568.17 crore for the period upto December, 2010. In view of the rising international prices, the under recoveries of OMCs are projected to be Rs. 76,520 crore during the year 2010-11.

(c) to (e) Ministry of Petroleum and Natural Gas had requested Ministry of Finance for the budgetary support of Rs. 10,000 crore towards the Government's share for the compensation of under recoveries of the OMCs for the 3rd quarter of 2010-11. However, Ministry of Finance has confirmed budgetary support of Rs. 8,000 crore. Thus including this, the Ministry of Finance has confirmed total budgetary support of Rs. 21,000 crore towards the under recoveries of the OMCs for the year 2010-11. The budgetary support will be released after the approval of Parliament.

**Oil production in NER and Gujarat**

742. SHRI BHARATSINH PRABHATSINH PARMAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the production has begun from oil wells located in Assam, North East Region (NER) and Gujarat;

(b) if so, the quantity of oil drawn out, so far;

(c) whether some technical hindrances were reported while setting up refinery in these regions;

(d) whether a new refinery would be established in NER now in view of American technology to refine the heavy oil;

(e) whether the Tripathi Committee has visited Assam, NER and Gujarat;

(f) if so, the recommendations of the committee in this regard; and

(g) by when Government would set up the refineries?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) and (b) Yes, Sir. The cumulative production of oil from North East Region (including Assam) and Gujarat till 31.12.2010 is 214.67 Million Metric Tonne (MMT) and 223.29 MMT respectively.

(c) to (g) Consequent on de-licensing of refinery sector since June, 1998, refinery can be set up anywhere in India by a Private or Public Sector Enterprise depending on its techno-commercial viability. Presently, there is no proposal for setting up of refineries at NER. Tripathi Committee was constituted by Government of Rajasthan for examining the future prospect of oil and gas sector in Rajasthan and hence, it is not related with other regions.

**Revival of defunct unit of FCI by GAIL in Orissa**

743. SHRI RUDRA NARAYAN PANY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that contract has been made with the Gas Authority of India Limited (GAIL) for revival of one of the defunct units of Fertilizers Corporation of India (FCI) in Talcher, Orissa; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N SINGH): (a) and (b) No, Sir. However, Rashtriya Chemicals and Fertilizers Ltd. (RCF) has taken up the job for getting the Feasibility Report prepared. After ascertaining the economic viability of the project, investment decision shall be taken.