

- (a) whether any State in the country is not conducting Panchayat Elections as per law; and
- (b) if so, the details thereof and action taken by the Central Government in this regard?

THE MINISTER OF PANCHAYATI RAJ (SHRI VILASRAO DESHMUKH): (a) and (b) The Constitution mandates that where Part IX applies, Panchayats election be conducted every five years, under the overall superintendence, direction and control of the State Election Commission. The Constitution also empowers the State Legislatures to make laws regarding elections. Panchayat elections have been held in all States except Jammu & Kashmir, which has its own legislation regarding Panchayats. MoPR has enjoined on the Government of J&K the need for conducting Panchayat elections.

Profit and loss of oil companies

†109. SHRI RAVI SHANKAR PRASAD:

SHRI RAMCHANDRA PRASAD SINGH:

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

- (a) whether it is a fact that Public Sector Oil companies engaged in crude oil production and refining of imported crude oil earn profit every year;
- (b) if so, the reaction of Government thereto;
- (c) whether it is also a fact that Public Sector Oil companies engaged in selling of petrol, diesel, petroleum products etc. are incurring losses annually; and
- (d) if so, the details thereof and the reasons behind these losses?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) Yes, Sir. However, during 2008-09, Chennai Petroleum Corporation Limited (CPCL) reported a net loss of 397 crore due to volatility in international crude oil prices.

(b) The profits earned by the upstream oil PSUs and Refineries are utilized for making further capital investments in exploration, production, creation of new refining capacities and upgradation of facilities.

(c) and (d) The Oil Marketing Companies (OMCs) incur under recoveries on sale of diesel, LPG and PDS Kerosene due to high international oil prices and modulation of domestic prices by the

†Original notice of the question was received in Hindi.

Government. However, as a result of burden sharing by the upstream oil PSUs and compensation from the Government, the OMCs have not reported losses for any financial year so far.

Discovery of CBM gas reserves in Bihar

110. SHRI RAM KRIPAL YADAV: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether any Coal Bed Methane (CBM) gas reserve has been found in Bihar along Jharkhand border areas; and

(b) if so, the details of those areas and status of these projects?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) No Sir. So far no CBM block has been awarded in the State of Bihar.

(b) Does not arise in view of (a) above.

Oil exploration by private and foreign entities in the country

111. SHRI RAJIV PRATAP RUDY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government is heavily dependent on private and foreign entities for carrying out exploration of oil and natural gas in the country;

(b) if so, the reasons therefor;

(c) how many blocks were explored in the country in the last one decade; and

(d) how many of these oil and gas blocks are in private sector and how many in the public sector?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) to (d) Under the New Exploration Licensing Policy (NELP), exploration blocks are awarded through International Competitive Bidding, where National/State Oil Companies as well as private and foreign companies can bid on equal terms and conditions. Given the large investment required in the effort to step up production and reserve accretion in the country, a need was felt to focus on a strategy designed to accelerate the pace of exploration by involving both public and private sector companies.