

commercial interest of the OMCs, etc. HPCL has framed its guidelines and the other two OMCs, viz. IOCL and BPCL are in the process of framing their respective guidelines.

#### **Restoration of Government control on petroleum prices**

909. DR. T.N. SEEMA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the under recoveries revenue from sale of petrol and other petroleum products reported by the Oil Marketing Companies (OMCs) are only notional, and do not represent actual losses suffered by these companies;

(b) if so, whether Government will declare the actual operating costs and revenue thereof of the OMCs for the past three years;

(c) whether Government intends to decontrol the pricing of diesel, LPG and kerosene; and

(d) whether Government will reverse its policy of allowing the OMCs to fix the selling price of petrol on their own and restore Government control of the pricing of petrol and other petroleum products?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) and (b) The under-recoveries on the sale of petroleum products are the difference between price-paid by the Public Sector Oil Marketing Companies (OMCs) to refineries (based on Trade Parity for Diesel/Petrol and Import Parity for PDS Kerosene/Domestic LPG) and actual selling price realized (excluding duties, taxes and dealers' commission).

Under-recoveries are different from the profits/losses of OMCs. Profit/Loss takes into account other income streams like pipeline income, inventory changes, profits from freely priced products, refining margins, dividend income etc.

OMCs are selling Diesel, PDS Kerosene and Domestic LPG below their desired retail selling price and are incurring losses on sale of these petroleum products. The OMCs could report minimal profits only as a result of getting significant compensation of their under-recoveries from the Government and Upstream Public Sector Oil Companies. The details of the Profit/Loss of the OMCs during the last three years are given below:—

	( ` crore)		
	2008-09	2009-10	2010-11
	1	2	3
Combined PAT of OMCs	4,261	13,060	10,531

	1	2	3
Provision for Taxation	1,784	5,537	3,323
Profit before Tax	6,045	18,597	13,855
Less: Compensation received			
Oil Bonds/Budgetary support	71,292	26,000	41,000
Upstream assistance	32,000	14,430	30,297
Total Compensation	103,292	40,430	71,297
<b>Loss of OMCs without compensation</b>	<b>-97,247</b>	<b>-21,833</b>	<b>-57,442</b>

(c) and (d) At present, there is no such proposal before the Government.

#### **Irregularities in implementation of PMGSY in States**

910. SHRI MAHENDRA MOHAN: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether Government has undertaken any review of the Pradhan Mantri Gram Sadak Yojana (PMGSY) in various States;

(b) if so, the details thereof;

(c) whether the Central Government has received complaints regarding irregularities and violation of norms in road construction under PMGSY in various States; and

(d) if so, the details thereof and the action taken by Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI PRADEEP JAIN): (a) and (b) The Pradhan Mantri Gram Sadak Yojana (PMGSY) is reviewed through monthly, quarterly, half-yearly and annual progress reports from the States, Regional Review meetings and Performance Review Committee Meetings held from time to time. The last meeting of the Performance Review Committee was held on 18th November, 2011.

(c) and (d) The responsibility for implementation of PMGSY as per the scheme guidelines lies with the States. Accordingly, whenever, any complaint in respect of irregularities in the implementation of the scheme or violation of norms is brought to the notice of the Ministry, the matter is immediately taken up with the concerned State Government for taking remedial measures. In addition, National Quality Monitors are also deputed in some cases to investigate into the complaints and their reports are shared with the States for taking corrective measures.