

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) to (e) The Government has formulated special schemes for direct allotment of dealership/distributorship of petroleum products to rehabilitate the families of defence/security personnel who sacrificed their lives while defending the country.

303 retail outlet (RO) dealerships and 143 Liquefied Petroleum Gas (LPG) distributorships were allotted to the eligible and willing dependants of defence personnel who laid down their lives in action during the 'Operation Vijay (Kargil)'. All the allotments made under the scheme have been commissioned.

9 RO dealerships have been allotted to the dependants of the 9 Government/police personnel who sacrificed their lives during the terrorist attack on Parliament in December, 2001. All the 9 ROs have been commissioned.

18 dealership/distributorship of petroleum products were allotted to the dependants of the martyrs who sacrificed their lives defending the terrorist attack on the city of Mumbai in November, 2008. One beneficiary has opted out of the scheme. 8 RO dealerships, 3 LPG distributorships and 3 CNG filling station have been commissioned. The remaining 3 cases are under various stages of commissioning.

Deleasing of petrol pump sites

908. DR. JANARDHAN WAGHMARE : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether Government has approved the deleasing policy to delease the petrol pump sites;
- (b) if so, the details of the said deleasing policy;
- (c) whether the oil corporations have implemented the said deleasing policy and have issued instructions to all their subordinate offices and to all the affected parties; and
- (d) if not, by when the said policy would be implemented?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) to (d) The Government has issued broad policy guidelines on de-leasing of Retail Outlet (RO) sites *vide* letter dated 28.4.2010 on the basis of which, public sector oil marketing companies (OMCs) *i.e.* Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) are to frame their own detailed guidelines. The guidelines issued by the Government deal with various aspects such as, periodic identification and classification of RO sites as strategic and non-strategic in a transparent manner, the approach to be adopted for such sites depending on the validity of lease, renewal option, availability of local tenancy protection, pending court cases,

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