

Marketing freedom to operators of oil and natural gas fields

123. SHRI S. THANGAVELU: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government is considering providing marketing freedom to operators of oil and natural gas fields;

(b) if so, the details thereof; and

(c) whether it is also a fact that Government is considering sorting out the regulatory mechanism and fiscal issues including taxation and if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) to (c) In the marginal field policy approved recently by the Government, marketing freedom has been provided. In the proposed Uniform Licensing Policy, similar dispensation has been envisaged.

ONGC to add neighbouring reserves to KG deep water project

124. SHRI S. THANGAVELU: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the Oil and Natural Gas Corporation (ONGC) is planning to add some neighbouring reserves of the company to the KG deep water project so that the overall potential output becomes large and can be exploited using the same infrastructure;

(b) if so, the details thereof; and

(c) whether it is a fact that ONGC is also working on ways to ensure higher production early on and if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) to (c) ONGC has submitted Field Development Plan (FDP) to DGH for development of Cluster II in the block KG-DWN-98/2.

Price of petrol and diesel

†125. SHRI NARESH AGRAWAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether even when the price of crude oil in international market was 108 dollar per barrel price of petrol and diesel in India was around 65 and 50 rupees

† Original notice of the question was received in Hindi.

per litre and even when the price of crude oil is around 30 dollar per barrel price of petrol and diesel is more or less at old rates only;

(b) if so, the reasons therefor; and

(c) if not, the ratio of the price of crude oil and profit of oil companies an year ago and the ratio of the price of crude oil and profit of oil companies at present?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) to (c) The price of Indian basket of crude oil was around \$106/bbl in July 2014 and \$30/bbl in February, 2016 (upto 18.2.2016) respectively. A table, indicating the average monthly prices of Indian basket of crude oil and Retail Selling Price (RSP) of Petrol and Diesel (at Delhi) is given below:

Month	Indian Basket of Crude oil (\$/bbl)	Petrol (₹/Litre)	Diesel (₹/Litre)
July 2014	106.30	73.60	57.84
February 2016 (up to 18.2.2016)	30.12	59.63	44.96

Retail Selling Price (RSP) of Petrol and Diesel in the country are based on their respective international prices and OMCs are at present applying Trade Parity Pricing methodology to compute the RSP. Other cost elements in the RSP of Petrol and Diesel viz Excise Duty, BS IV premium, marketing cost and margins etc. are specific costs which do not increase/decrease with the volatility in international prices of Petrol and Diesel. The element of excise duty which is specific in nature has been increased since November, 2014. Most of the State Governments also have increased VAT on Petrol and Diesel. After taking into account these factors, OMCs have passed on major portion of the decrease in price to the consumers of Petrol and Diesel.

The overall profits reported by the PSU Oil Marketing Companies during 2014-15 and current year (April-December 2015) *vis-a-vis* Indian Basket of crude oil are as under:

	2014-15	April-December 2015
Indian Basket of crude oil (\$/bbl)	84.16	50.91
IOC	5273	9163
HPC	2733	2310
BPC	5085	4883

(₹ in crore)