

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:1132
ANSWERED ON:16.08.2012
SUBSIDY TO PRIVATE OIL COMPANIES
Venugopal Shri P.

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

- (a) whether the private sector oil companies are demanding the same subsidy as the Government provides to the public sector oil companies and fertilizer companies;
- (b) if so, the details thereof;
- (c) whether they are also demanding to deregulate petroleum prices; and
- (d) if so, the details thereof alongwith the impact on these companies in the absence of subsidy and by not withdrawing regulation in petroleum products?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIR.P.N. SINGH)

(a) to (d): Yes, Madam. Recently, Essar Oil Limited has represented for extending the policy of providing subsidies to Private Oil Marketing Companies. In addition, Reliance Industries Limited, Essar Oil Limited and Shell India Marketing Private Limited had filed a complaint before the Petroleum & Natural Gas Regulatory Board (PNGRB) alleging restrictive and unfair trade and marketing practices, cartelization in the marketing and sale of petroleum products and sought direction of PNGRB to direct the oil PSUs to cease and desist from indulging in predatory pricing of transportation fuels and to follow the published policy of the Government i.e. allow market determined pricing for Petrol and Diesel as per the Resolution dated 28th March, 2002. In its order dated 2nd July, 2012, PNGRB has dismissed the complaint with direction to pay ? 100,000 to Respondents towards costs.