

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

UNSTARRED QUESTION NO:5259
ANSWERED ON:26.04.2013
PROFITS OF PRIVATE OIL COMPANIES
Ram Shri Purnmasi

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

- (a) whether the private oil companies are earning profits due to the increase in the prices of crude oil internationally;
- (b) if so, the details thereof;
- (c) whether the Government proposes to persuade the private oil companies in sharing some burden of the subsidy being provided to the public sector oil companies;
- (d) if so, the details thereof;
- (e) whether the Government proposes to impose a profit tax on the private oil companies in the country; and
- (f) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SMT. PANABAACA LAKSHMI)

- a) & b): Under the Production Sharing Contract (PSC) regime, the Contractors, either Private /Foreign or National Oil Companies (NOCs), are entitled to sell the crude oil at International benchmarkings prices. The contractors may earn profits due to increase in prices of crude oil internationally.
- c) & e) : At present, there is no such proposal in the Ministry.
- d) & f) : Do not arise in view of reply above.