

(d) whether the oil corporations are bound to increase the dealer's commission as per the formula; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) and (b) Government has constituted a Committee in September, 2010 to look into the issues relating to Dealers of Retail Outlets of Petrol and Diesel under the Chairmanship of Joint Secretary (Marketing), Ministry of Petroleum and Natural Gas. The terms of the reference of the Committee, *inter-alia*, included to devise a suitable mechanism for fixation of Dealer's commission including examining the feasibility of having Dealer's commission as a fixed percentage of the invoice value of Petrol and Diesel. The Committee has submitted its report in January, 2011. After considering the recommendations of the Committee, the Government has revised the Dealers' commission of Petrol from Rs. 1218/- per kilolitre to Rs. 1499/- per kilolitre and of Diesel from Rs. 757/- per kilolitre to Rs. 912/- per kilolitre with effect from 1.7.2011.

In the above Dealers' commission, in addition to the existing elements, following two new elements have been included:

(i) Bank charges of Rs. 20/- per kilolitre

(ii) Dealers remuneration at the fixed rate of Rs. 12,000/- per month.

Thus the elements of Dealers' commission now consists of the following:

(i) Operating cost including salary and wages, dealer remuneration, electricity cost, insurance, repair and maintenance/water charges, communication expenses and conveyance, bank charges, taxes/ audit fees, uniforms, printing and stationery, consumables, staff welfare, etc.

(ii) Stock loss

(iii) Return on working capital

(iv) Return on net fixed assets

(c) to (e) The present structure of Dealer's commission does not contain any automatic escalation formula.

#### **Supply of gas at regulated prices**

3071. SHRI Y.S. CHOWDARY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government is considering to supply gas at regulated prices to some priority consumers only;

(b) if so, the details of the proposal; and

(c) by when it is likely to be implemented?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) to (c) The price of Administered Price Mechanism (APM) gas is determined by Government. The following sectors are being supplied APM gas at APM rate:

1. Fertilizers
2. Power
3. Court Mandated Customers
4. Small Customers Having Requirement of gas less than 50,000 SCMD.

The gas produced from various other fields has no sector wise variations in price.

**KG basin gas for gas based power projects in Karnataka**

3072. SHRI VIJAY MALLYA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the State Government of Karnataka had in December, 2009 proposed allocation of Gas and implementation of GAIL Gas Pipeline in the State for the gas based power projects in the districts of Belgaum, Gadag and Davangere from the KG Basin;

(b) if so, the present stage of consideration of the proposal; and

(c) by when the allocation would be made as proposed by the State Government?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) to (c) The Government of Karnataka had requested in 2009 for allocation of KG D6 gas for the State of Karnataka and also referred to Dabhol - Bangalore & Kochi - Bangalore - Mangalore pipelines MoUs with GAIL. No specific request has been received for power projects at Belgaum, Gadag and Davangere. The status of above two pipelines are as under: