

D.B.BINU BAL, LL.B
ADVOCATE
HIGH COURT OF KERALA

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Ref :

Date :21/10/2008

To,
The Central Public Information Officer
Office of the Prime Minister of India (P.M.O.)
New Delhi

SUB: Application under Sections 6(1) and 6(3) of the Right to Information Act, 2005

Sir,

I seek the following information and documents, which may kindly be furnished at the earliest on public interest. The copies of the documents may be certified as true copies..

1. Please provide the certified copies of the documents regarding the procedure and criteria to fix the price of the Petroleum products in India.

2. Please provide the certified copies of the documents regarding about the Indian Price of petroleum products before the International Petroleum Hike.

3. Please provide the certified copies of the documents regarding after lowering of the international petroleum price in the international market and our present rate. Please furnish related documents.

4. Please provide the certified copies of the documents regarding if there any suggestions or recommendations or report to lower the price of Petroleum products in India? So please provide the copy of recommendations and the detailed accounts of the supply and price of the petroleum products.

5. Please provide the certified copies of the documents regarding why you are holding the same price for petroleum products in India when it was higher or lower in international

6. Please provide the certified copies of the documents regarding the present stand of the oil companies of India regarding the present rate of petroleum products. Please provide the related documents.

7. Please provide the certified copies of the documents regarding the profit earned by different oil companies in India when the sale was at higher price for the period between 1/4/2006 to till today.

8. Please provide the certified copies of the documents regarding the loss incurred by the Oil companies in India during the above said period of time. Please provide the statistics.

In case of any or all of the information requested does not pertain to your office as Public Authority, kindly transfer my application, or the relevant portion of it, to the concerned Public Authority. This request is made under specific provision of the Right to Information Act.

I seek the following information and request the copies of the documents may be certified as true copies.

1. Please provide the certified copies of the documents regarding the procedure and criteria to fix the price of the Petroleum products in India.

Enclosure

2. Please provide the certified copies of the documents India Postal order dated 21/10/2008 Rs. 10/- in favour of Accounts Officer.

3. Please provide the certified copies of the documents regarding after lowering of the international petroleum price in the international market and our present rate. Please furnish related documents.

4. Please provide the certified copies of the documents regarding if there any suggestions or recommendations or report to lower the price of Petroleum products in India? So please provide the copy of recommendations and the detailed accounts of the supply and price of the petroleum products.

5. Please provide the certified copies of the documents regarding why you are holding the same price for petroleum

24/11/08

No. 6428 2008-Inf. Cell/PP
Government of India
Ministry of Petroleum & Natural Gas

Shastri Bhawan, New Delhi - 110 115
20th November, 2008

To

Shri D.B. Binu, Advocate
High Court of Kerala
M/s Cochin Chamber of Lawyers
IInd Floor, Fathima Plaza,
Providence Road, Kochi-18
Ernakulam

Subject : Information sought under RTI Act, 2005

Sir,

Please refer to your letter Ref:260/10/2008 dated 21.10.2008 which was forwarded by the Central Public Information Officer, Prime Minister's Office vide their letter No.RTI/1913/2008-PMR dated 24th October 2008 to this Ministry on the above subject and application fee deposited by Postal Order in the PMO.

2. In so far as information in respect of Point Nos. 1 to 8 of your application is concerned, the available information is given below:

Point Nos. 1 to 6

The Government of India vide Gazette Notification No.P-20029/22/2001-PP dated 28.3.2002 announced dismantling of Administered Pricing Mechanism (APM) effective April 1, 2002. As per this Notification, the prices of petroleum products, except for PDS Kerosene and Domestic LPG, were to be market determined w.e.f. 1.4.2002. The copies of the relevant Notifications as well as the price revisions of the sensitive petroleum products from time to time are available at Petroleum Planning & Analysis Cell's website ppac.org.in.

/ The OMCs pay trade parity price when they purchase Petrol and Diesel from domestic refineries and import parity price for purchase of PDS Kerosene and Domestic LPG. A copy of the order dated June 13, 2006 issued regarding pricing for petrol and diesel is enclosed. The methodology of pricing of PDS Kerosene and Domestic LPG has been given in the Notification on 'PDS Kerosene and Domestic LPG Subsidy Scheme, 2002', which is available at the website www.ppac.org.in. For other petroleum products, OMCs fix their prices based on commercial considerations.

Despite a steep increase in the international prices, particularly from 2004-05, the selling prices of Petrol and Diesel were not revised by the Public Sector Oil Marketing Companies (OMCs) in tune with the international oil prices. As an administrative measure, the OMCs have been asked to modulate the price increase in Petrol and Diesel besides maintaining prices of subsidized products PDS Kerosene and Domestic LPG so as to protect the common man from the volatility in international oil prices.

-2-

Suggestions/requests regarding reduction in the prices of Petrol and Diesel have been received from some quarters. However, despite the softening in the international oil prices and the reasons stated above, the OMCs are still expected to suffer under-recoveries on marketing of sensitive petroleum products during 2008-09. The depreciation of the rupee against the dollar has worsened the position. In view of this, the retail selling prices of Petrol and Diesel have not been reduced.

Point Nos. 7 & 8

The Profit after Tax (PAT) of the OMCs from 2006-07 onwards are given below:
(Rs. crore)

Name of OMCs	2006-07	2007-08	2008-09 (April-Sept'08)
IOC	7499	6963	(6632)
BPC	1806	1581	(3692)
HPC	1571	1135	(4107)

Note : Figures in () indicate loss.

3. In case you are not satisfied with the information furnished above, you may appeal to the Appellate Authority of the Ministry in so far as this Ministry is concerned, within the time limit stipulated and as per provisions of RTI Act, 2005, at the following address:

Shri Vivek Kumar, Director (S&P)
Government of India
Ministry of Petroleum & Natural Gas
204, 'B' Wing, Shastri Bhawan
New Delhi - 110 015.

Yours faithfully,

(Y.P. Dhingra)

Under Secretary to the Govt. of India &
Public Information Officer
Tele No. 23383391

Encl. As above.

Copy to :

1. Guard File of Information Cell
2. Guard File of PP Section

No P-20012/13/2006-PP
Government of India
MINISTRY OF PETROLUM & NATURAL GAS

June 13, 2006

To,

15/6/06
Chairman, IOC
Chairman & MD, BPCL
Chairman & MD, HPCL
Managing Director, NRL, New Delhi
Managing Director, BRPL, New Delhi.
Managing Director, CPCL, New Delhi.
Managing Director, MRPL, New Delhi.

Subject: Pricing for petrol/diesel at refinery gate— Rangarajan Committee

Sir,

The Government on 26th October 2005 had set up a committee under the Chairmanship of Dr C Rangarajan, Chairman of the Economic Advisory Council to the PM, to look into various aspects of pricing and taxation of petroleum products with a view to stabilizing/rationalizing their prices, keeping in view the financial position of the oil companies, conserving petroleum products, and establishing a transparent mechanism for autonomous adjustment of prices by the oil companies. The Committee had submitted their report in February 2006.

Amongst the various recommendations relating to pricing of petrol and diesel, the Committee has recommended that given the global context and our domestic refining capacity, wherein exports are of the order of 20% of production of these products, a more appropriate pricing model for diesel and petrol should be the trade parity price which would be a weighted average of the import parity and export parity prices in the ratio

of 80:20. The Committee has also recommended reducing the customs duty on petrol and diesel to 7.5% from 10% presently.

The Government has accepted both the recommendations of the Committee mentioned above and accordingly, the pricing of Petrol and Diesel at the refinery gate level will shift to trade parity basis on a 80:20 weight basis simultaneously with the reduction in the customs duty on petrol and diesel to 7.50% as notified by the Ministry of Finance.

You are requested to acknowledge receipt and confirm implementation

Yours faithfully,


(Renuka Kumar)

Under Secretary to the Government of India

Copy to: Director (F&A), PPAC, New Delhi.


13/6

भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग I—खण्ड 1

PART I—Section 1

प्राधिकार से प्रकाशित

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पेट्रोलियम और प्राकृतिक गैस मंत्रालय

संकल्प

नई दिल्ली, 28 मार्च, 2002

सं. पी-20029/22/2001-पीपी.—भारत सरकार, पेट्रोलियम और प्राकृतिक गैस मंत्रालय ने दिनांक 21 नवंबर, 1997 के संकल्प सं० पी-20012/29/97-पीपी द्वारा प्रशासित मूल्य निर्धारण प्रणाली (एपीएम) की समाप्ति के चरणबद्ध कार्यक्रम का ब्यौरा अधिसूचित किया था। इसके परिणामस्वरूप मोटर स्पिरिट (एमएस), हाई स्पीड डीजल (एचएसडी), विमानन ईंधन (एटीएफ), सार्वजनिक वितरण के मिट्टी तेल (पीडीएस केरोसीन) और घरेलू रसोई के लिए प्रयुक्त एलपीजी (घरेलू एलपीजी) के अतिरिक्त सभी उत्पादों के उपभोक्ता मूल्य 1 अप्रैल, 1998 से नियंत्रणमुक्त कर दिए गए थे। पूर्वोक्त निर्णय के अनुपालन के रूप में सरकार ने पेट्रोलियम और प्राकृतिक गैस मंत्रालय के दिनांक 30 मार्च, 2001 के संकल्प संख्या 20018/2/2000-पीपी द्वारा 1 अप्रैल, 2000 से विमानन ईंधन (एटीएफ) के मूल्यनिर्धारण को नियंत्रणमुक्त कर दिया।

2. नवंबर, 1997 के पूर्वोक्त संकल्प में अंतर्विष्ट निर्णयों के अनुसरण में सरकार ने अब 1 अप्रैल 2002 से हाईड्रोकार्बन क्षेत्र में एपीएम को समाप्त करने का निर्णय लिया है। इन निर्णयों का ब्यौरा नीचे दिया गया है:

(1) मोटर स्पिरिट (एमएस) और हाई स्पीड डीजल (एचएसडी) के उपभोक्ता मूल्य 1 अप्रैल 2002 से बाजार द्वारा निर्धारित होंगे। परिणामतः पीडीएस केरोसीन और घरेलू एलपीजी के अतिरिक्त पेट्रोलियम उत्पादों का मूल्य निर्धारण बाजार द्वारा निर्धारित होगा।

(2) पीडीएस केरोसीन और घरेलू एलपीजी पर राजसहायताएं 1 अप्रैल 2002 से भारत की संचित निधि से वहन की जाएंगी। ये राजसहायताएं एक विनिर्दिष्ट एक समान दर के आधार पर होंगी जिनके लिए योजना अलग से अधिसूचित की जाएगी। ये राजसहायताएं अगले 3 से 5 वर्षों में समाप्त कर दी जाएंगी।

- (3) मालमाड़ा राजसहायता दूरदराज के क्षेत्रों तक पीट्रोलियम कोसेमिन और घरेलू एलपीजी की आपूर्तियों के लिए प्रदान की जानी जारी रहेगी जिसके लिए योजना मुक्त रूप से अधिसूचित की जाएगी। मालमाड़ा राजसहायता 1 अप्रैल 2002 से भारत की संचित निधि से बहन की जाएगी।
- (4) आयल एंड नेचुरल गैस कॉर्पोरेशन लिमिटेड के फोरेन बिले ऑल का दूज 1 अप्रैल 2002 से बाजार द्वारा निर्धारित होगा।
- (5) तेल पूल खाते 1 अप्रैल 2002 से बंद कर दिए जाएंगे। पूल खाते से तेल कंपनियों का संचयी बकाया निम्न तरीके से समाप्त किया जाएगा:
- (क) सरकार 31 मार्च 2002 तक तेल कंपनियों के लिफ्टार नए बकायों की अनंतिम राशि के बराबर राशि के 80 प्रतिशत की सीमा तक बंद करती करेगी।
- (ख) राजकोषीय वर्ष 2001-02 के लिए लागू और लागू के अद्यतनीकरण सहित एपीएम अवधि से संबंधित दावों को यथाशीघ्र अंतिम रूप दिया जाएगा। नियंत्रक और महालेखापरीक्षक से तेल पूल खातों की विशेष लेखापरीक्षा करने को कहा जाएगा। तेल कंपनियों को देय सारी बकाया राशि लेखापरीक्षा के बाद शेष राशि के लिए बांड जारी करके परिसमाप्त की जाएगी।
- (ग) एपीएम अवधि से संबंधित लंबित मुकदमों के अंतर्गत आकस्मिक देयताओं का उरा समय सरकारी बजट से निपटारा किया जाएगा जब ऐसे मुकदमों के संबंध में अंतिम निर्णय ले लिया जाएगा।
- (6) तेल समन्वय समिति 1 अप्रैल 2002 से समाप्त हो जाएगी।
- (7) मंत्रालय की सहायता के लिए 1 अप्रैल 2002 से पेट्रोलियम और प्राकृतिक गैस मंत्रालय के तहत 'पेट्रोलियम आयोजना और विश्लेषण प्रकोष्ठ' के नाम से एक प्रकोष्ठ गठित किया जाएगा। इस प्रकोष्ठ पर व्यय तेल उद्योग विकास बोर्ड (ओआईडीबी) द्वारा बहन किया जाएगा।
- (8) निजी क्षेत्र सहित नए प्रवेशकर्ताओं को पेट्रोलियम और प्राकृतिक गैस मंत्रालय के दिनांक 8 मार्च 2002 के संकल्प संख्या पी-23015/1/2001-विपणन में वर्णित दिशानिर्देशों के अनुसार गोदर स्पिरिट, हाई स्पीड डीजल और एविएशन टर्बाइन ईंधन नामक परिवहन ईंधनों का विपणन करने की अनुमति दे दी जाएगी।
- (9) डाउनस्ट्रीम पेट्रोलियम क्षेत्र के कार्य की निगरानी के लिए नियामक तंत्र की स्थापना की जाएगी।

शिवराज सिंह, संयुक्त सचिव

MINISTRY OF PETROLEUM AND NATURAL GAS

RESOLUTION

New Delhi, the 28th March, 2002

No. P-20029/22/2001-PP.— The Government of India, Ministry of Petroleum & Natural Gas vide Resolution No. P-20012/29/97-PP dated 21st November 1997 had notified the details of phased programme of dismantling of administered pricing mechanism (APM). As a result, the consumer prices of all products except motor spirit (MS), high speed diesel (HSD), aviation

turbine fuel (ATF), kerosene for public distribution (PDS kerosene) and LPG used for domestic cooking (domestic LPG) were decontrolled with effect from 1st April 1998. As a follow up of the aforesaid decision, the Government vide Ministry of Petroleum & Natural Gas Resolution No.20018/2/2000-PP dated 30th March 2001 decontrolled the pricing of aviation turbine fuel (ATF) with effect from 1st April 2001.

2. Pursuant to the decisions contained in the aforesaid Resolution of November 1997, the Government have now decided to dismantle the APM in the hydrocarbon sector with effect from 1st April 2002. The details of the decisions are given below:-

- (i) Consumer prices of motor spirit (MS) and high speed diesel (HSD) will be market determined with effect from 1st April 2002. Consequently, the pricing of petroleum products, except for PDS kerosene and domestic LPG will be market determined with effect from 1st April 2002.
- (ii) The subsidies on PDS Kerosene and domestic LPG will be borne by the Consolidated Fund of India from 1st April 2002. These subsidies will be on a specified flat rate basis, scheme for which will be notified separately. These subsidies will be phased out in the next 3 to 5 years.
- (iii) Freight subsidy will continue to be provided for supplies of PDS Kerosene and domestic LPG to far flung areas, scheme for which will be notified separately. The freight subsidy will be borne by the Consolidated Fund of India with effect from 1st April 2002.
- (iv) The price of indigenous crude oil of Oil and Natural Gas Corporation Ltd. and Oil India Ltd. will be market determined with effect from 1st April 2002.
- (v) The oil pool accounts will be wound up with effect from 1st April 2002. The cumulative outstandings of the oil companies against the pool account will be liquidated in the following manner:
 - (a) The Government will issue bonds to the extent of 80% of the amount equivalent to the provisional amount of the settled outstandings of the oil companies upto 31st March 2002.
 - (b) The pending claims relating to the APM period, including the updation of costs and margins for the fiscal year 2001-02, will be finalized as expeditiously as possible. The C&AG will be requested to do a special audit of the oil pool accounts. The whole of the balance amount due to the oil companies will be liquidated by issuing bonds for the remaining amount after the audit.
 - (c) The contingent liabilities under the pending litigations, pertaining to the APM period, will be settled from the Government budget as and when such litigations are finally decided.

- (vi) The Oil Coordination Committee will be wound up with effect from 1st April 2002.
- (vii) A Cell, by the name "Petroleum Planning and Analysis Cell", will be created under the Ministry of Petroleum & Natural Gas effective 1st April 2002 to assist the Ministry. The expenditure on this Cell will be borne by the Oil Industry Development Board (OIDB).
- (viii) The new entrants, including private sector, will be allowed to market transportation fuels namely, motor spirit, high speed diesel and aviation turbine fuel as per the guidelines contained in the Ministry of Petroleum and Natural Gas Resolution No.P-23015/2001-Mkt. Dated 8th March 2002.
- (ix) Regulatory mechanism will be set up to oversee the functioning of the downstream petroleum sector.

SHIVRAJ SINGH, Jt. Secy.