

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

UNSTARRED QUESTION NO:575

ANSWERED ON:25.02.2010

REPORTS OF THREE PANELS REGARDING OIL INDUSTRY

Hegde Shri Anant Kumar; Joshi Dr. Murli Manohar; Sharma Shri Jagdish; Singh Shri Rajiv Ranjan (Lalan)

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

- (a) whether the Government has received reports of the three panels in regard to the oil industry from Feb.2006 to Feb 2010;
- (b) if so, the details thereof and the issues on which the said three panels have been asked to make suggestions;
- (c) the steps taken by the Government on each of the reports;
- (d) whether the Government has implemented the suggestions of three panels; and
- (e) if so, the details thereof?

**Answer**

MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA)

(a) & (b): During the period from February 2006 to February 2010, Government has received the reports of the following panels:-

(i) Dr. Rangarajan Committee on Pricing and Taxation of Petroleum Products, on 17-02-2006;

(ii) High Power Committee constituted under the chairmanship of Shri B.K. Chaturvedi on the Financial Position of Oil Companies, on 31-07-2008; and

(iii) Expert Group, constituted under the Chairmanship of Dr. Kirit Parikh, on a Viable and Sustainable System of Pricing of Petroleum Products, on 3-02-2010.

(c) to (e): The Government has taken the following action in acceptance of the recommendations of Dr. Rangarajan Committee:

(i) Pricing of Petrol and Diesel to be determined on Trade Parity basis which is the weighted average of Import Parity and Export Parity prices in the ratio of 80:20.

(ii) Reduction of custom duty on Petrol and Diesel from 10% to 7.5% in June 2006.

(iii) In principle decision to restrict the supply of subsidized PDS Kerosene to BPL families.

The Government has not taken a decision on the implementation of the recommendations made in the Reports of the High Power Committee on the Financial Position of Oil Companies (Chaturvedi Committee) and the Expert Group on a Viable and Sustainable System of Pricing of Petroleum Products (Parikh Committee).