

its decision within 120 days from the date of submission of application and in case Government fails to convey any decision to the Contractor within this period, the application for the clearance by the Contractor shall be deemed to have been approved by the Government.

- (iii) Since EC was not granted by MoEF within the stipulated timeline, RIL commenced exploratory drilling on 15.04.2002, only after lapse of 120 days from date of application.
 - (iv) Subsequently, EC was granted by MoEF on 28.10.2002, wherein MoEF had taken note about drilling of 3 wells and also that there was no commercial production at that point of time. MoEF gave ex-post facto environmental clearance after taking these activities into account and hence drilling activities were ratified.
- (b) Do not arise in view of reply to (a) above.

The Kirit Parikh Committee Report

†1192. SHRI RASHEED MASOOD: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) the details of the report submitted by the Kirit Parikh Committee, constituted in the year 2012 on prices of petroleum products;
- (b) whether this report has been implemented;
- (c) if so, since when and whether all the recommendations have been accepted;
- (d) if not, the reasons therefor; and
- (e) the details of steps taken to implement these recommendations and status thereof, so far?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI PANABAKA LAKSHMI): (a) An Expert Group under the Chairmanship of Dr. Kirit S. Parikh was constituted to advise on a viable and sustainable system of pricing of petroleum products, which submitted its report on 3rd February, 2010. The main recommendations of the Kirit Parikh Committee were as under:—

†Original notice of the question was received in Hindi.

- (i) Prices of Petrol and Diesel should be market determined, both at the refinery gate and at the retail level.
 - (ii) PDS Kerosene allocation across States should be rationalized, which will bring down all-India allocation by at least 20%. Further reduction in PDS Kerosene allocation can be done on the basis of progress of rural electrification, LPG and piped gas availability.
 - (iii) The price of PDS Kerosene needs to be increased by at least Rs. 6 per litre. Thereafter, price can be raised every year in step with the growth in per capital agricultural Gross Domestic Product (GDP) at nominal price.
 - (iv) Prices of Domestic LPG can be increased by at least Rs. 100 per cylinder. Thereafter, the price of Domestic LPG should be periodically revised based on increase in paying capacity as reflected in the rising per capita income. The subsidy on Domestic LPG should be discontinued for all others except the BPL households once an effective targeting system is in place.
 - (v) A transparent and effective distribution system for PDS Kerosene and Domestic LPG can be ensured through UID/Smartcards framework.
 - (vi) The Public Sector Oil Marketing Companies (OMCs) marketing PDS Kerosene and Domestic LPG should be compensated fully for their under-recoveries. The mechanism for financing under-recoveries on PDS Kerosene and Domestic LPG would involve the following:—
 - (a) Periodic reduction in PDS Kerosene allocation;
 - (b) Increase in prices of PDS Kerosene and Domestic LPG from time to time;
 - (c) Mopping up a portion of the incremental revenue accruing to ONGC/OIL from production in those blocks, which were given by the Government on nomination basis; and
 - (d) Providing cash subsidy from the Budget to meet the remaining gap.
- (b) to (c) An Empowered Group of Ministers (EGoM) was constituted to look into the issues of under-recoveries of Oil Marketing Companies (OMCs) in the light of the recommendations made by the Expert Group headed by Shri Kirit Parikh and for taking a final decision on all relevant issues. The EGoM in its meeting

held on 25.6.2010, took the following decisions on the pricing of sensitive petroleum products:—

- (i) Prices of Petrol will be made market-determined, both at the Refinery Gate and at the Retail Level.
- (ii) Prices of Diesel will also be made market-determined, both at the Refinery Gate and at the Retail Level. However, the Public Sector OMCs will for the present increase the retail selling price of Diesel by Rs. 2/litre (at Delhi).
- (iii) In case of a high rise and volatility in international oil prices, the Government will suitably intervene in the pricing of Petrol and Diesel.
- (iv) The retail price of PDS Kerosene will be increased by Rs. 3/litre at Delhi, with corresponding increases in other parts of the country. Thereafter, the price will be raised periodically in line with the growth in per capita agricultural GDP at nominal price.
- (v) The price of Domestic LPG will be increased by Rs. 35/cylinder (14.2 kg.) at Delhi, with corresponding increases in other parts of the country. Thereafter, the price will be periodically revised based on increase in paying capacity as reflected in the rising per capita income.
- (vi) Public sector OMCs marketing PDS Kerosene and Domestic LPG will be compensated for their under-recoveries on these products. For the period 1.4.2010 to 25.6.2010, OMCs under-recovery on Petrol will also be compensated.
- (vii) The burden sharing mechanism for all four sensitive petroleum products for 2010-11 will be decided by MoP&NG in consultation with the Ministry of Finance.

The Government has already implemented the decisions at (i), (ii), (iv) and (v) above, with effect from the midnight of 25th/26th June, 2010.

VAT on petrol and diesel

†1193. SHRI ASHK ALI TAK: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) the percentage of VAT imposed on petrol and diesel in Rajasthan and the amount collected through VAT under this head during the last three years;

†Original notice of the question was received in Hindi.