

April-July 2006



Director PPAC Dr. B Mohanty

Dr. Basudev Mohanty assumed charge of the Director (Joint Secretary level) of PPAC on 4th August 2006. He holds a Ph.D in Economics from Tokyo University of Agriculture, Japan and a Master of Development Management (special study area: Finance and Risk) from Glasgow C.University, U.K. He joined Indian Economic Service in November 1976 and has completed 28 years service in Government of India including a four-year stint in the Department of Economic Affairs, Ministry of Finance during 1990-1994 and was closely associated with the policy making on Capital Market reforms. Before moving to PPAC, he had a rich and varied

experience of working in the Ministry of Petroleum & Natural Gas, first as Joint Adviser (Finance) during 1998-2004 closely associated with all the facets of Petroleum Sector reforms and then as Private Secretary to the Minister of Petroleum and Natural Gas (2004-06). He also served as Director on the Boards of selected Stock Exchanges during 1990-1992 and on the Board of Directors of Oil Companies, viz., IBP, OIL, HPCL, BPCL & BLIL.

POL Growth at 3.6% in Apr-July 2006-07

As per provisional figures available POL consumption recorded a growth of 3.6% during first April-July of 2006-07. Major contributors to growth were by MS, HSD & ATF. Consumption was 38.2 MMT against 36.8 MMT during same period last Year. Crude Oil imports were 36.3 MMT registering a growth of 17%. Exports continue to grow at a healthy rate, which was 50%. Export quantity was

8.68 MMT against 5.79 MMT same period last year.

2005-06: As per provisional figures released by PPAC 2005-06 ended with a marginal growth of 0.3% recording consumption of 111.9 MMT of POL.

INTROSPECTION

"Everyone on earth has a treasure that awaits him. Wherever your heart is, there you will find your treasure."

From 'The Alchemist' by Paul Coelho

Trend in International & Domestic Prices

Indian consumers have been spared of paying high prices in line with increase in international prices of mass consumed products like MS, HSD, SKO & LPG.

Product	% Increase in International Prices	% Increase in domestic prices
MS	214.3%	76.5
HSD	253.9	94.4
SKO	255.3	0.8
LPG	148.8	22.6

The comparison of prices is between March 2002 and 25th August 2006.

Formulation of XI Plan

Exercise to formulate XI Plan has begun. Jt. Secretary (R) constituted various working sub-groups for completing the exercise for Petroleum & Natural Gas sector. Of the nine sub-groups PPAC officers were entrusted the job as Conveners for three important working Sub-groups on Demand, Refining & Production and Pricing. PPAC compiled the consolidated report of all working sub-groups and submitted the report to MoP&NG on July 25, 2006. Petroleum & Natural Gas sector was among the first in completing the preliminary XI Plan exercise.

Laughter Tonic!!!

An English professor's wife asked him difference between words simple and simply. Professor thoughtfully replied: "You were awfully simple when we got married. Now you are simply awful."

*Contributed by
Vijay Sethi*

GDP on Higher Trajectory

Revised estimates of RBI have mentioned GDP growth in 2005-06 at robust 8.4%. This is over growth of 7.5% in the previous year. This means average GDP gr. In last 3 years is 8.1%. In line with trend of past some years maximum contribution came from Services sector at 10.3% (60.7% share) against merely 19.3 % share of Industry & 19.9% share of Agriculture. As per CMIE estimates of July 2006 GDP is expected to grow at 7.9% during 2006-07, which is marginally lower against its April 2006 estimate of 8%.

Feedback

This is the first ever effort to publish **PPAC News Bulletin**. We are sure there is plenty of scope to improve. Your honest feedback would be of immense help in improving the quality of News Bulletin. Please feel free to send your feedback and comments to:

Editor, PPAC News Bulletin - SCOPE Complex, CORE 8, Lodi Road, New Delhi 110003 or to email: vjsethi@occindia.org

Petrol Prices in Neighbouring Countries

Delhi	PAK	B'DESH	S.LANKA
Jul 1	Jul 7	Jul 5	Jul 12
46.85	44.25	37.07	41.34

Price in Indian Rupees / ltr.

PPAC MoU with EIA

The Ministry of Petroleum & Natural Gas, India and the Department of Energy of The United States of America signed an arrangement for exchange of information relating to Hydrocarbon sector. Cooperative activities under the arrangement are to be conducted by the Energy Information Administration (EIA) and Petroleum Planning & Analysis Cell (PPAC) for the Department of Energy of the United States of America and the Ministry of Petroleum & natural Gas respectively. Area of cooperation will include briefly i) Exchange of annual hydrocarbon sector market statistics (ii) Exchange of other related data and information concerning fuel characteristics, refining capacity, reserves (iii) Exchange

of information concerning statistics methods, analytic techniques, and systems documentation (iv) Exchange of information about electronic information dissemination and (v) Other mutually determined areas

Laziness Redefined

"Laziness is nothing more than the habit of resting before you get tired"

Explosive Growth in Retail Network of Oil Companies

What was achieved since inception of retail marketing 2/3rd of that has been done in past little over four years. Oil companies, both PSUs and Private, had set up more than 31600 Retail Outlets throughout the country by end of fiscal 2005-06. Uttar Pradesh had the largest share of retail outlets of 12.2% and Andaman & Nicobar the lowest share of 0.02% outlets in the country.

Auto-LPG Consumption Up

Auto LPG is showing huge growth especially in towns not having CNG facilities. As per provisional figures for April-July 2006 Auto-LPG consumption was up by 94% over same period last year. Though the volumes are still low, about 8850 MT a month, the same are expected to become significant if the growth trend continues. With increasing gap between costs of running vehicles on Petrol & Auto LPG, the consumers are increasingly opting for Auto-LPG especially in Southern states. Besides, it is also more environment friendly fuel. Hence, high growth in future is expected to continue as per industry estimates.

Words of Wisdom

Power of Speech:
If someone wants to tell you that "X" was saying something against/about you, filter the story before you listen to what he says with:
First Filter – Truth:

Check with the person that what he is about to tell is true. If not, then use Second Filter – Goodness:

Is what he is about to tell you is something good. If not use Third Filter – Usefulness:

Is what he wants to tell you is going to be useful.

CONCLUSION: If what someone wants to tell you is neither true nor good nor useful then why listen. Humans are the only ones gifted with Power of Speech. We should not misuse our gift of speech. Avoid harsh words and false utterances.

Keep an eye on your thoughts, they translate into words; watch your words, they become action (Karma). Keep an eye on your actions, they become habits. Watch your habits, they become your destiny. This is the Power of Speech.

*Contributed by:
N.K. DUTTA*

2-Wheelers share to be 79% in 2007-08

As per vehicle sales projection figures obtained from SIAM 2 Wheelers will have

79.1% market share of all vehicles sales in 2007-08. Share of other vehicles projected is 3.5% for 3-Wheelers, 11.5% for Passenger Vehicles, 3.2% for Commercial Vehicles and 2.6% for Tractors. Total sales of these vehicles is expected to be 12.1 millions. Vehicle sales by end of XI Plan (2011-12) is expected to be 21.1 million and whopping 43.9 million by end of XII Plan (2016-17) by which time share of 2 Wheelers will increase to 87% of vehicle sales.

"No Arms, No Legs, No Worries!" –Amazing Story of Inspiration

This is a story of 21 years old Nick Vujicic from Australia who was born without arms and legs. Overcoming all odds in life Nic is now a motivational speaker to not only individuals but corporate also. In Nic's own words "Due to my emotional struggles I had experienced with bullying, self esteem and loneliness, God has implanted a passion of sharing my

story and experiences to help others cope with whatever challenge they have in their life and let God turn it into a blessing. To encourage and inspire others to live to their fullest potential and not let anything get in the way of accomplishing their hopes and dreams. One of the first lessons that I have learnt was not to take things for granted."

He further says "I have a passion for reaching out to youth and keep myself available for whatever God wants me to do, and wherever He leads, I follow. I have many dreams and goals that I have set to achieve in my life. I want to become the best witness I can be of God's Love and Hope, to become an international inspirational speaker and be used as a vessel in everybody's venues. I want to become financially independent by the age of 25, through real estate investments, to modify a car for me to drive and to be interviewed and share my story on

the "Oprah Winfrey Show"! Writing several best-selling books has been one of my dreams and I hope to finish writing my first by the end of the year. It will be called "No Arms, No Legs, No Worries!"

Are you still feeling distressed / worried by anything? Nic story should serve as a great lesson for all of us able-bodied people who love complaining for what we did not get in life.

(A friend & former employee of PPAC Shri Ajith Sen shared this amazing story with Vijay Sethi)

Meet PPAC Core Team Member



Director (F&A), Ram Singh. He is on deputation from BPCL
