

Table of Contents

Charts	vi
Tables	viii
Figures	ix
Maps	x
Abbreviations Used	xi
References ‘n’ Concepts	xix
Chapter 1. Introduction	1.1
1.1 Objectives of the study	1.1
1.2 Research Methodology	1.2
1.2.1 Literature survey.....	1.2
1.2.2 Data collection	1.2
1.2.3 Mathematical and statistical calculations.....	1.2
1.3 Outline of the study	1.3
1.3.1 Chapter 1 - Introduction	1.3
1.3.2 Chapter 2 - Global Energy Overview.....	1.3
1.3.3 Chapter 3 - Petroleum Pricing	1.3
1.3.4 Chapter 4 - Petroleum Pricing and Indian Economy	1.3
1.3.5 Chapter 5 - Petroleum Prices and Gujarat.....	1.3
1.3.6 Chapter 6 - Petroleum Pricing and Industries in Gujarat	1.4
1.3.7 Chapter 7 - Gas Based Economy – Gujarat	1.4
1.3.8 Chapter 8 - Conclusion	1.4
Chapter 2. Global Energy Overview	2.1
2.1 Why Energy	2.1
2.2 Global Overview	2.3
2.2.1 Primary Energy - Non Renewables	2.4
2.2.1.1 Coal	2.4
2.2.1.2 Crude Oil.....	2.5
2.2.1.3 Natural Gas	2.6
2.2.1.4 Nuclear Energy	2.6
2.2.1.4.1 Nuclear Fission	2.6
2.2.1.4.2 Nuclear Fusion	2.6
2.2.2 Primary Renewable Energy	2.7
2.3 The Sources Of World Energy Assets	2.8
2.3.1 Coal.....	2.8
2.3.2 Crude Oil.....	2.9
2.3.3 Natural Gas.....	2.10
2.3.4 Nuclear Energy	2.12
2.4 Structural Trends In Global Energy	2.12
2.4.1 Global Primary Energy Consumption.....	2.13
2.4.2 Fuel – Mix.....	2.14
2.4.3 Per-Capita Energy Consumption and GDP Growth	2.16
2.5 The Top 10 Largest Oil Consuming Countries In the World	2.18
2.5.1 United States	2.18
2.5.2 China	2.18

2.5.3 Japan	2.19
2.5.4 India	2.19
2.5.5 Russia	2.19
2.5.6 Germany	2.19
2.5.7 Brazil.....	2.19
2.5.8 Saudi Arabia.....	2.19
2.5.9 Canada.....	2.19
2.5.10 South Korea.....	2.20
2.6 Relevance To Indian Economy	2.20
2.6.1 Energy Intensity.....	2.20
2.6.2 Demand And Supply Scenario.....	2.21
2.6.2.1 Coal	2.21
2.6.2.2 Power.....	2.22
2.6.2.3 Oil and natural gas.....	2.23
2.6.3 Renewable Energy Sources.....	2.24
2.7 Future Scenario	2.24
2.8 Summary.....	2.25
Chapter 3. Petroleum Pricing.....	3.1
3.1 Petroleum Products.....	3.1
3.1.1 Crude Oil.....	3.1
3.1.1.1 Exploration	3.2
3.1.1.2 Crude Logistics.....	3.3
3.1.1.3 Refining	3.4
3.1.1.3.1 Liquefied Petroleum Gas	3.5
3.1.1.3.2 Naphtha.....	3.5
3.1.1.3.3 Gasoline (Petrol)	3.6
3.1.1.3.4 SBP	3.6
3.1.1.3.5 Kerosene.....	3.6
3.1.1.3.6 Diesel.....	3.6
3.1.1.3.7 Light Diesel Oil (LDO)	3.6
3.1.1.3.8 Mineral Turpentine Oil (MTO).....	3.7
3.1.1.3.9 Hexane.....	3.7
3.1.1.3.10 Benzene.....	3.7
3.1.1.3.11 Toluene.....	3.7
3.1.1.3.12 Lubricating Oils.....	3.7
3.1.1.3.13 Heavy Oils.....	3.7
3.1.1.3.14 CBFS.....	3.7
3.1.1.3.15 Bitumen.....	3.8
3.1.1.3.16 Petroleum Coke.....	3.8
3.1.1.3.17 Sulphur	3.8
3.2 Pricing Of Petroleum Products	3.8
3.2.1 Crude	3.8
3.2.1.1 Historical perspective.....	3.8
3.2.1.2 Pricing.....	3.11
3.2.1.2.1 International.....	3.11
3.2.1.2.1.1 Spot Prices	3.12
3.2.1.2.1.2 Long term contract Prices.....	3.13
3.2.1.2.1.3 Trading through Commodity Markets.....	3.13
3.2.1.2.2 Domestic.....	3.13
3.2.2 Finished Product Pricing.....	3.15
3.2.2.1 Pricing Structures.....	3.15
3.2.2.1.1 Import Parity Price (IPP)	3.15
3.2.2.1.2 Export Parity Pricing (EPP).....	3.16
3.2.2.1.3 Trade Parity pricing (TPP)	3.16
3.2.2.2 International Market.....	3.16
3.2.2.3 Domestic Market.....	3.17

3.2.2.3.1 Historical Perspective.....	3.17
3.2.2.3.2 Pricing as on date.....	3.21
3.2.2.3.3 Free Trade Product.....	3.21
3.2.2.3.3.1 Refinery Transfer Price – Free Trade Product.....	3.22
3.2.2.3.3.2 Retail Pricing – Free Products.....	3.22
3.2.2.3.4 Controlled Product.....	3.23
3.2.2.3.4.1 Refinery Transfer Price – Controlled Product	3.23
3.2.2.3.4.2 Refinery Margin.....	3.24
3.2.2.3.4.3 Marketing Margins.....	3.24
3.2.2.3.4.4 Retail Pricing Controlled Product.....	3.24
3.2.2.3.4.5 Retail Logistics.....	3.25
3.3 Conclusion.....	3.25
Chapter 4. Petroleum Pricing and Indian Economy	4.1
4.1 Backdrop – World Economy.....	4.1
4.1.1 The United States Of America	4.1
4.1.2 Canada.....	4.2
4.1.3 Europe.....	4.2
4.1.4 Central And South America.....	4.3
4.1.5 Africa.....	4.4
4.1.6 Middle East.....	4.5
4.1.7 Australia And New Zealand	4.6
4.1.8 Japan	4.6
4.1.9 South Korea	4.7
4.1.10 China	4.8
4.1.11 Bangladesh, Pakistan And Sri Lanka	4.9
4.1.12 India.....	4.10
4.2 India’s GDP And Its Elements.....	4.12
4.2.1 Primary Sector And Manufacturing	4.12
4.2.2 Services Sector	4.13
4.2.3 Finance And Banking.....	4.14
4.3 The Predominance Of Manufacturing.....	4.14
4.3.1 Low Cost Manufacturing – The Competitive Edge.....	4.14
4.4 Power Sector In Indian Economy	4.15
4.4.1 Thermal Power.....	4.16
4.4.2 Nuclear Power	4.18
4.4.3 Hydro Power	4.18
4.4.4 Residual Power – Natural Gas.....	4.18
4.4.4.1 LNG.....	4.19
4.4.5 Pricing By Power Sector – Electricity Rates	4.20
4.5 Petroleum Sector	4.21
4.5.1 Decontrolled Products	4.22
4.5.2 Price Controlled Products	4.23
4.5.3 Petroleum Pricing – Its Impact On CPI And WPI	4.23
4.5.4 Petroleum Pricing – Its Impact On GDP.....	4.25
4.5.5 Petroleum Pricing And Transport Sector	4.26
4.5.6 Overview Of Transport Sector.....	4.27
4.5.7 Diesel Prices And WPI And GDP	4.28
4.5.8 Diesel Prices And Crude	4.29
4.6 Conclusion.....	4.30
Chapter 5. Petroleum Prices and Gujarat	5.1
5.1 Background	5.1
5.2 Energy Demand	5.2
5.3 Pricing Of Energy Products	5.5
5.3.1 Crude	5.5

5.3.2 Free Trade Products	5.6
5.3.2.1 VAT / Sales tax set off.....	5.6
5.3.3 Controlled Product	5.6
5.3.4 Import Parity Pricing of Petrol and Diesel	5.7
5.4 Petroleum Prices and State GDP.....	5.8
5.4.1 Trend Analysis Diesel Prices and State GDP.....	5.8
5.4.1.1 Primary Sector	5.9
5.4.1.2 Manufacturing Sector.....	5.10
5.4.1.3 Services Sector	5.12
5.4.1.4 Banking, Insurance, Finance and others.....	5.13
5.4.2 State GDP, WPI, Freight and Diesel Prices.....	5.15
5.4.2.1 Growth rates – State GDP at constant price	5.16
5.4.2.2 Diesel Prices and Freight Rates	5.17
5.4.2.3 Growth rate of State GDP and Freight	5.18
5.5 Freight Sensitivity Analysis to Diesel Prices – A Field study Objective	5.19
5.5.1 Method	5.19
5.5.2 Assumption.....	5.19
5.5.3 Calculation.....	5.19
5.5.4 Observation	5.20
5.5.5 Limitations	5.21
5.5.6 Conclusion	5.21
5.6 Regression Analysis State GDP.....	5.21
5.7 Conclusion.....	5.24
Chapter 6. Petroleum Pricing and Industries in Gujarat.....	6.1
6.1 Nature and Type of Industries	6.1
6.2 Energy requirements	6.2
6.3 Source of Supplies and availability.....	6.2
6.3.1 Electricity.....	6.2
6.3.2 Natural Gas.....	6.2
6.3.3 Heavy Oils.....	6.3
6.3.4 Coal and Pet coke	6.3
6.4 Demand Projections	6.3
6.4.1 Electricity.....	6.3
6.4.2 Natural Gas.....	6.5
6.4.3 Heavy Oils.....	6.6
6.4.4 Coal and Pet Coke.....	6.7
6.5 Pricing of Energy Products.....	6.7
6.5.1 Electricity.....	6.8
6.5.2 Natural Gas.....	6.8
6.5.3 Heavy Oils.....	6.10
6.5.4 Coal.....	6.10
6.6 Case study Of Major Steel Industry – Energy Sourcing.....	6.13
6.6.1 Background.....	6.13
6.6.2 The Power scenario.....	6.13
6.6.3 Power Backup.....	6.13
6.6.4 Operating Conditions.....	6.13
6.6.5 Problem Statement – Key Issue	6.13
6.6.6 Alternate Approaches.....	6.14
6.6.7 Management Decision.....	6.14
6.6.8 Solution Strategy	6.14
6.6.9 Cost of Power	6.15
6.7 Conclusion.....	6.16
Chapter 7. Gas Based Economy – Gujarat.....	7.1

7.1 Supply Sources	7.1
7.2 Logistics - Pipelines	7.1
7.3 Demand	7.1
7.4 World Scenario	7.2
7.5 Summary	7.4
Chapter 8. Conclusion	8.1
8.1 Summary	8.1
8.2 Recommendations	8.6
8.3 Limitations of the study	8.7
Bibliography	a
Annexures	c