

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

STARRED QUESTION NO:73
ANSWERED ON:27.07.2000
BAN ON INTER-STATE SUPPLY OF DIESEL BY ROAD
SADASHVRAO DADOBA MANDLIK;SUNDER LAL TIWARI

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

- (a) whether the Government have banned the inter-state supply of diesel by road;
- (b) if so, the reasons therefor;
- (c) whether the Government have provided railway wagons in sufficient number to ensure supply of diesel by rail;
- (d) if not, the reasons therefor;
- (e) whether any complaints have been received from some States; and
- (f) if so, the details thereof and the reaction of the Government thereto?

Answer

MINISTER OF PETROLEUM AND NATURAL GAS (SHRI RAM NAIK)

(a) to (f):- A Statement is laid on the Table of the House.

Statement in respect of parts (a) to (f) of Lok Sabha Starred Question No.73 for 27.7.2000 regarding ban on inter-state supply of diesel by road

(a) to (f):- The oil marketing PSUs had been advised by the Ministry to stop inter-State supply of all petroleum products including diesel by road across state borders as sales tax evasion was being allegedly resorted to by some customers.

The Ministry and the oil companies received representations from different industries, industrial/commercial confederations/associations and some Departments of Govt. of India. The Government have considered the representations and the oil marketing PSUs have been advised to restore inter-State road supplies to all genuine customers which inter-alia include Export Oriented Units, Customers in Union Territories where Oil Companies have no storage facilities and such customers are supplied from the nearest depot in the adjoining States. In addition Government consumers like Railways, Defence and Public Sector Undertakings including Steel, Coal, Power etc. as well as Memorandum Of Understanding(MOU)/Agreement customers have been exempted from the above restrictions. Sufficient number of railway wagons are available for meeting the demand of direct customers of diesel.