

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

UNSTARRED QUESTION NO:1978  
ANSWERED ON:08.03.2013  
SALE OF PETROL AND DIESEL  
Bhagat Shri Sudarshan

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

- (a) the definition of wholesale and retail consumers adopted by the Government for sale of petrol and diesel;
- (b) the names of the institutions and undertakings fallizy under this category;
- (c) whether under the new guidelines the Railway and the Army establishments can purchase petrol and diesel directly from the retail petrol pumps;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SMT. PANABAACA LAKSHMI)

(a)&(b) The Government has made the price of Petrol market-determined both at the Refinery Gate and at the Retail Level with effect from 26th June, 2010. Since then, the Public Sector Oil Marketing Companies (OMCs) take appropriate decisions on the pricing of Petrol in line with the international oil prices and market conditions.

As per Industry Performance Review of March 2012 [released by Indian Oil Corporation Limited (IOCL)], it was observed that around 17.77% of the total Diesel sale in the country was directly made to the bulk consumers during 2011-12. In order to reduce under-recovery, Government decided to authorize the OMCs to sell Diesel to all consumers taking bulk supplies directly from the Depots/Marketing Installations of OMCs at the non-subsidized market determined price effective 17/18.01.2013. As per IOCL, the bulk consumers of Diesel include Railways, Defence, State Transport Undertakings, Automobiles manufacturers, Mining, Marine and Cement companies, etc.

(c)to(e) Government has allowed the OMCs to sell Diesel to bulk customers taking supply directly from OMCs' installations at non-subsidized market determined price effective 18.01.2013. In line with the above, as informed by Indian Oil Corporation Ltd. Railways and Army are categorized as bulk consumers having a large requirement of fuels for their own consumption and can uplift minimum 12,000 litres i.e., minimum a truck load supply from bulk supply locations.