

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

UNSTARRED QUESTION NO:3293  
ANSWERED ON:30.08.2013  
DUAL PRICING POLICY OF DIESEL  
Gandhi Shri Dilip Kumar Mansukhlal

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

- (a) whether the Government has noticed the difficulty being faced by the Railways and State Transport Corporations in the country including Maharashtra due to dual pricing policy of diesel;
- (b) if so, the details thereof; and
- (c) the steps taken by the Government in this regard?

**Answer**

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

(a) to (c): In order to reduce under-recovery of the Public Sector Oil Marketing Companies (OMCs) on sale of Diesel, the Government, on 17th January 2013, authorized the OMCs to (a) increase the retail selling price of Diesel in the range of 40 paise to 50 paise per litre per month (excluding VAT as applicable in different State/Union Territories) until further orders; and (b) sell Diesel to all consumers taking bulk supplies directly from the installations of the OMCs at the non-subsidized market determined price.

The Government has received representations from various State Governments including Government of Maharashtra highlighting the difficulties being faced by the State Transport Undertakings (STUs), Fishermen etc. on purchase of Diesel at non-subsidized market determined price. As regard the STUs it is within the domain of the State Governments to provide appropriate relief to the STUs including through rationalization of State taxes. Further, after considering the several representations highlighting the hardships being faced by fishermen, the Government has decided with effect from 7th February, 2013 to supply Diesel to Fisherman Consumer Pumps at the price applicable for retail outlets of the OMCs.