

primary objective behind the pricing reforms undertaken by the Government is the growing imperative for fiscal consolidation, the need for reducing the subsidy burden on petroleum products so as to allocate more funds to social sector schemes for the common man and for ensuring country's energy security in the long-term.

(c) to (e) 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 outlet of OMCs.

Differential pricing of diesel

* 37. SHRI K.N. BALAGOPAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether oil companies are allowed to charge differential prices for diesel from consumers;

(b) if so, the details thereof;

(c) whether Government has noticed the difficulties being faced by the Railways and State Transport Corporations due to this pricing policy;

(d) if so, the steps taken by Government in this regard;

(e) whether the State Government of Kerala has submitted any representation in this regard; and

(f) if so, the action taken thereon?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI M. VEERAPPA MOILY): (a) and (b) Yes, Sir. Pursuant to the decisions taken by the Cabinet Committee on Political Affairs (CCPA) in its meeting held on 17th January 2013, the Government has authorized the Public Sector Oil Marketing Companies (OMCs) to sell Diesel to all consumers taking bulk supplies directly from the installations of the OMCs at the non-subsidized market determined price effective 18th January, 2013. Accordingly, OMCs have implemented the decision to sell Diesel to bulk consumers at non-subsidized market determined price. After considering the several representations highlighting the hardships being faced by fishermen, the Government has, however, decided with effect from 7th February, 2013 to supply Diesel to Fisherman Consumer Pumps at the price applicable for retail of OMCs.

However, in order to insulate the common man from the impact of rise in international oil prices and the domestic inflationary conditions, the Government continues to modulate the Retail Selling Price (RSP) of Diesel (partially) among other petroleum products. Based on the Refinery Gate Price effective 16.02.2013, the OMCs are currently incurring under-recovery of Rs. 10.27 per litre on sale of Diesel.

(c) to (f) The Government has received representations from various State Government including State Government of Kerala highlighting the difficulties being faced by the State Transport Undertakings (STUs) on purchase of Diesel at non-subsidized market determined price. It is within the domain of the State Governments to provide appropriate relief to the State Transport Undertakings (STUs).

The primary objective behind the pricing reforms undertaken by the Government is the growing imperative for fiscal consolidation, the need for reducing the subsidy burden on petroleum products so as to allocate more funds to social sector schemes for the common man and for ensuring country's energy security in the long-term.

Liberty to oil companies to fix diesel price

*38. SHRI RAM KRIPAL YADAV: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government has given liberty to oil companies to fix prices of diesel on their own; and

(b) if so, the details of guidelines to be adopted for fixing the price of diesel every month?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI M. VEERAPPA MOILY): (a) to (b) Pursuant to the decision taken by the Cabinet Committee on Political Affairs (CCPA) in its meeting held on 17th January 2013, the Government has authorized the Public Sector Oil Marketing Companies (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 with immediate effect. OMCs will not be eligible to any subsidy on such direct sale of Diesel to bulk consumers.