

Huge difference in prices between ordinary and branded fuel

366. DR. R. LAKSHMANAN : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether there is huge difference in the prices between ordinary and branded fuel;
- (b) if so, the reasons for such difference among these two fuels;
- (c) whether this difference in price among the fuel defeat the very purpose of encouraging the consumers to opt for branded fuel which gives good mileage and sustainable engine capacity of vehicle; and
- (d) whether any proposal is pending with Government to encourage the use of branded fuel among the consumers/users?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) to (c) Yes, Sir. There is difference between the retail selling price of branded and normal grade fuels of Diesel and Petrol as indicated in the table given below:

(₹/litre)					
Petrol*			Diesel*		
Branded	Regular	Difference	Branded	Regular	Difference
82.75	73.54	9.21	64.96	57.84	7.12

* Price at Delhi on 01.7.2014 (Source : HPCL).

The main reason for the price difference between the branded fuels and regular fuels is due to (a) higher excise duty on branded fuels; (b) higher basic price of branded fuels (due to cost of additives etc.) and (c) Nil subsidy on branded Diesel. Due to the price difference, the sale of branded Petrol & Diesel has declined.

(d) The Ministry has taken up the matter with the Ministry of Finance to reduce the Excise Duty on branded fuel to the same level that is applicable for the regular grades so that it may become a viable alternative to the regular grade fuels.

Natural Gas at APM rate for transportation sector

367. SHRI DILIPBHAI PANDYA : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether it is a fact that in Delhi and Mumbai Natural Gas at Administered Price Mechanism (APM) rate is allocated for providing CNG in the transportation sector;
- (b) whether the State Government of Gujarat has requested the Central Government for allocation of APM or D-6 gas for the transportation sector in the State;