

No relief on the cards for OMCs: Govt

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THE CENTRE HAS no proposal to provide financial support to state-run fuel retailers for the losses they incur on sales of diesel, petrol and jet fuel at below market rates, Sujata Sharma, a joint secretary in the petroleum ministry said on Monday.

“The government does not have any proposal that talks about supporting oil marketing companies,” Sharma said on May 4, even as state-run oil marketing companies (OMCs) continue to face pressure from elevated crude prices and unchanged retail fuel rates.

According to rating agency icra, OMCs are currently incurring negative marketing margins of around ₹14 per litre on petrol and ₹18 per litre on diesel at prevailing crude prices. The squeeze comes as Brent crude remains around \$108 per barrel, while retail prices of petrol and diesel have not been revised since early April 2022.