

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

UNSTARRED QUESTION NO:4666

ANSWERED ON:23.08.2001

DISMANTLING OF APM

ANNA SAHEB M.K. PATIL;CHANDRA NATH SINGH;LAKSHMAN CHANDRA SETH

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

- (a) whether the Committee on deregulation of marketing of controlled petroleum products after dismantling of petro APM has submitted its report to the Government;
- (b) if so, the main recommendations made by the Committee;
- (c) the reaction of the Government thereon; and
- (d) the details of marketing rights given to private and foreign companies?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a) to (d) : A Statement is annexed.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (d) OF LOK SABHA UNSTARRED QUESTION NO. 4666 23.08.2001 REGARDING DISMANTLING OF APM.

(a) to (d) : The Government of India announced a road map for dismantling of Administered Pricing Mechanism (APM) in November, 1997. The aforesaid announcement inter alia provided for grant of marketing rights for transportation fuels viz. Motor Spirit (MS), High Speed Diesel (HSD) and Aviation Turbine Fuel (ATF) conditional on owning and operating refineries with an investment of at least Rs. 2,000 crore or oil exploration and production companies producing atleast three million tonnes of crude oil annually. Full de-regulation of Petroleum Sector is targetted from 1st April, 2002.

The Ministry of Petroleum & Natural Gas had constituted an in housegroup in December 1999 to review the present policies and practices for marketing of controlled petroleum products and to make recommendation. The Ministry is considering the report of the Group.

In this regard, as per the detailed Marketing Guidelines to be notified, firms/companies fulfilling the laid down conditions would be entitled to have the marketing rights for transportation fuels.