

LOK SABHA
UNSTARRED QUESTION NO.1736
TO BE ANSWERED ON 2nd MARCH, 2020

Petrol Pump Business

1736. SHRI BALASHOWRY VALLABHANENI:

पेट्रो लयम एवं प्राकृतिक गैस मंत्री

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

- (a) whether the Government has eased entry barriers for petrol pump business;
- (b) whether the above decision has been taken to bring in more competition and if so, the details thereof; and
- (c) the extent to which this decision will help in entry of foreign players which in turn will generate employment opportunities for youth?

ANSWER

पेट्रो लयम एवं प्राकृतिक गैस मंत्री (श्री धर्मन्द्र प्रधान)

MINISTER OF PETROLEUM AND NATURAL GAS
(SHRI DHARMENDRA PRADHAN)

- (a) to (c) Ministry of Petroleum and Natural (MoPNG) Gas vide Resolution dated 08.11.19 revised the guidelines for authorization to market transportation fuels which have been published in the Gazette of India. The revised guidelines would promote ease of doing business and boost private players to invest in retail sector. The said Resolution is available on the website of MoPNG. The main features of the said guidelines are as below :-
- (i) The resolution applies for marketing of only Motor Spirit and High Speed Diesel for “Bulk” and “Retail” business.
 - (ii) An entity desirous of seeking authorisation for either retail or bulk must have a minimum net worth of Rs. 250 crore at the time of making application. In case authorization is required for both retail and bulk, minimum net worth will be Rs.500 crore.
 - (iii) Separate applications to be made for retail and Bulk business.

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- (iv) For retail authorisation, an entity have to set up at least 100 retail outlets, out of which 5% should be in the notified remote areas within 5 years of the grant of authorization. An effective mechanism has been prescribed to ensure that the entity deliver on its commitment to set up the ROs in remote areas.
- (v) An entity is required to deposit prescribed Bank Guarantee amount as a security at the time of grant of authorization in addition to application fee.
