

Retailing of petro products - Govt eases guidelines

By TIOL News Service

NEW DELHI, AUG 04, 2020 The Ministry of petroleum and Natural Gas vide a Resolution has simplified the guidelines for grant of authorization for bulk and retail marketing of Motor Spirit (Petrol) and High Speed Diesel (Diesel). The simplified guidelines aim at increasing private sector participation in the marketing of MS and HSD. An entity desirous of seeking authorization for either retail or bulk must have a minimum net worth of Rs. 25 crore at the time of making application (Rs. 500 crore in case of authorization for both retail and bulk). Applications may be submitted in prescribed Application Form directly to the Ministry. For retail authorization, the entity is required to set up at least 100 retail outlets. The policy has opened up the marketing sector of Petroleum products by removing the strict conditions applicable earlier. The policy has the potential to revolutionise marketing of Transport fuels in the country.

The issue of Resolution for grant of authorization for bulk and retail marketing of petrol and diesel will liberalise the guidelines to increase private sector participation, including foreign players in the marketing of petrol and diesel. It will also encourage dispensing of alternate fuels and augmentation of retail network in remote areas and ensure higher levels of customer service.