

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

UNSTARRED QUESTION NO:3472
ANSWERED ON:26.04.2007
PROFIT MARGIN OF COCO PUMPS
Ahir Shri Hansraj Gangaram

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

- (a) whether the sale of petrol at the pumps owned by the public sector companies is on constant decline;
- (b) if so, the reason therefor;
- (c) whether any remedial action has been taken by the Government after taking cognizance of the decline of sale at the public sector owned petrol pumps; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) to (d): Public sector oil marketing companies (OMCs), viz. Indian Oil Corporation Limited (IOC), Hindustan Petroleum Corporation Limited (HPCL), Bharat Petroleum Corporation Limited (BPCL) and IBP Company Limited (IBP) have reported that all the retail outlets (ROs) have been set up by them after they have been found to be commercially viable, based on feasibility study on parameters like potential of the location and economic viability, etc. The financial performance of the ROs owned and operated by OMCs have been satisfactory and is commensurate with the prevailing marketing conditions, which is, however, being affected to some extent due to expansion of RO network subsequent to the dismantling of Administered Pricing Mechanism (APM). OMCs are making efforts to improve the performance of low selling ROs. Introduction of non-fuel initiative in ROs having potential for the same is one such measure.