

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

UNSTARRED QUESTION NO:2394

ANSWERED ON:08.12.2011

IMPACT OF DISMANTLING OF APM

Adhalrao Patil Shri Shivaji;Adsul Shri Anandrao Vithoba;Dharmshi Shri Babar Gajanan;Yadav Shri Dharmendra

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

- (a) whether inspite of dismantling the Administered Price Mechanism (APM), the Government continues to have effective control in the investment decisions of all oil and gas Public Sector Undertakings (PSUs);
- (b) if so, the details thereof;
- (c) whether there is a proposal for setting up of independent regulator for the oil and gas sector; and
- (d) if so, the steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI R.P.N SINGH)

(a)&(b) Investment decisions in the oil Public Sector Undertakings (PSUs) are taken by their respective Board of Directors as per the guidelines issued from time to time by Department of Public Enterprises (DPE).

(c)&(d) Government has notified the Petroleum & Natural Gas Regulatory Board (PNGRB) Act, 2006, (19 of 2006) on 1.10.2007, vide G.S.R. 637(E). As per the provision of this Act, Government has also notified, vide G.S.R. 638(E), the establishment of the five-member Petroleum & Natural Gas Regulatory Board for regulating the refining, processing, storage, transportation, distribution, marketing and sale of petroleum, petroleum products and natural gas excluding production of crude oil and natural gas. Similarly, the upstream petroleum sector is currently being regulated by Director General of Hydrocarbons (DGH).