

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

STARRED QUESTION NO:581
ANSWERED ON:06.05.2010
SUPPLY OF GAS TO SMES
Thakor Shri Jagdish

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

- (a) whether the Government supplies gas to Small and Medium Enterprises (SMEs) through city gas network;
- (b) if so, the details thereof and the total number of such industrial units in various States including Gujarat to whom the gas is being supplied;
- (c) the number of applications pending as on date for supply of gas to small and medium enterprises in the country, including Gujarat, State-wise; and
- (d) the steps taken by the Government to allocate adequate quantity of gas to SMEs?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI MURLI DEORA)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (d) OF LOK SABHA STARRED QUESTION NO. 581 TO BE ANSWERED ON 6.5.2010, REGARDING SUPPLY OF GAS TO SMES

(a) to (c): Government allocates natural gas to authorized City Gas Distribution (CGD) entities for supply to domestic and transport sectors apart from supplies to their industrial and commercial customers. The concerned CGD entity, in turn, decides the supply of natural gas to various customers including commercial and industrial units. The details of customers and applications pending are available with the concerned CGD entities.

(d) Empowered Group of Ministers in its meeting held on 27.10.2009 has decided that allocation of 2 million metric standard cubic meters per day (mmscmd) of KG D6 gas be made on fallback basis to CGD entities for supply to their industrial and commercial customers, whose total consumption of natural gas (including KG D6 gas) does not exceed 50,000 scmd. Accordingly, Government has allocated 2.165 mmscmd of KG D6 gas to various CGD entities in the country for supply to their industrial and commercial customers.

As regards Gujarat State, M/s Gujarat Gas Company Limited, M/s Sabarmati Gas Ltd. & GAIL (India) Ltd., have been allocated 600000 scmd, 150000 scmd and 125000 scmd respectively for supply to their industrial and commercial customers in Surat, Bharuch, Gandhinagar, Mehsana, Sabarkantha and Vadodara. In addition, GGCL is being supplied 2.13 mmscmd and Gujarat State Petroleum Corporation Ltd. (GSPCL) is being supplied 1.1 mmscmd from the Panna Mukta Tapti (PMT) field for supply to their City Gas Distribution (CGD) and small commercial & industrial customers.

The CGD entities as well as the small and medium enterprises are free to contract for Liquefied Natural Gas (LNG) supplies for which adequate capacity exists.