GOVERNMENT OF INDIA PETROLEUM AND NATURAL GAS LOK SABHA

UNSTARRED QUESTION NO:555 ANSWERED ON:11.11.2010 PIPED GAS TO FERTILIZER INDUSTRIES Adityanath Shri Yogi

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

- (a) whether the Government is contemplating to provide piped gas with a view to revive the fertilizer industries;
- (b) if so, the details thereof; and
- (c) the time by which piped gas is likely to be made available for the revival of the fertilizer industry?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI JITIN PRASADA)

(a) to (c): Natural gas is supplied through network of pipelines laid in the country to fertilizers plants on priority basis. Fertilizers plants have been given priority in supply of natural gas from Administered Price Mechanism (APM) sources and other sources of indigenous gas. As regards gas from New Exploration Licensing Policy (NELP), Empowered Group of Ministers (EGoM) on Pricing & Commercial Utilization of Gas under NELP in its meeting held on May 28, 2008 decided to give the highest priority to existing gas-based urea plants in allocation of KG D6 gas. Accordingly, 15.33 mmscmd gas was allocated to existing gas-based urea plants to meet their existing shortfall to enable their full capacity utilization. Regarding demand emanating beyond 2008-09 from debottlenecking of and expansion of fertilizer plants, conversion of Naphtha based & fuel oil based fertilizer plants and revival of closed fertilizer plants, it was decided in the EGoM meeting held on May 28, 2008 that it would be given the highest priority at that stage and will be met from production in subsequent years. Further, in the EGoM meeting held on 27.10.2009, it was also decided that such plants would be supplied natural gas as and when they are ready to utilize the gas.