

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

UNSTARRED QUESTION NO:3872
ANSWERED ON:02.12.2010
IMPORT OF NATURAL GAS FROM QATAR
Premajibhai Dr. Solanki Kiritbhai

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

- (a) whether it is the true that inspite of cheaper LPG available from KG-D6 block, the Union Government owned Petronet LNG Ltd. is importing costlier gas from Qatar;
- (b) if so, the details and reasons therefor;
- (c) whether Petronet LNG Ltd. has made any contract with Qatar Gas for longer period;
- (d) if so, the details thereof;
- (e) whether costly imported gas is used at three fertilisers plants and for feedstock;
- (f) if so, whether all these three plants are closed at present and there is excess amount of gas at Kandala port; and
- (g) if so, the details thereof and plans envisaged for proper utilisation of this excess gas?

Answer

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

(a) to (d): Indigenous production of natural gas is not adequate to meet the demand of natural gas in the country. The gap between demand and supply is being partly met through import of Liquefied Natural Gas (LNG). Petronet LNG Ltd. (PLL) is not owned by the Union Government. However, Public Sector Undertakings, namely, ONGC, IOC, GAIL and BPCL, have 12.5% equity each in PLL. PLL signed a contract with RasGas, Qatar in July 1999 for import of 7.5 million metric tonnes per annum (mmtpa) LNG for a period of 25 years. As per the contract, supply of 5 mmtpa LNG commenced in 2004 and the supply of balance 2.5 mmtpa LNG commenced in January 2010.

(e): Regasified LNG (RLNG) available out of LNG import made by PLL is being supplied to various customers, including those in fertilizers sector in the country.

(f) & (g): The fertilizers plants utilizing LNG are functional. There is no excess natural gas available in the country and it is being used by various customers.