

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

UNSTARRED QUESTION NO:1894
ANSWERED ON:11.08.2011
SUPPLY OF GAS TO SME
Jardosh Smt. Darshana Vikram

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

- (a) whether Government has finalised the issue regarding priority in gas allocation on the recommendation of Group of Ministers;
- (b) if so, the details thereof;
- (c) whether the Government of Gujarat has requested to include Small and Medium Enterprises (SME) sector in the priority list; and
- (d) if so, the response of the Government thereto?

Answer

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

(a) & (b): Yes Madam. An Empowered Group of Ministers (EGoM) has been constituted to take decisions on allocation of gas produced from fields allotted under the New Exploration Licensing Policy (NELP). The EGoM has taken decision to allot gas to the following priority sectors:-

1. Existing gas-based fertilizers plants producing subsidized fertilizers.
2. Existing gas-based LPG plants
3. Existing gas-based power plants and those to be commissioned in 2009-10, including liquid fuel plants which are now running on liquid fuel and could switch over to natural gas
4. City Gas Distribution (CGD) entities for supply to domestic & transport sectors
5. Existing gas-based steel plants (only for feedstock & not for captive power requirement)
6. Existing gas-based petrochemicals plants (only for feedstock & not for captive power requirement)
7. Existing refineries
8. CGD entities for supply to commercial & industrial sector customers consuming up to 50,000 scmd (standard cubic meters per day).
9. Captive power plants

(c) & (d): The EGoM has allocated KG D6 gas, inter-alia, to City Gas Distribution (CGD) entities including CGD entities functioning in Gujarat for supply to Small and Medium Enterprises (SMEs) whose total consumption of natural gas, KG D6 gas, does not exceed 50,000 standard cubic metres per day (scmd).