

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

UNSTARRED QUESTION NO:3905

ANSWERED ON:25.08.2011

LAYING OF GAS PIPELINES

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

- (a) whether the Government is contemplating to lay gas pipelines for revival of fertilizer and chemical industries;
- (b) if so, the details thereof;
- (c) the time limit set for starting of the said work therefor;
- (d) whether the Government has been able to allocate gas to fertilizers and chemical industries as per their demands; and
- (e) if not, the corrective measures being taken in this regard?

Answer

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

(a) to (e): Pipelines are not laid by the Government; the same are laid by the companies authorized to do so. There are eight closed fertilizer plants, respectively located at Ramagundam, Sindri, Gorakhpur, Barauni, Durgapur, Haldia, Talcher and Korba. Out of the above, Ramagundam can be connected through Kakinada-Hyderabad-Ahmadabad pipeline which is already operational. Further, Government has issued authorization to GAIL (India) Ltd. and Reliance Gas Transportation Infrastructure Ltd. (RGTEL) for laying Jagdishpur-Haldia pipeline and Kakinada-Haldia pipeline respectively. After the commissioning of these pipelines, it would be possible to provide connectivity to all the remaining units except for Korba. Pre-project activities for Jagdishpur- Halida pipeline and Kakinada-Haldia pipeline are underway.

The Empowered Group of Ministers (EGoM) constituted to consider and decide issues pertaining to inter alia commercial utilization of natural gas under New Exploration Licensing Policy (NELP) decided to give the highest priority to existing gas-based fertilizer plants. Production from KG D6 fields under NELP has commenced from April 2009. In accordance with EGoM's decision, 15.708 million standard cubic meter per day (mmscmd) gas produced from KG D6 fields has been allocated to existing gas-based fertilizer plants to meet their existing gas shortfall, so as to enable full capacity utilization.

It was decided in the meeting of Empowered Group of Ministers (EGoM) on pricing & commercial utilization of Gas under NELP held on May 28, 2008 that demand emanating beyond 2008-09 from de-bottlenecking of and expansion of fertilizers plants, conversion of naphtha based & fuel oil based fertilizer plants and revival of closed fertilizer plants 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 decided that such plants would be supplied natural gas as and when they are ready to utilize the gas, subject to availability.