

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

UNSTARRED QUESTION NO:249
ANSWERED ON:23.11.2012
MARKETING MARGIN OF NATURAL GAS
Jardosh Smt. Darshana Vikram

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

- (a) whether the Government has received representation from the Ministry of Fertilizers regarding marketing margin levied by private sector natural gas marketers;
- (b) if so, the details thereof and the action taken in this regard; and
- (c) the time by which the Petroleum and Natural Gas Regulatory Board (PNGRB) is likely to take a decision on the marketing margin of natural gas?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SMT PANABAACA LAKSHMI)

- (a) & (b) Yes. Madam. References were made by the Department of Fertilizers seeking clarification on the marketing margin being charged by Reliance Industries Limited on the sale of natural gas to the fertilizers industry. Ministry of Petroleum & Natural Gas has referred the issue of marketing margin applicable on sale of natural gas by any marketer to the Petroleum and Natural Gas Regulatory Board (PNGRB) under section 11(j) of PNGRB Act, 2006. Accordingly, the Board has been entrusted with the determination of the quantum of Marketing Margin chargeable on the sale of natural gas to end consumers by a marketing entity, on the basis of the marketing costs incurred by it.
- (c) Petroleum and Natural Gas Regulatory Board (PNGRB) has completed the process of interaction with the entities affected by the issue of marketing margins on natural gas. The views of the entities given during the said interaction are being compiled and various options in the matter are being deliberated. PNGRB proposes to conclude the matter and convey its decision.