

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

UNSTARRED QUESTION NO:909  
ANSWERED ON:01.03.2013  
ALLOCATION OF GAS  
Singh Alias Pappu Singh Shri Uday

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

- (a) the criteria adopted by the Union Government in allocation of gas to States/Uts and fixing prices of gas;
- (b) whether some State/UT Governments have expressed unhappiness over the Union Government's decision to provide gas at a uniform price; If so, the details thereof; and
- (d) the corrective measures taken by the Union Government in this regard?

**Answer**

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

(a): APM gas was allocated by Gas Linkage Committee (GLC) to various entities till it was dismantled. As far as non-APM gas, which is produced from new fields of nominated blocks of National Oil Companies is concerned, allocation is done as per "pricing & commercial utilization of non-APM gas" Guidelines of MoP&NG. The New Exploration & Licensing Policy (NELP) gas is allocated as per the Gas Utilization Policy decided by the Empowered Group of Ministers (EgoM) constituted to decide issues pertaining to commercial utilization of gas under NELP. As regards fixing prices of gas, at present there are broadly three major pricing regimes for domestic gas in the country – gas priced under Administrative Pricing Mechanism (APM), Pre-NELP, non-APM and NELP (New Exploration Licensing Policy). The price of APM & non-APM gas is fixed by the Government. As regards NELP & pre-NELP gas, its pricing is governed in terms of the Production Sharing Contract (PSC) signed between the Government & the Contractor. As far as imported Liquefied Natural Gas (LNG) is concerned, the price of LNG imported under term contracts is governed by the Sale & Purchase Agreement (SPA) between the LNG seller and the buyer, the spot cargoes are purchased on mutually agreeable commercial terms.

(b) : No, Madam.

I & (d) : Does not arise.