

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

UNSTARRED QUESTION NO:1915  
ANSWERED ON:08.03.2013  
GROWTH OF NATURAL GAS SECTOR  
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**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

- (a) whether the growth of natural gas sector is being hampered due to the pricing and marketing policies;
- (b) if so, the details thereof;and
- (c) the corrective steps being taken by the Government in this regard?

**Answer**

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

(a) to (c) 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.

Ministry of Petroleum & Natural Gas (MoPNG) has taken a number of policy initiatives on marketing front for facilitating the growth of natural gas sector in the country. This includes a well-defined gas utilization policy.

Guidelines on swapping of natural gas which facilitates access of gas via RLNG to the different entities as per the availability of gas & connectivity have also been issued.

MoPNG has issued Guidelines on Diversion/Clubbing of natural gas between power plants of same ownership so as to improve the Plant Load Factor (PLF) with corresponding increase in total generation of electricity vis a vis pre-clubbing/diversion period.