

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

UNSTARRED QUESTION NO:4541
ANSWERED ON:21.02.2014
PRICES OF CNG PNG
Barq Shri Shafiqur Rahman

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

- (a) whether the Government is aware that despite reducing the rates of Compressed Natural Gas (CNG)/Piped Natural Gas (PNG) certain private companies are selling CNG/PNG on very high rates in various cities including Moradabad;
- (b) if so, the details thereof along with the reasons therefor; and
- (c) the action being taken by the Government to ensure supply of CNG/PNG at cheaper rates through PNG/CNG supplying companies including private companies across the country?

Answer

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

(a) & (b): The price of Compressed Natural Gas (CNG) is fixed by the City Gas Distribution (CGD) entity. The price of CNG varies from one geographical area to another and depends on the cost of gas, transportation cost, cost to serve and central/state/local taxes and duties.

(c): The Ministry has recently taken a decision to meet the requirement of CNG (transport) and PNG (domestic) sector from domestic gas, to the maximum extent possible, and to supply the domestic gas at uniform base price to all CGD entities for the purpose of CNG (transport) and PNG (domestic). This decision is likely to significantly reduce the cost of gas to CGD entities leading to reduction in price of CNG (transport) and PNG (domestic). In order to bring further transparency in the pricing of CNG(transport) and PNG (domestic), the Ministry vide letter dated 18.2.2014 has issued instructions to all CGD entities to display the break up of the price of CNG (transport) at all CNG stations and furnish the break up of the price of PNG (domestic) to all consumers in the invoice.