

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

STARRED QUESTION NO:288

ANSWERED ON:28.07.2014

ALLOCATION OF GAS

Kachhadia Shri Naranbhai;Singh Shri Sunil Kumar

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

- (a) the salient features of the existing policy for allocation of natural gas to various sectors of the economy;
- (b) whether the Government proposes to bring certain changes in the said policy and if so, the details thereof;
- (c) the priority fixed for allocation of natural gas to various industries including Small and Medium Enterprises, power and fertilizer plants in the country along with the rates of gas fixed for the purpose, sector-wise;
- (d) whether the Government has discussed the availability and utilisation of natural gas in various sectors with all the stakeholders including States in the matter; and
- (e) if so, details thereof along with the mode of transport being used for supply of natural gas to various industrial units including power and fertilizer plants across the country, sector-wise?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 288 TO BE ANSWERED ON 28.07.2014 REGARDING ALLOCATION OF GAS

(a) to (c): The natural gas available in India can be broadly divided into two categories, namely,

1. Domestic natural Gas
2. Imported natural gas

The domestic gas can be divided further into following sub categories:

1. Administered Price Mechanism (APM) & Non-APM gas available from Nominated blocks of National Oil Companies (NOCs).
2. Pre-New Exploration Licensing Policy (NELP) gas
3. NELP gas

Domestic gas is allocated to various sectors based on guidelines issued by the government from time to time. The gist of various guidelines is at Annexure-I. Details of gas price for different categories of domestic gas is given in Annexure-II.

Import of Liquefied Natural Gas (LNG) is permissible under open general license. The marketer of imported gas is free to purchase and sell based on commercial considerations.

Since different categories of domestic gas are governed by the different allocation priorities /policies, the Government proposes to bring a uniform policy for allocation of domestic gas.

(d) & (e): Ministry of Petroleum & Natural Gas informs the availability of additional domestic gas to various stake holders. Based on the allocation priority of natural gas and requirement received from various Ministries/Departments, domestic natural gas is allocated to various sectors. Supply of gas to end consumers is done through a network of pipelines. In some cases where pipeline connectivity is not available, the supplies are made through cascades carrying compressed gas.