

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

UNSTARRED QUESTION NO:1612  
ANSWERED ON:21.07.2014  
MARGIN OF NATURAL GAS LPG  
Jardosh Smt. Darshana Vikram

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

- (a) the role of Petroleum and Natural Gas Regulatory Board (PNGRB) to decide and regulate the marketing margin of natural gas and Liquefied Petroleum Gas levied by public/private sector gas marketing entities;
- (b) whether the Government/Ministry has received any representation from the Ministry of Chemicals and Fertilizers on the issue of marketing margin levied by private sector natural gas marketers; and
- (c) if so, the details thereof along with the response of the Government/Ministry thereto ?

**Answer**

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

(a) to (c): Ministry of Petroleum & Natural Gas has decided that Government needs to regulate the marketing margin for supply of domestic gas to Urea and LPG producers, as the same has implication on Government subsidy outgo. In all other cases the marketing margin should be decided by buyer and seller mutually and any complaints about exercise of monopoly power should be addressed by Petroleum & Natural Gas Regulatory Board (PNGRB) and/or the Competition Commission. Accordingly, Ministry of Petroleum & Natural Gas, vide letter dated 21.11.2013, has requested PNGRB to determine the marketing margin for supply of domestic gas to Urea and LPG producers, through its independent process. The PNGRB has intimated that the entire study on determination of marketing margin is expected to be completed by December, 2014.

A representation from the Ministry of Chemicals and Fertilizers was received in the Ministry and a copy of letter dated 21.11.2013 mentioned above has been sent to the Ministry of Chemicals & Fertilizers.