

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

UNSTARRED QUESTION NO:937
ANSWERED ON:02.03.2015
TRANSITIONAL UNDERSEA PIPELINE
Owaisi Shri Asaduddin

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

- (a) whether the Gas Authority of India Limited has expressed its unwillingness to enter into non-binding framework agreement with national Iranian Gas Exports Company for buying gas through a transitional undersea pipeline;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether, the Government has authorised GAIL for the said project with South-Asia Gas Enterprises; and
- (d) if so, the present status and implementation of the said project?

Answer

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

(a) to (d): M/s South Asia Gas Enterprise (SAGE) is pursuing the Deep Sea Gas pipeline from Middle East to India and has entered into a Memorandum of Understanding with National Iranian Gas Export Company (NIGEC) for transportation of gas to India through deep water route. In the year 2011, GAIL was nominated by the Ministry as the designated agency for the project. GAIL is having a Principles of Cooperation (PoC) with SAGE since July, 2009 wherein GAIL and SAGE have agreed to cooperate in the pipeline project.

GAIL has reservations in signing of the Non-binding Framework Agreement forwarded by SAGE in March, 2013 with an Iranian company, since it could lead to impairment of GAIL's access to international commercial or financial services and capital markets, in its global business ventures. Further, since GAIL has substantial business interests in USA, GAIL is unwilling to sign any agreement involving an Iranian entity until a final position emerges with respect to Iran sanctions.