

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

UNSTARRED QUESTION NO:3051

ANSWERED ON:05.12.2016

Prices of Natural Gas Produced by ONGC

Choudhary Shri Ram Tahal;Khaire Shri Chandrakant Bhaurao

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

- (a) whether the gas produced by Oil and Natural Gas Corporation Limited from designated blocks is used by Administered Pricing Mechanism (APM) and if so, the details thereof;
- (b) whether the Government has noticed/identified certain companies which are fraudulently taking gas from APM and selling it to other companies at higher prices and if so, the details thereof;
- (c) whether the ONGC has examined the said irregularities being committed by these companies;
- (d) if so, the details thereof along with number of ONGC officials/persons involved in the said nexus and found to be proved; and
- (e) the concrete measures/steps taken to rectify the situation and punish the guilty?

**Answer**

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

(a) : Oil and Natural Gas Corporation (ONGC) sells majority of gas produced by it, except that produced from small and isolated fields, in bulk to GAIL (India) Ltd, a central PSU, for onward marketing, transportation and distribution to different consumers from various sectors under the prevalent gas allocation policy/guidelines of the Government. Gas produced from small and isolated fields is sold directly through open e-tendering at market determined price as per the MoP&NG's guidelines dated 08-07-2013 and 07-08-2013 regarding sale of gas from such fields. Gas Supply Agreements (GSA) entered with such direct marketing customers contain specific provision to prevent misuse/resale of gas. Further, as per MoP&NG new domestic pricing guidelines dated 24th October, 2014, both APM and non-APM gas are sold at the same price.

7.

(b): ONGC supplies gas under their APM allocations, to GAIL and Assam Gas Company Ltd. (AGCL). It has been informed that GAIL and AGCL sell this gas to various customers after including Marketing Margin/Taxes and Transportation Tariff, wherever applicable.

(c) to (e) : ONGC has informed that no such case has come to their knowledge.

\*\*\*\*