

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

UNSTARRED QUESTION NO:160
ANSWERED ON:24.11.2014
MARKETING MARGIN TO NATURAL GAS MARKETERS
Jardosh Smt. Darshana Vikram

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

- (a) the details of marketing margin charged by public/private sector natural gas marketers;
- (b) whether the Petroleum and Natural Gas Regulatory Board (PNGRB) has made any study to regulate the marketing margin of natural gas; and
- (c) if so, the outcome thereof and the role of PNGRB to decide and regulate the marketing margin of natural gas and Liquefied Petroleum Gas levied by public/private sector gas marketing entities?

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.