

(d) if so, how Government is planning to move ahead in this regard?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) and (b) The block KG-OSN-2004/1 was acquired by ONGC in NELP-VI round after International Competitive Bid (ICB). On representations from various operators including ONGC, Government notified a policy on 21.3.2016 to grant marketing including pricing freedom with a price ceiling on gas produced from discoveries in Deep Water, Ultra Deep Water and High Pressure–High Temperature areas. The Block KG-OSN-2004/1 is a shallow water block and does not qualify the criteria laid down under the policy. The gas produced from KG-OSN-2004/1 is covered under the “New Domestic Natural Gas Pricing Guidelines, 2014”, which is a formula based considering the volumes and prices at major international markets and has tried to make a fine balance between producers and consumers interest.

(c) and (d) Various Operators including ONGC requested to review the domestic natural gas pricing mechanism. Government of India notified “New Domestic Natural Gas Pricing Guidelines, 2014” on 25.10.2014. This pricing mechanism is formula based and has been worked out considering the volumes and prices prevailing at major international markets such as Henry Hub, National Balancing Point, Alberta and Russia. The formula has been finalized considering the requirements of producing and consuming sectors, and has tried to make a fine balance between their interests. The prices are notified every six months in accordance with said guidelines.

Agreement with Japan for cargo-swapping arrangement

587. SHRI K. SOMAPRASAD: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the countries with which India has signed broader bilateral pact to create a gas exchange;

(b) which are the areas of operations explained in the broader bilateral pact;

(c) whether any agreement is existing between Japan and India for cargo-swapping arrangement, if so, the details thereof; and

(d) what will be the additional logistical cost expenses for the cargo-swapping arrangement?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) to (c) India has not signed any agreement on creating a gas exchange with any other country. However, India has signed a Memorandum of Cooperation

(MoC) with Japan on establishing a Liquid, Flexible and Global Liquefied Natural Gas Market. The MoC provides a framework for cooperation in the areas of flexible LNG contracts, abolition of Destination Restriction Clause and also cooperation in establishing reliable LNG spot price indices to reflect true LNG demand and supply.

(d) India and Japan under the MoC have agreed to cooperate in the area of LNG cargo swapping. Cost advantage of such swapping will depend on the cargo swapping arrangement entered into by Indian companies with foreign companies.

Increase in prices of petroleum products

588. SHRI PARTAP SINGH BAJWA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the details of increase in the prices of petrol, diesel, kerosene, Compressed Natural Gas and Liquefied Petroleum Gas since 2014 till date, item-wise;

(b) the reasons for increasing prices of petrol and other petroleum products during the said period, item-wise;

(c) whether the increase in prices of petrol and other petroleum products are likely to aggravate inflation, increase transportation costs and increase the prices of essential commodities, and

(d) if so, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) to (d) Prices of Petrol and Diesel have been made market-determined effective 26.06.2010 and 19.10.2014 respectively. Since then, the Public Sector Oil Marketing Companies (OMCs) take appropriate decision on pricing of Petrol and Diesel in line with international product prices and other market conditions. The Government continues to modulate the effective price to consumer for Subsidized Domestic LPG and Retail Selling Price (RSP) of PDS Kerosene.

Price of Compressed Natural Gas (CNG) is fixed by the concerned City Gas Distribution (CGD) entity as provided under the Petroleum and Natural Gas Regulatory Board (PNGRB) Act, 2006 and the Government does not regulate the prices of CNG.

The details of change in the Retail Selling Prices of Petrol, Diesel (till 16.06.2017) and domestic LPG at Delhi and PDS kerosene at Mumbai since 2014 till date are given in the Statement.