

(c) whether it is also a fact that GAIL feels that a merger with oil and gas producer ONGC would be more appropriate; and

(d) if so, the views of Government in this regard?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) to (d) In the Budget Speech of 2017-18 on February 1, 2017, Finance Minister had *inter alia* stated that “we see opportunities to strengthen our CPSEs through consolidation, mergers and acquisitions. By these methods, the CPSE can be integrated across the value chain of an industry. It will give them capacity to bear higher risks, avail economies of scale, take higher investment decisions and create more value for the stakeholders. Possibilities of such restructuring are visible in the Oil and Gas sector. We propose to create an integrated public sector ‘Oil Major’ which will be able to match the performance of international and domestic private sector oil and gas companies”.

As far as GAIL (India) Limited (GAIL) is concerned, Indian Oil Corporation Limited (IOCL) and Bharat Petroleum Corporation Limited (BPCL) had written to the Ministry for integration with GAIL (India) Limited. However, Government has not taken any decision in this regard.

Splitting of GAIL into two units

595. SHRI N. GOKULAKRISHNAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government is considering to split GAIL into two units with the marketing operations spun off into a separate company;

(b) whether it is also a fact that the performance of GAIL, as far as building a pipeline network in addition to a possible conflict of interest in its role as the infrastructure provider as well as carrier, was discussed in the Ministry; and

(c) if so, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) to (c) In year 1984, GAIL was established for transportation, processing and marketing of natural gas and for establishing and managing gas pipelines and related installations. At present, GAIL has developed about 11,000 Km long gas pipeline network and is also developing about 3,500 KM long pipelines projects in the country.

In the year 2006, the Government issued the Policy for Development of Natural Gas Pipelines and City or Local Natural Gas Distribution Networks. In terms

of this policy and the provisions of the Petroleum and Natural Gas Regulatory Board (PNGRB) Act, 2006, all authorized entities including GAIL have to provide mandatory open access to its gas pipeline infrastructure on common carrier principle at non-discriminatory basis, at transportation rates determined by PNGRB. In the long run and with the maturing of gas markets, it is envisaged in the policy that the authorized entities will have transportation of natural gas as their sole business activity and will not have any business interest in the gas marketing or city or local gas distribution networks.

Restricting import of petcoke

596. SHRI D. KUPENDRA REDDY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government plans to restrict import of Petroleum Coke into the country;

(b) if so, the details thereof and the reasons therefor;

(c) whether it is also a fact that petroleum coke is highly polluting and is being imported and used after being dumped in the country; and

(d) if so, the details thereof and the action, other than curbing its import, being taken by Government to restrict its usage also?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) and (b) The Government has enhanced the effective Import duty on Petroleum Coke from 2.5% to 10% *vide* Notification No. 92/2017-Customs dated 14.12.2017.

(c) Petroleum coke is being imported for use in industries as a raw material and also as a fuel, as a substitute of coal. Further, as per available information, petroleum coke has sulphur level of 70,000 – 80,000 PPM as compared to 5,000 – 10,000 PPM of coal and 50 PPM of Petrol and Diesel (BS-IV fuel quality). Hence usage of petroleum coke as fuel leads to high sulphur emission which has adverse impact on environment.

(d) Ministry of Petroleum and Natural Gas has issued an advisory on 11.12.17 to Oil Marketing Companies and Refineries to restrict selling of petroleum coke to only permissible area as per Supreme Court Order dated 24.10.17 and Government of India instructions and also to those industrial units which fulfil prescribed statutory and environment requirement for use of petroleum coke.