

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

UNSTARRED QUESTION NO:951  
ANSWERED ON:22.11.2007  
PRICING OF GAS FROM AUCTIONED ACREAGES  
Saradgi Shri Iqbal Ahmed

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

- (a) whether a Group of Ministers (GoM) headed by foreign Minister has been set up to examine a Secretary panel's recommendations on pricing of gas from auctioned acreages;
- (b) if so, to what extent it has agreed to the recommendations made by the Secretary-panel; and
- (c) the steps taken/being taken by the Government to implement the recommendations?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) & (b): Government constituted an Empowered Group of Ministers (EGoM) headed by Minister of External Affairs to consider and decide issues of gas pricing and commercial utilization of gas under NELP. EGoM considered the report submitted by the Cabinet Secretary and the report of the Chairman, Economic Advisory Council to the Prime Minister.

EGoM has decided the issue of pricing of gas under NELP.

(c): In pursuance of the recommendations of the Cabinet Secretary, Government has strengthened the Management Committee mechanism under the Production Sharing Contract (PSC). Further, in addition to the regular audit mechanism under the PSCs, CAG has been requested to carry out special audit of some blocks having high stakes for the Government in the form of royalty, profit petroleum, etc.