

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

UNSTARRED QUESTION NO:1787  
ANSWERED ON:29.11.2007  
SALE OF GAS BY THE RELIANCE COMPANY  
Chakraborty Shri Swadesh;Khan Shri Sunil

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

- (a) whether the Reliance Company has been offered to sell gas at the rate of 4.2 per cubic metre instead of below 2%;
- (b) if so, whether the Government is aware that the RIL pricing will have adverse impact on price of power and fertilizers;
- (c) if so, the reaction of the Government thereto:
- (d) whether any company producing gas in the country indigenously can be allowed to fix gas price with international price of crude oil; and
- (e) if so, the details thereof?

**Answer**

MINISTER OF PETROLEUM AND NATURAL GAS(SHRI MURLIDEORA)

(a) to (e): An Empowered Group of Ministers (EGoM) has decided the gas pricing issues under New Exploration Licensing Policy (NELP) after considering all relevant material. The decision taken by EGoM in the case of D-6 Block operated by RIL- Niko consortium will lead to a gas price of US dollar 4.20 per MMBTU at delivery point. The gas price would be applicable to all sectors uniformly. EGoM has also decided that the ceiling on the price of crude in the approved gas price formula would be frozen at US dollar 60/barrel. This is with a view to protect the interest of gas consumers against persistent increase in International crude price. This would translate into lower consumer price when the crude prices increases in the international market.