

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

UNSTARRED QUESTION NO:3327  
ANSWERED ON:15.04.2010  
OWNERSHIP RIGHT OF NATURAL GAS  
Singh Shri Sushil Kumar

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

(a) whether the Government is more concerned about the pricing of natural gas than its ownership right on the same in the ongoing case in the Supreme Court between Reliance Industries Ltd. (RIL) and Reliance Natural Resources Ltd. (RNRL); and

(b) if so, the action being taken by the Government to assert itself as the owner of gas fields in the Hon'ble Supreme Court?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI JITIN PRASADA)

(a): Article 297 (l) of the Constitution of India states that, "All lands, minerals and other things of value underlying the ocean within the territorial waters, or the continental shelf, or the exclusive economic zone, of India shall vest in the Union and be held for the purposes of the Union". Entry 53 in the List-I under the Seventh Schedule, inter alia, empowers the Union of India in the regulation and development of oilfields and mineral oil resources; petroleum and petroleum products. The Oil Fields (Regulation and Development) Act, 1948 and the Petroleum and Natural Gas rules, 1959, make provisions, inter alia, for the regulation of petroleum operations and grant of licences and leases for exploration, development and production of petroleum in India. The Territorial waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act, 1976 provides that Union has sovereign rights for the purpose of exploration, exploitation, conservation & Management of the natural resources both living & nonliving as well as for producing energy from tides, winds & current.

Thus, natural resources belong to Government of India (GOI) and same has been incorporated in Production Sharing Contract (PSC) signed between GOI and Contractor while awarding any block for exploration purposes.

(b): A Special Leave Petition was filed by Government in the Supreme Court against the RNRL and RIL to protect interest of the Government and public at large. The hearings in this case have concluded and decision is reserved by the Hon'ble Court.