

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

UNSTARRED QUESTION NO:5594  
ANSWERED ON:29.04.2010  
DISTRIBUTION OF NATURAL GAS  
Singh Shri Sushil Kumar

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

- (a) whether an MoU was signed in May 2005, between Reliance Industries Ltd., and Reliance Natural Resources Ltd. to distribute Natural Gas between themselves from the exploration block of D6 KG Basin;
- (b) if so, when the matter came to the notice of the Government; and
- (c) the action taken by the Government to nullify the privately negotiated settlement between Reliance Industries Ltd. and Reliance Natural Resources Ltd. to distribute Natural Gas amongst themselves?

**Answer**

MINISTER OF STATE IN THE Ministry of Petroleum & Natural Gas (SHRI JITIN PRASADA)

(a) to (c): Yes, Madam. An MoU dated 18-06-2005 exists between CMD, RIL and CMD, RNRL regarding certain family arrangements. The full text of the MoU is not in the possession of this Ministry. However, the judgment dated 15-06-2009 of the Hon'ble Division bench of Bombay High Court has referred to the MoU. The implications of this order have the potential of apportionment of gas between RIL & RNRL in the ratio of 60:40 after meeting the requirement of NTPC and RNRL. MOU also states that this will be the case not only for the gas from KG-D6 but from all other fields being operated and to be operated by RIL. Such an arrangement, if not challenged, may encourage the other operators to indulge in similar kind of understanding and thereby bringing to naught the Government's policies duly framed under PSC. A Special Leave Petition was filed by Government in the Supreme Court against the RNRL & RIL to protect interest of the Government and public at large. The hearings in this case have concluded and decision is reserved by the Court.