

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

STARRED QUESTION NO:53
ANSWERED ON:25.02.2010
VARIATION IN SALE PRICE OF NATURAL GAS
Hegde Shri Anant Kumar;Sharma Shri Jagdish

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

- (a) Whether natural gas is being sold at different rates in the country;
- (b) if so, the details of the rates thereof;
- (c) the maximum and the minimum rates of the natural gas sold by private and public sectors; and
- (d) the reasons behind the disparity in sale prices in Governmental and Non- Governmental sectors?

Answer

MINISTER OF PETROLEUM & NATURAL GAS (SHRI MURLI DEORA)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 53 TO BE ANSWERED ON 25.02.2010 REGARDING VARIATION IN SALE PRICE OF NATURAL GAS

(a): Yes, Madam.

(b): A statement is enclosed.

(c): The natural gas produced by Government Oil Companies is sold at a maximum rate of US\$ 4.75 mmbtu (to non-Administered Price Mechanism (APM) customers) and a minimum rate of US\$ 1.08 mmbtu (to power & fertilizers customers in North-East). Further, the price of Regasified Liquefied Natural Gas (RLNG) purchased by Petronet LNG Ltd. and marketed by GAIL (India) Ltd, Indian Oil Corporation & Bharat Petroleum Corporation Ltd. is between US\$ 5.67/mmbtu to 11.7/mmbtu.

The natural gas produced by private sector is sold at a maximum rate of US\$ 5.73 mmbtu (Panna Mukta) and a minimum rate of US\$1.29 mmbtu (Anguri fields - Canoro).

(d): The price of APM gas is set by the Government. As regards New Exploration License Policy (NELP) and pre-NELP Joint Venture (JV) gas, its pricing is governed in terms of the provisions of the Production Sharing Contract (PSC) signed between the Government of India and the Contractor.

While the price of Liquefied Natural Gas (LNG) imported under term contracts is governed by the Sale Purchase Agreement (SPA) between the LNG seller and the buyer, the spot cargoes are purchased on mutually agreeable commercial terms.