

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

UNSTARRED QUESTION NO:5690  
ANSWERED ON:10.05.2012  
BIDS FOR SALE OF GAS  
Anandan Shri K.Murugesan

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

- (a) whether the Coal Bed Methane (CBM) contractors have recently invited open bids for sale of gas;
- (b) if so, the details of such contractors;
- (c) whether some companies have submitted negative bids whereby gas producers would be forced to pay the buyers for selling gas;
- (d) if so, the action proposed to be taken against the allottees who intend to cause huge loss to the Government through such offers; and
- (e) the steps proposed to be taken by the Government to modify the gas utilization policy to prevent such bidding in future?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI R.J.P.N.SINGH)

- (a) & (b) Yes, Madam. Reliance Industries Limited (RIL) for two blocks SP (W)-CBM-2001/1 and SP (E)-CBM-2001/1 in Madhya Pradesh and Essar Oil Limited (EOL) for the block RG(E)-CBM-2001/1 in West Bengal have invited open bids for sale of commercially produced CBM gas.
- (c) & (d). RIL and EOL have submitted proposals to the Government for approval of formula/price for selling of CBM gas, based on the bids received in response to the Notice Inviting Offer (NIO)/ Expression of Interest (EOI) published by them. The proposals of RIL and EOL for approving the formula for pricing of commercial production of CBM will be approved in line with the provisions under CBM Contract and Ministry of Petroleum and Natural Gas (MoPNG) guidelines.
- (e) There is no proposal to modify the gas utilization policy.