

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

UNSTARRED QUESTION NO:5706
ANSWERED ON:10.05.2012
AGREEMENT BETWEEN RIL AND NTPC
Jakhar Shri Badri Ram

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

- (a) whether Reliance Industries Ltd (RIL) had violated the provisions of Production Sharing Contract (PSC) by unilaterally assigning itself the power of an owner and entering into an agreement with National Thermal Power Corporation (NTPC) for supply of gas for its plants;
- (b) if so, the details thereof; and
- (c) the action being proposed by the Government on RIL for violation of PSC ?

Answer

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

(a): In the year 2002, National Thermal Power Corporation (NTPC) invited bids under International Competitive Bidding (ICB) route for procurement of gas @ 132 Trillion British Thermal Units (Tbtu) per annum for a period of seventeen (17) years. National and international companies participated in the bidding. After the qualification process, the Request for Proposal (RFP) was issued in April, 2003. M/s Reliance Industries Limited (RIL) was the lowest bidder and was issued a Letter of Intent (LOI) by NTPC. However, RIL did not sign the Gas Sales and Purchase Agreement (GSPA) with NTPC for supply of gas.

(b) and (c): Do not arise in view of (a) above.