

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

UNSTARRED QUESTION NO:3518  
ANSWERED ON:10.12.2009  
SHARE OF REVENUE FROM RIL  
Singh Shri Sushil Kumar;Sudhakaran Shri K.

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

- (a) whether RIL is not sharing with the Government the revenue it is collecting from customers under the marketing margin;
- (b) if so, the reasons therefor; and
- (c) the action initiated by the Government to claim its share of revenue from the marketing margin from RIL?

**Answer**

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

(a) & (b) Under the provision of the Production Sharing Contract (PSC) signed between the Government and the Contractor under New Exploration Licensing Policy (NELP), the Government has approved a price formula for sale of KG-D6 gas at the PSC delivery point. The PSC provides for the sharing of the revenue between the Government and the Contractor of the sale of gas at the said price at the delivery point.

The marketing margin is beyond the delivery point and arises as a result of Gas Sale and Purchase Agreement (GSPA) signed between the Seller and the Buyer. The PSC does not envisage sharing of revenue earned by the Contractor on marketing margin between the Government and the Contractor.

- (c) Does not arise.