

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

UNSTARRED QUESTION NO:3539
ANSWERED ON:10.12.2009
SUPPLY OF GAS TO NTPC PLANTS
Singh Shri Sushil Kumar

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

- (a) whether the NTPC has raised objection regarding RIL charging marketing margin on sale of natural gas to its power plants; and
- (b) if so, the action by the Government to stop RIL from charging marketing margin from customers?

Answer

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

- (a): NTPC had raised the issue of marketing margin charged by RIL-NIKO JV for sale of KG D6 gas.
- (b): The Production Sharing Contract (PSC) signed between the Government and the Contractor under New Exploration Licensing Policy (NELP) does not provide for fixation of marketing margin on sale of gas by the Government. Government has not, till date, fixed or approved the quantum of marketing margin for sale of natural gas by any Contractor. The issue is discussed and decided between the Seller and the Buyer, as a part of the settlement of the terms & conditions of the GSPA.