

is restricted to 50% of sales tax exempted by the State with a ceiling ₹ 3.00 per litre and subject to :

- (i) 500 liters per fishing vessel for every active fishing month,
- (ii) subsidy provided to owners registered before 10th plan,
- (iii) boats owned by fishermen belonging to the Below Poverty Line (BPL) category.

(b) to (e) No fund have been released to the Government of Andhra Pradesh during the last three financial years under the CSS, as the State Government has not submitted and proposal in this regard from 2009-2010 onwards.

#### **Selling of Natural Gas Oil at Arms Length Prices**

2146. SHRI JAI PRAKASH NARAYAN SINGH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) the price at which ONGC and LNG importers are selling natural gas in Gujarat;
- (b) whether it is a fact that under New Exploration Licensing Policy (NELP) and Coal Bed Methane (CBM) contracts, contractors have to sell all natural gas at competitive arms length prices to the benefit of the parties to the contracts;
- (c) whether it is also a fact that if NELP gas were to be sold at the same price as other gases in the States it would result in greater benefit to the parties under the contracts;
- (d) whether NELP contractors have asked for a revision in gas prices because the price of NELP gas does not reflect the competitive arms length price that can bring maximum benefit to the parties under the contracts; and
- (e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N SINGH) : (a) The consumer price of natural gas & R-LNG in Gujarat is given in Statement. (See below)

(b) In terms of the Production Sharing Contracts (PSCs) under NELP regime and Coal Bed Methane (CBM) Contracts, the Contractor shall endeavour to sell all Natural Gas and CBM produced and saved from the Contract Area / Field / Development Area at arms-length prices to the benefit of Parties to the Contract. The Government as per the provisions of NELP and CBM Contracts shall approve the formula or basis on which Natural Gas and CBM Gas prices shall be determined.

(c) Provisions of PSC do not allow sale of gas at any other price other than as determined under PSC and approved by the Government.

(d) and (e) On 6<sup>th</sup> September, 2010, Reliance Industries Limited (RIL) represented to this Ministry that they have an offer for purchase of gas produced from the blocks 06 KG-DWN-98/3 at higher rate than the rate approved by the Empowered Group of Ministers (EGOM) and they sought guidance as to how to proceed as per the PSC. RIL was informed that EGOM has approved the above price for 5 years from the date of commencement of supply and RIL was instructed to comply with the price finalized by EGOM.

***Statement***

*Consumer Price of Natural Gas and R-LNG in Gujarat*

Source	Gas Price
NOCs (APM)	\$4.2/mmbtu
NOCs (MDP)	\$5/mmbtu
PMT	\$5.65/mmbtu
PMT	\$4.6/mmbtu
PMT	\$4.75/mmbtu
CB/OS-2 (Caims)	\$4.75/mmbtu
	\$5.62/mmbtu
	\$6.22/mmbtu
Hazira (Niko) .	\$5.346/mcf
	\$2.673/mcf
CB-ONN-2000/2	\$6.6/msf
Dholka	Rs. 4.80/ scm
Kanwara	Rs.9.02 & 11.67/ scm
Barkol	Rs.10 & 10.48/ scm
North Balol (HOEC)	Rs.4.541/scm
Term R-LNG	\$9.76/ mmbtu
Spot-R-LNG	\$16/ mmbtu

**Note:**

- Term RLNG price changes every month on the basis of a formula agreed between seller & buyer above price is for March 2012.
- Spot RLNG prices vary from cargo to cargo above price is for the current Cargo.
- Panna Mukta gas price is \$ 5.73/mmbtu & Mid Tapti gas price is \$ 5.57/ mmbtu.
- All the prices are excluding marketing margin.
- APM Prices Including Royalty & Excluding marketing margin.