

Statement*Revision of Petrol Prices since 26.6.2010*

Sl. No.	Date	RSP (Rs. per litre)	Increase	Reason for Increase
	25.06.2010	47.93	-	RSP as on 25.6.2010
1.	26.06.2010	51.43	3.50	Increase in Basic Price
2.	01.07.2010	51.45	0.02	Increase in Siding and Shunting Charges
3.	08.09.2010	51.56	0.11	Increase in Dealer's commission
4.	21.09.2010	51.83	0.27	Increase in Basic Price
5.	17.10.2010	52.55	0.72	Increase in Basic Price
6.	02.11.2010	52.59	0.04	Increase in Siding and Shunting Charges
7.	09.11.2010	52.91	0.32	Increase in Basic Price
8.	16.12.2010	55.87	2.96	Increase in Basic Price
9.	15.01.2011	58.37	2.50	Increase in Basic Price
10.	15.05.2011	63.37	5.00	Increase in Basic Price
11.	01.07.2011	63.70	0.33	Increase in Siding and Shunting Charges and Dealer's commission
12.	16.09.2011	66.84	3.14	Increase in Basic Price
13.	04.11.2011	68.64	1.80	Increase in Basic Price
14.	16.11.2011	66.42	-2.22	Reduction in Basic Price
15.	01.12.2011	65.64	-0.78	Reduction in Basic Price
		65.64		Current RSP at Delhi

Note - Price as per IOCL at Delhi

Validity of price approved under NELP-PSCs

1506. SHRI A. ELAVARASAN: Will the MINISTER OF PETROLEUM AND NATURAL GAS be pleased to state:

(a) the period prescribed under New Exploration Licensing Policy (NELP) Production Sharing Contracts (PSCs) for which a price once approved will remain valid;

(b) under which provision of the PSC Government decided that the price approved for KG-D6 gas had to remain valid for five years;

(c) what is meant by arms length sales in the region under the PSC; and

(d) whether in the event of change in arms length prices in the region at any point, whether PSC prices would reflect the changed prices?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) and (b) The price fixation of natural gas produced under Production Sharing Contract (PSC) regime is done according to the relevant articles of PSCs. The articles do not provide any time limit for which the price of natural gas has to be valid.

According to the PSC of the block KG-DWN-98/3 operated by the consortium of Reliance Industries Limited (RIL) and Niko Resource Limited (NIKO), the Contractor submitted a price proposal for approval of the Government, which was considered by an Empowered Group of Ministers (EGOM). The EGOM has approved the price formula submitted by RIL with a few modifications base on which the current NELP gas produced from the block KG-DWN-98/3 works out to be US\$ 4.2 per Million Metric British Thermal Unit (MMBTU) at crude price greater or equal to US\$ 60 per barrel. The EGoM has approved the price formula for a period of five (5) years from the dated of commencement of supply of gas from the above block.

(c) “Arms Length” Sales” means sales made freely in the open market, in freely convertible currencies, between willing and unrelated sellers and buyers and in which such buyers and sellers have no contractual or other relationship, directly or indirectly, or any common or joint interest as is reasonably likely to influence selling prices and shall, inter alia, exclude sales (whether direct or indirect, through brokers or otherwise) involving Affiliates, sales between Companies which are Parties to this Contract, sales between governments and government-owned entities, counter trades, restricted or distress sales, sales involving baiter arrangements and generally any transactions motivated in whole or in part by considerations other than normal commercial practices.

(d) Does not arise in view of reply to (c) above.

CAG’s observation on KG-D6 block

1507. SHRI RAMDAS AGARWAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Comptroller and Auditor General (CAG) has criticised Government for allowing Reliance Industries Ltd. (RIL) to retain its entire eastern offshore KG-D6 block, whereas it should have got a part of it under the terms of its contract, and also observed that the development cost of India’s largest gas field had escalated significantly from the original estimate given in 2001;

(b) if so, the details thereof; and

(c) the action taken by Government so far on the basis of above mentioned CAG’s observations?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) to (c) The Comptroller and Auditor