

No. L-12015/3/2010-GP (Pt.)
Government of India
Ministry of Petroleum and Natural Gas

Shastri Bhawan, New Delhi
Dated the 5th July 2010

To

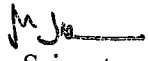
C&MD, ONGC
C&MD, OIL
C&MD, GAIL (India) Ltd.

Subject: - Price of APM natural gas produced by National Oil Companies (NOCs).

Please refer APM pricing order issued vide letter of even no. dated 31.05.2010 stating inter alia that marketing margin of Rs. 200/mscm should be charged from customers by the Company marketing the gas produced by NOCs. Subsequently, letter of even number dated 23.6.2010 was issued, wherein it has been mentioned inter alia that the marketing margin on sale of gas produced by NOCs shall be charged by NOCs in cases where they are directly selling gas to end customers, while in other cases, the marketing margin would be charged by GAIL.

ONGC has informed vide its letter No. ONGC/MKTG/MoPNG/10(1)/2010-11 dated 23.6.2010 that while it supplies gas in bulk to GAIL for distribution and supplies small volume directly to small scale customers in Gujarat, KG basin & Cauvery Basin, it also supplies a small quantity to M/s Assam Gas Company Ltd. (AGCL) & GSPC for marketing in Assam & Gujarat respectively. It is hereby clarified that in cases where gas produced by NOCs is being marketed through AGCL & GSPC, the marketing margin should be paid to them.

Yours faithfully,


(Manu Srivastava)
Director
Tele: 23381029

Copy to:

- M/s Assam Gas Company Ltd.
- M/s Gujarat State Petroleum Corporation

Internal distribution:-

JS (E)


06/7/10.