

# Govt a party to conspiracy with RIL: Jethmalani

New Delhi, Nov 20: The Ministry of Petroleum and Natural Gas is dishonest and collusive with Mukesh Ambani group's Reliance Industries Ltd (RIL) to deny Anil Ambani group's Reliance Natural Resources Ltd (RNRL) its due share of gas, asserted Senior counsel Ram Jethmalani in the Supreme Court on Thursday.

?Suitable arrangement?

Mr. Jethmalani, appearing for RNRL, made this submission before a three-Judge Bench of Chief Justice K. G. Balakrishnan, Justice B. Sudershan Reddy and Justice P. Sathasivam, hearing appeals in the Reliance gas dispute case. He alleged that the government was a party to the conspiracy with RIL to destroy RNRL.

On the stand that ?any suitable arrangement? for the supply and pricing of the gas was subject to government approval, he said ?any suitable arrangement cannot be subject to the approval of price by the government.?

He said ?How can there be an arrangement for the supply of gas to me (RNRL) involving government with which I am totally dissatisfied. There cannot be a suitable arrangement involving the government.?

He said ?the gas row between the Ambani brothers was a saga where the government has kept the public interest at the farthest and huge wealth has been put in the private pockets. Money has passed between two private hands. We are struggling with the elder brother to get 0.1 percent of wealth and at every stage the government is a party to the conspiracy to frustrate the younger brother. In spite of being an elder brother (Mukesh Ambani), he is out to destroy me (Anil Ambani).?

He said ?RNRL is entitled for 28 mscmd of gas from the KG Basin at \$2.34 mBtu (million British thermal unit) and RIL says it is willing to do so but government is not approving it. The trouble is brothers are disunited and the elder brother is now with the government. RIL has got a friendly Ministry.?

He said the production sharing contract (PSC) between RIL and the government entered in April 2000 was for 40 blocks in about four lakh sq. km. and the contract to supply gas between RIL and RNRL constituted less than one per cent of the gas exploration area available to RIL, ?which is 336 sq. km and there are 19 wells in which exploration is taking place.?

Ridiculing the government's stand that it was acting under public interest, Mr. Jethmalani said ?it is an eye wash. Public interest is farthest in their minds and every step they had taken would show that public interest is thrown to winds.?

Marketing freedom

He said ?the policy gave full marketing freedom to the contractor. Here if two brothers get together and come to an agreement to supply gas at \$2.34, government is saying we will not approve the price.?

He said NTPC floated an international bid and RIL quoted \$2.34.

This was approved as it was the best possible price. Yet the Petroleum Ministry wants to fix the price at \$4.2 and make nonsense of the whole bidding process.

Earlier, even as Additional Solicitor General Vivek Tanka was arguing, RNRL senior counsel Mukul Rohatgi pointed out that the Government could not argue on facts as all the affidavits on fact were withdrawn in the case in the Bombay High Court and the Government could only argue on relevant law.

When Mr. Rohatgi wanted that NTPC also to be impleaded, Solicitor General Gopal Subramaniam intervened and said "the Government of India is not acting in a manner which is going to compromise NTPC's interest. It would not want to prejudice the existing case in the Bombay High Court and will deal with the issue independently based on the judgment in the case."

He said "I have been instructed by the Ministry of Petroleum and Natural Gas as also Union Government to clarify this position in the Court as an impression is sought to be created that the Government has a contradictory stance in this court and its position with regard to NTPC. He stated that the Government was interested in protecting its own interest and the interest of its PSU." The court asked the SG to file an affidavit in this regard and Harish Salve agreed to file RIL's response. Arguments will continue on November 24.

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