

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM & NATURAL GAS
LOK SABHA
STARRED QUESTION NO. 184
TO BE ANSWERED ON 01st January, 2018

Gas Handling Facilities

***184: SHRIMATI RAMA DEVI:**
SHRI LAXMI NARAYAN YADAV

पेट्रोलियम एवं प्राकृतिक गैस मंत्री

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

- (a) whether gas handling facilities are under utilized due to less than envisaged production in the approved development plan/scheme of Krishna Godavari Basin;
- (b) if so, the details thereof and the reasons therefor along with the reaction of the Government thereto;
- (c) the efforts made/steps taken by the Government for speedy disposal of pending cases in the courts in this regard; and
- (d) the outcome thereof along with the follow-up action taken by the Government thereon?

ANSWER

पेट्रोलियम एवं प्राकृतिक गैस मंत्रालय में राज्य मंत्री (स्वतंत्र प्रभार)

(धर्मेन्द्र प्रधान)

MINISTER OF PETROLEUM & NATURAL GAS
(SHRI DHARMENDRA PRADHAN):

(a) to (d): A Statement is laid on the table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (A) to (D) OF LOK SABHA
STARRED QUESTION NO. 184(4TH POSITION) TO BE ANSWERED ON 01.01.2018
REGARDING GAS HANDLING FACILITIES**

(a) and (b) : Contractor of Block KG-DWN- 98/3 has not adhered to the drilling schedule approved under Addendum to Initial Development Plan (AIDP), and not produced gas as planned, resulting in under-utilisation of assets / facilities. The gas facility was created to process upto 80 Million Metric Standard Cubic Meter Per Day(MMSCMD), however production from the field was 7.84 MMSCMD in 2016-17. The Government vide Notice dated 03.06.2016 disallowed cost recovery of US \$ 2.756 billion and demanded additional profit petroleum of US \$ 246.9 million for FY 2014-15. Rs. 491.26 crore has been credited in gas pool account against the additional Profit Petroleum due and payable by Contractors.

(c) and (d) :- Contractors disputed the Notice of cost recovery issued by Government and referred the matter to Arbitration and the same is before Arbitral Tribunal.
