

pumps involving a consumer unknowingly paying a surcharge of 2.5 per cent to private banks on every purchase of petrol or diesel from a retail outlet;

(b) if so, the details thereof;

(c) whether Government has taken any action against Oil Marketing Companies (OMCs) to stop them from such unfair trade practices; and

(d) if so, the details thereof along with the remedial measures being taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI PANABAKA LAKSHMI): (a) There is no report of surcharge scam in the petrol pumps of Public Sector Oil Marketing Companies (OMCs).

(b) to (d) Do not arise in view of the above.

Revenue sharing agreement for KG D6 basin

1973. SHRI NARESH AGRAWAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the agreement for revenue sharing in KG-D6 basin has not been adhered to;

(b) the details of production target set and actual production from the basin, year-wise;

(c) the details of the agreement, terms of payment, expected revenue and actual realization of revenue;

(d) the reasons for arriving at such terms and conditions;

(e) the steps Government has taken to bring transparency and avoid such losses in future; and

(f) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI PANABAKA LAKSHMI): (a), (c) and (d) The fiscal terms for revenue sharing under the Production Sharing Contract (PSC) are decided on the basis of a transparent International Competitive Bidding process. Accordingly, the PSC in respect of KG-DWN-98/3 (KG-D6) block requires the

Contractors to set apart 10% of the revenue towards Profit Petroleum to be shared between the Government and the Contractors, till such time that the Contractors have recovered all the contract costs. Thereafter, the Profit Petroleum has to be shared depending upon the value of Investment Multiple. Since the contract costs have not been fully recovered by the Contractors, the revenue sharing with the Government is being done by setting apart 10% of the revenue towards Profit Petroleum, and the same has been adhered to. In addition, the Government also receives royalty @ 5% for first seven years of commercial production and 10% thereafter. Accordingly, GoI has received US\$ 518.13 Million in the form of royalty and Profit Petroleum payment till 31.03.2012.

(b), (e) and (f) The details of year-wise oil and gas production from KG-D6 block, *vis-a-vis* the targets approved in Field Development Plans (FDPs) of D1, D3 and MA fields are as under:

Year	Oil Production (Million MetricTonnes)		Gas Production (Billion Cubic Meters)	
	FDP Target	Actual	FDP Target	Actual
2008-09	0.509	0.130	0.534	0.079
2009-10	1.486	0.502	12.348	15.106
2010-11	1.252	1.078	22.666	20.400
2011-12	0.914	0.681	25.759	15.611
2012-13 (Upto November, 2012)	0.396	0.286	21.162	7.082

Following steps have been taken to increase the gas production from KG-DWN-98/3 (KG-D6) block:

- (i) The Contractor has been asked to drill, complete and connect more producer wells and undertake appropriate remedial measures to revive the sick wells in D1, D3 and MA fields in this block.
- (ii) The Contractor's proposal to install compressor at Onshore Terminal to increase gas recovery from D1 and D3 fields has been approved by the Management Committee (MC), subject to the Contractor agreeing to CAG audit.

- (iii) Revised Field Development Plan (RFDP) of MA field has been approved by the MC, subject to Contractor agreeing to CAG audit.
- (iv) The Optimized Field Development Plan (OFDP) of another 4 gas discoveries (D-2, 6, 19 and 22) has been approved by MC.
- (v) The Declaration of Commerciality (DoC) of gas discovery D-34 has also been approved by MC.

Further, in view of failure of the Contractor to adhere to the Management Committee (MC) approved Addendum to Initial Development Plan (AIDP) of D1 and D3 gas fields, both in terms of drilling and putting on stream the number of wells and the gas production rate, the Government, in May 2012, had issued orders for proportionate disallowance of cost of production facilities amounting to US \$ 1.005 Billion. RIL, the Operator of KG-D6 block, has initiated arbitration proceedings on the matter and Government of India have also appointed arbitrator.

Cap on LPG cylinders

1974. SHRI AJAY SANCHETI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

- (a) whether a decision has been taken to provide only 6 LPG cylinders per year;
- (b) if so, the details thereof;
- (c) the cut-off date for implementation of this decision; and
- (d) the details of measures taken by Government to check the illegal sale of cooking gas?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI PANABAKA LAKSHMI): (a) to (c) Government, as per the decision of Cabinet Committee on Political Affairs (CCPA), has decided that the price of subsidized LPG cylinder be maintained at the current level with a cap of 6 cylinders per year for every consumer, and that any number of cylinders beyond 6 per year, would be available at market rate to be notified by the Oil Marketing Companies (OMCs) on a monthly basis. For remaining period of 2012-13 financial year this will be limited to 3 cylinders. The scheme has been implemented from 14.09.2012.