Waiving of VGF requirement for Kakinada Petrochemical project

2204. DR. K.V.P. RAMACHANDRA RAO: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether uncertainty looms over the Kakinada mega petrochemical project, as reported in a section of the media;
 - (b) if so, the reasons therefor;
- (c) whether the Central Government is insisting that the State Government must pay upfront towards Viability Gap Funding (VGF); and
- (d) whether the Central Government is willing to waive the VGF requirement since the Kakinada project which has been mandated under Schedule XIII of the Andhra Pradesh Reorganisation Act, 2014?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) and (b) Government of Andhra Pradesh (GoAP), GAIL India Limited (GAIL) and Hindustan Petroleum Corporation Limited (HPCL) signed a MoU on 27th January, 2017 at Vishakhapatnam for setting up of a Petrochemical Complex with an estimated cost of ₹ 32901 crore at Kakinada, Andhra Pradesh. Feasibility study has been carried out for the Petrochemical Complex.

(c) and (d) Oil Public Sector Undertakings (PSUs) have indicated to the GoAP that Viability Gap Funding is necessary to make the project viable. GoAP has requested Government of India (Gol) to fund the Viability Gap for this Project. Ministry of Petroleum and Natural Gas has conveyed to GoAP that Refinery and Petrochemical Projects are capital intensive projects and require huge amount of investment. It was also mentioned that the proposed project shall have a direct, indirect and induced impact on the economy of the Andhra Pradesh which shall, besides industrialization, result in substantial increase in income, output, employment and tax earning in the

State. Accordingly, State Government may take appropriate decision on the issue in overall interest of the State.

Approval for extension of discovered small field policy

2205. SHRI A. K. SELVARAJ: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether it is a fact that Government has approved for extending the discovered small field policy to identified 60 discovered small fields/un-monetised discoveries for offer under the discovered small field policy bid Round-II;
- (b) whether it is also a fact that out of these, 22 fields/discoveries belong to Oil and Natural Gas Corporation Limited, five belong to Oil India Limited and 12 are relinquished fields/discoveries from the New Exploration and Licensing Policy (NELP); and

(c) if so, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) to (c) The Government has decided to extend the Discovered Small Field (DSF) Policy notified in 2015 for fast-track monetization of unmonetized small fields/discoveries of Oil and Natural Gas Corporation (ONGC) Limited and Oil India Limited (OIL) under the nomination regime and relinquished discoveries under the Production Sharing Contract (PSC) regime. 60 fields/discoveries have been identified for bidding under the DSF Policy bid round-II. These 60 identified fields include 22 fields of ONGC, 5 fields of OIL, 12 fields of PSC regime and 21 fields remaining of DSF Bid Round-I of 2016. These fields have 194.65 Million Tonnes of Oil Equivalent in place reserve of crude oil and natural gas.

Increasing target for connections under PMUY

 $2206.\;$ SHRI A. K. SELVARAJ: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

- (a) whether it is a fact that Government has increased the target for the Pradhan Mantri Ujjwala Yojana (PMUY) to eight crore from the earlier five crore connections;
- (b) whether it is also a fact that the deadline for achieving the target is the year 2020; and