

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:4526
ANSWERED ON:23.12.2005
SUPPLY OF GAS TO NTPC
Madhwaraj Smt. Manorama

Will the Minister of POWER be pleased to state:

- (a) whether Reliance Industries Limited (RIL) had contracted to supply gas to National Thermal Power Corporation (NTPC) Gandhar-Kawas gas based power projects;
- (b) if so, the details thereof;
- (c) whether RIL has sought deviations in contract terms, which will have adverse commercial implications for NTPC; and
- (d) the steps taken by the Government to ensure the contractual objection of RIL?

Answer

THE MINISTER OF INFORMATION & BROADCASTING AND MINISTER OF PARLIAMENTARY AFFAIRS(SHRI PRIYA RANJAN DASMUNSI)

(a) & (b) : Yes, Sir. National Thermal Power Corporation (NTPC) had accepted the offer of Reliance Industries Limited (RIL) for supply gas for Stage-II Expansion Gas Based Power Project at Jhanoor-Gandhar and Kawas (1300 MW) in Gujarat. Gas Sale and Purchase Agreement (GSPA) is to be formally signed.

(c) : Yes, Sir. RIL is seeking major deviations relating to (a) Limitation of Liability, (b) Force Majeure, (c) Gas Supply Obligations, (d) Development Plan and Production Plan under Production Sharing Contract (PSC) to have overriding priority to RIL's gas supply obligations.

(d) : Ministry of Power has written to Ministry of Petroleum & Natural Gas for initiating administrative measures for enforcing the contract entered by RIL with NTPC as well as for taking appropriate steps for revising their Production Sharing contract. NTPC has also been directed to take legal course for enforcing the above contract with RIL.