

**SUPPLY AND INFRASTRUCTURE  
DEVELOPMENT FOR NATURAL GAS**

[Action Taken by the Government on the Observations/Recommendations of the Committee contained in their One Hundred and Twenty-Seventh Report (16<sup>th</sup> Lok Sabha)]

**MINISTRY OF PETROLEUM AND NATURAL GAS**

**PUBLIC ACCOUNTS COMMITTEE  
(2020-21)**

**THIRTY-FOURTH REPORT**

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**SEVENTEENTH LOK SABHA**



सत्यमेव जयते

**LOK SABHA SECRETARIAT  
NEW DELHI**

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Presented to Lok Sabha on: .....

Laid in Rajya Sabha on: .....

**LOK SABHA SECRETARIAT**  
**NEW DELHI**

March, 2021/ Phalguna, 1942 (Saka)

# CONTENTS

	PAGE
COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE (2020-21)	(iii)
INTRODUCTION	(iv)
CHAPTER I	Report
CHAPTER II	Observations/Recommendations which have been accepted by the Government
CHAPTER III	Observations/Recommendations which the Committee do not desire to pursue in view of the replies received from Government
CHAPTER IV	Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration
CHAPTER V	Observations/Recommendations in respect of which Government have furnished interim replies

## APPENDICES

- I Minutes of the Sitting of Public Accounts Committee (2020-21) held on 10<sup>th</sup> March, 2021.
- II Analysis of the Action Taken by the Government on the Observations/Recommendations of the Public Accounts Committee contained in their One Hundred and Twenty-Seventh Report (Sixteenth Lok Sabha)

**COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE**  
**(2020-21)**

**Shri Adhir Ranjan Chowdhury - Chairperson**

**MEMBERS**

**LOK SABHA**

2. Shri T. R. Baalu
3. Shri Subhash Chandra Baheria
4. Shri Sudheer Gupta
5. Smt. Darshana Vikram Jardosh
6. Shri Bhartruhari Mahtab
7. Shri Ajay (Teni) Misra
8. Shri Jagdambika Pal
9. Shri Vishnu Dayal Ram
10. Shri Rahul Ramesh Shewale
11. Shri Rajiv Ranjan Singh alias Lalan Singh
12. Dr. Satya Pal Singh
13. Shri Jayant Sinha
14. Shri Balashowry Vallabhaneni
15. Shri Ram Kripal Yadav

**RAJYA SABHA**

16. Shri Rajeev Chandrasekhar
17. Shri Naresh Gujral
18. Shri Bhubaneswar Kalita
19. Shri Mallikarjun Kharge
20. Shri C. M. Ramesh
21. Shri Sukhendu Sekhar
22. Shri Bhupender Yadav

**SECRETARIAT**

1. Shri T. G. Chandrasekhar - Joint Secretary
2. Shri. M.L.K. Raja - Director
3. Shri Paolienlal Haokip - Additional Director
4. Shri Girdhari Lal - Deputy Secretary

## **INTRODUCTION**

I, the Chairperson, Public Accounts Committee (2020-21), having been authorised by the Committee, do present this Thirty-Fourth Report (Seventeenth Lok Sabha) on Action Taken by the Government on the Observations/Recommendations of the Committee contained in their One Hundred and Twenty-Seventh Report (Sixteenth Lok Sabha) on '**Supply and Infrastructure Development for Natural Gas**' relating to the Ministry of Petroleum and Natural Gas.

2. The One Hundred and Twenty-Seventh Report was presented to Lok Sabha/laid on the Table of Rajya Sabha on 19<sup>th</sup> December, 2018. Replies of the Government to the Observations/Recommendations contained in the Report were received on 8<sup>th</sup> December, 2020. The Committee considered the draft Report on the subject and thereafter adopted the Report at their Sitting held on 10<sup>th</sup> March 2021. Minutes of the Sitting of the Committee form appendix to the Report.

3. For facility of reference and convenience, the Observations and Recommendations of the Committee have been printed in **bold** in the body of the Report.

4. The Committee place on record their appreciation of the assistance rendered to them in the matter by the Committee Secretariat and the office of the Comptroller and Auditor General of India.

5. An analysis of the Action Taken by the Government on the Observations/Recommendations contained in the One Hundred and Twenty-Seventh Report (Sixteenth Lok Sabha) is given at Appendix-II.

NEW DELHI;  
१० March, 2021  
१९ Phalguna, 1942 (Saka)

Adhir Ranjan Chowdhury  
Chairperson  
Public Accounts Committee

(१२)

**REPORT****PART – I**

This Report of the Public Accounts Committee deals with the Action Taken by the Government on the Observations and Recommendations contained in their One Hundred and Twenty-Seventh Report (16<sup>th</sup> Lok Sabha) on the subject “**Supply and Infrastructure Development for Natural Gas**” based on C&AG Report No. 6 of 2015 (Union Government) related to the Ministry of Petroleum and Natural Gas.

2. The One Hundred and Twenty-Seventh Report (16<sup>th</sup> Lok Sabha) which was presented to Lok Sabha/laid in Rajya Sabha on 19<sup>th</sup> December, 2018, contained 6 Observations/Recommendations. Action Taken Notes in respect of all the Observations and Recommendations have been received from the Ministry of Petroleum and Natural Gas on 8<sup>th</sup> December, 2020 and are broadly categorized as under:

- |       |                                                                                                                                                                          |                                           |
|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| (i)   | Observations/Recommendations which have been accepted by the Government:<br>Para Nos. 3, 4 and 5                                                                         | <b>Total: 3</b><br><b>Chapter - II</b>    |
| (ii)  | Observations/Recommendations which the Committee do not desire to pursue in view of the replies received from the Government:<br>NIL                                     | <b>Total: NIL</b><br><b>Chapter – III</b> |
| (iii) | Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:<br>Para Nos 1, 2 and 6 | <b>Total: 3</b><br><b>Chapter - IV</b>    |
| (iv)  | Observations/Recommendations in respect of which Government have furnished interim replies:<br>NIL                                                                       | <b>Total: NIL</b><br><b>Chapter -V</b>    |

3. The Committee note that the Action Taken Notes were furnished by the Ministry of Petroleum and Natural Gas after a delay of more than one and a half years. The Committee take exception to the undue delay in submission of Action

**Taken Notes by the Ministry and desire that necessary instructions be issued to ensure that the Action Taken Notes on the observations/recommendations made in the Reports of the Committee are henceforth furnished within the stipulated timeframe.**

4. The Action Taken Notes furnished by the Ministry of Petroleum and Natural Gas on each of the Observations/Recommendations of the Committee contained in their One Hundred and Twenty-Seventh Report have been reproduced in the relevant Chapters of this Report. The Committee will now deal with the action taken by the Government, on some of their Observations/Recommendations which either need reiteration or merit comments.

**5. The Committee desire the Ministry of Petroleum and Natural Gas to furnish Action Taken Notes in respect of Observations/ Recommendations contained in Chapter I within six months of the presentation of the Report to the Parliament positively.**

**(Recommendation Para No. 1)**

*6. The Committee in their Original Report had noted that there had been problems of delay in decision making with regard to authorizing the Petroleum and Natural Gas Regulatory Board (PNGRB) to grant authorizations to entities to lay, build, operate or expand the identified projects as per its notified regulatory function. The Committee takes strong exception to the Ministry's vague explanation of the delay by simply attributing it to 'some problems between the Ministry and PNGRB'. Further, rather than admitting the responsibility for the delay in timely empowerment of the PNGRB, the Ministry sought to underplay the same by claiming that the Ministry had been issuing authorizations prior to and in the interim period between the setting up of PNGRB in 2007 and notification of Section 16 of the PNGRB Act in 2010 which empowers the PNGRB to issue such authorizations. The Committee cannot fathom the rationale behind the Ministry's "apprehension" about the misuse of Section 16 and the reference being made to Ministry of Law and Solicitor General on the issue. The Committee feel the so-called apprehension and advices sought merely manifest the Ministry's reluctance to delegate the power of authorizations to the PNGRB even after the Regulatory body was already in place. They also feel that subsequent developments and achievements are no justification for the delay in enabling the PNGRB to exercise its powers and functions in time, and that much more could have been achieved without the delay in notifying Section 16 of the PNGRB Act. The Committee, therefore, recommend the Ministry to re-examine the reasons for delay in notifying Section 16 of the PNGRB Act and furnish the full details to the Committee, along with action taken against officials responsible for the delay. They also desire that action should be taken against officials responsible for failure to forfeit the Bank Guarantee of Rs.80 Crore against RGTIL for defaulting on timely commissioning of the pipeline project before its expiry in 2010.*

7. The Ministry in their Action Taken Note submitted as under:

“On 1st October, 2007, PNGRB was established and all the provisions (except Section 16) of the PNGRB Act, 2006 came into force. Initially, Ministry of Petroleum and Natural Gas (MoPNG) had apprehension that the provision of deemed authorization in Section 16 could be misused; hence, Section 16 was not notified. Further, MoPNG sought advice of Ministry of Law & Justice, and Solicitor General of India on the issue. The Ministry of Law and Justice, based on the opinion of Learned Solicitor General, conveyed that notification under Section 16 may be carried out and the appointed date for commencement of effectiveness of Section 16 could be future date as specified by the Central Govt. Accordingly, Section 16 was notified and made effective from 15.7.2010. PNGRB evolved their process of authorization by the year 2008 through notified Regulations under the Act. In 2008-09, PNGRB identified various Natural Gas Pipelines Infrastructure including City or local gas distribution networks (CGD networks) and started bidding process for selection of successful entities to grant authorization to lay, build, operate or expand the identified projects as per its notified regulatory framework.

PNGRB monitors the development of all the ongoing pipeline projects. The entities which are behind schedule in the pipeline laying projects are called for project review meeting periodically to ensure the timely completion of the project. Further, the individual Boards of the company also monitor the progress of the execution of the respective pipeline projects. Government of India also reviews the progress of the various pipeline projects.

The following four pipeline were authorized by Central Government in 2007 to Reliance Gas Transportation and Infrastructure Limited (RGTEL) and transferred to a special purpose vehicle namely Relogistics Infrastructure Limited (RELOG).

- (i) Chennai - Bangalore - Mangalore Pipeline,
- (ii) Kakinada - Basudepur - Howrah Pipeline,
- (iii) Kakinada - Vijayawada - Nellore - Chennai Pipeline; and
- (iv) Chennai - Tuticorin Pipeline

PNGRB vide letter dated 14.05.2012 requested Ministry of Petroleum & Natural Gas to cancel the authorization of above pipelines to RELOG due to the following reasons:

- (i) Quarterly Progress Reports submitted by RELOG indicated extremely slow physical and financial progress.
- (ii) The authorized entity neither submitted the Performance Bank Guarantee to the PNGRB nor renewed the guarantee given to Ministry of Petroleum and Natural Gas.

Ministry of Petroleum & Natural Gas on 24.9.2012 issued the cancellation of authorization of the above pipelines to RELOG.”.

8. The Audit in their Vetting Comments submitted the following:



"MoP&NG has neither furnished the reasons for non- renewal/non- forfeiture of BG nor the details regarding action taken thereon despite repeated reminders. Regarding reasons for delay in notifying Section 16 of PNGRB Act, Ministry has reiterated the reasons given earlier which were not found acceptable by PAC.As such, audit could not verify the action taken by MoP&NG in this regard.

9. The Ministry have further submitted as under:

"Vide letters dated 24.09.2012 rescinding the authorizations in respect of the four pipelines, the Ministry had deemed forfeited the Performance Bank Guarantees and asked the authorization holder to furnish an amount of Rs. 20 crore for each authorization failing which the Government reserved its right to take due legal action against RGTIL to recover the dues.

As regard the delay in notifying section 16 of PNGRB Act, it is to reiterate that initially Ministry of Petroleum and Natural Gas (MoPNG) had apprehension that the provision of deemed authorization in Section 16 could be misused. Hence, Section 16 was not notified. Further, MoPNG sought advice of Ministry of Law & Justice, and Solicitor General of India on the issue. The Ministry of Law and Justice, based on the opinion of Learned Solicitor General, conveyed that notification under Section 16 may be carried out and the appointed date for commencement of effectiveness of Section 16 could be future date as specified by the Central Govt. Accordingly, Section 16 was notified and made effective from 15.7.2010.

In light of the above, it is once again requested to settle the para."

10. The Committee had, in their Original Report on the subject *inter-alia* expressed serious concern on : (i) undue delay of over three years i.e. from 2007-2010 in notifying Section 16 of the Petroleum and Natural Gas Regulatory Board Act, 2006 which seeks to empower the Petroleum and Natural Gas Regulatory Board to issue authorizations to entities to lay, build, operate or expand the identified pipeline projects; and (ii) not forfeiting the Bank Guarantee of Rs.80 crore from the contracting entity viz. RGTIL. The Committee feel constrained to note that the Action Taken Note now furnished merely reiterates and elaborates a little on the reasons, as attributed earlier too for the delay in notifying Section 16 of PNGRB Act, viz. apprehension about possible misuse of the provision of deemed authorization in terms of Section 16, and notifying the same from a prospective date (15.07.2010) on the basis of the opinion given by the Solicitor General. Evidently, no positive action seems to have been taken towards examining, identifying and initiating remedial measures in regard to the undue delay in notifying the Section as recommended by the Committee. The Committee take serious exception to the attitude adopted by the Ministry in not initiating and taking action in the right spirit. This apart, the Action Taken Note, while stating that the authorisations in respect of 4 Gas pipelines were rescinded on 24.09.2012, is unclear and vague on the aspect of forfeiture of 'performance bank

guarantees' from the contracting entity and initiating appropriate legal action. Considering the facts of the matter, as examined earlier as well as the information now furnished by the Ministry, the Committee reiterate the need for thoroughly examining the reasons for the delay of over three years in notifying Section 16 of the PNGRB Act, and the failure to initiate penal measures on account of the 'performance related issues' pertaining to the gas pipeline projects. The Committee desire to be furnished with a detailed account of the action taken on the concerns expressed and recommendations made in their original Report, inclusive of identifying and taking action on the officials responsible for the lapses within three months of the presentation of this Report to Parliament.

(Recommendation Para No. 2)

11. *The Committee note with dismay the Ministry's assertion that delay in notification of eligibility criteria by the Central Government and issuance of Regulations for registration thereupon by PNGRB has no connection with the pace of development of LNG terminals by interested entities. They fail to comprehend how any entity interested in development of LNG terminals could begin to operate in the absence of any clarity on eligibility criteria and regulations for registration as an entity while it is clearly provided under the PNGRB Act, 2006, that PNGRB has to register the entities desirous of establishing LNG terminals and fulfilling the eligibility criteria notified by the Central Government. While appreciating the price sensitivity related pressures on the sectoral players as well as the downstream market linkages to investments in LNG terminal projects, the committee feel the delay on the part of the Ministry in notification of eligibility criteria and issuance of regulations for registration is irrefutable. They, therefore, recommend that responsibilities must be fixed for such a huge delay, and the ongoing exercise to put the regulations in place must be expedited and completed within a fixed timeframe not longer than six months from the date this report is laid in Parliament.*

12. The Ministry in their Action Taken Note submitted as under:

"LNG is imported under Open General License. Import of LNG in the country is being carried out based on mutual agreement amongst buyer and sellers of LNG. The growing energy needs and demands for natural gas green fuel in the country necessitates the expansion of liquid natural gas terminal in view of the limited domestic gas productions. Accordingly, a proposal to notify the Rules for "Eligibility Conditions for Registration of Liquefied Natural Gas Terminals" under Section 15(1) (b) and 61 (2) (l) of the PNGRB Act, 2006 was considered in 2009 and after detailed deliberation with PNGRB and Ministry of Law and Justice (Department of Legal Affairs), MoPNG notified Petroleum and Natural Gas Regulatory Board (Eligibility Conditions for Registration of Liquefied Natural Gas Terminal) Rules, 2012 on 30.10.2012.

Based on the above eligibility conditions and provisions of PNGRB Act, 2006, PNGRB formulated the draft PNGRB [Registration for Establishing and Operating Liquefied Natural Gas (LNG) Terminals] Regulation, 2013 for registration of LNG

terminals in the country and sought comments under the public consultation process.

It is pertinent to mention here that in 2012, there were only three LNG terminals namely Dahej, Hazira and Kochi in the country till the said Rules was notified. Thereafter LNG terminals at Dabhol (2013), Mundra (2019) and Ennore (2019) have been established.

In 2012, the LNG terminals capacity in the country was 20 MMTPA approx., which has been enhanced to 38.3 MMTPA in 2019."

13. While vetting the Action Taken Reply of the Ministry, Audit commented as under:

"PNGRB [Registration for Establishing and Operating Liquefied Natural Gas (LNG) Terminals] Regulations have not yet been finalized despite lapse of time-frame stipulated by PAC.

However, the Ministry has not furnished the reasons for this delay and action taken in this regard despite repeated reminders."

14. The Ministry in their final reply submitted as under:

"MoPNG notified Petroleum and Natural Gas Regulatory Board (Eligibility Conditions for Registration of Liquefied Natural Gas Terminal) Rules, 2012 on 30.10.2012. Based on the above eligibility conditions and provisions of PNGRB Act, 2006, PNGRB formulated the draft PNGRB [Registration for Establishing and Operating Liquefied Natural Gas (LNG) Terminals] Regulation, 2013 for registration of LNG terminals in the country and sought comments under the public consultation process.

After the public consultation, certain observations were made by PNGRB and they also sought keeping in abeyance one of the provisions of the Rule already notified.

The observations of PNGRB were examined and Ministry's views communicated to PNGRB. PNGRB was asked to conduct a study on the issue and if need be a proposal be sent to the government for its consideration.

Subsequently, PNGRB conducted another open house stake holder consultation and has again requested MoPNG to consider the operation of the abovementioned provision of Rule notified by MoPNG. The matter is being examined and appropriate action taken after due consideration.

In view of the above, it is requested to settle the para."

15. **The provisions of the PNGRB Act, 2006 clearly provide that entities desirous of establishing LNG terminals and fulfilling the eligibility criteria notified by the Central Government need to be registered by the Board. Yet, as per the**

Ministry's contention, the delay in notification of eligibility criteria and issuance of regulations for registration by Petroleum and Natural Gas Regulatory Board (PNGRB) has no connection with the pace of development of LNG Terminals by the interested entities. This, as noted by the Committee earlier too is not an acceptable explanation for not notifying the related regulations. Considering the fact that clarity on eligibility criteria for setting up LNG Terminals is a necessity and formulation of regulations for registration a statutory requirement under the PNGRB Act, the Committee had, in their original Report, emphasized on completing the exercise of putting in place the regulations under the Act within a timeframe of 6 months. The Committee, in this regard, are dismayed to note that the Action Taken Note of the Ministry offers no clear explanation for not finalizing some of the provisions of the PNGRB [Registration for Establishing and Operating Liquefied Natural Gas (LNG) Terminals] Regulations, 2013, even after a lapse of 7 years. Taking into consideration the facts of the matter in entirety, the Committee are of the firm opinion that the exercise of finalizing the regulations for establishment and operation of Liquefied Natural Gas (LNG) Terminals needs to be completed without any further loss of time. The Committee, therefore, reiterate the need for taking suitable measures for ensuring that the proposal of notifying the regulations for registration of LNG Terminals is completed within a fixed timeframe. The Committee wish to be apprised of the concrete measures taken in this regard within three months of the presentation of this Report to Parliament.

**(Recommendation Para No. 6)**

16. *The Committee note with appreciation that the Ministry has acted on many of the corrective actions recommended by Audit on the issues of supply and pricing, as well as inter-agency coordination on matters relating to checking diversion of Gas supplied at regulated price as well as implementation of NG pipeline. The Committee note that there are certain pending cases of claims to be raised and realized from entities who have diverted gas supplied at regulated (APM) price for purposes other than for which it was allocated. They recommend that all such pending claims must be realized at the earliest and the claims raised must be made interest bearing till they are paid.*

17. The Ministry in their Action Taken Note submitted as under:

"CAG in its Report No.8 of 2012-13 has included Para No.11.6 on "Under recovery of gas pool account and excess payment of fertilizer subsidy" wherein they have mentioned that GAIL has failed to evolve a suitable system to ascertain quantity of natural gas utilized by fertilizer companies for manufacturing non-fertilizer products and its billing at market price instead of subsidized price.

In this regard, MoPNG vide letter dated 16.12.2015 has issued guidelines for the recovery mechanism from fertilizer plants for domestic gas used for production of non-urea / non-fertilizer products.

Accordingly, GAIL has raised provisional claims to the tune of Rs. 2992.17 crore on defaulting fertilizer customers for the period from FY 2006-07 to FY 2016-2017 on the basis of available FICC certificates/ information (including information relating to the domestic gas usage for urea production provided by FICC for fertilizer pooling scheme since June 2015 onwards). Out of which Rs.8.43 crore have been recovered so far. Further, GAIL is pursuing with FICC for the certificates/ information pertaining to the customers for whom information is awaited.”

18. While vetting the Action Taken Reply of the Ministry, Audit commented as under:

“GAIL has raised claims of Rs.3130.13 crore on defaulting fertilizer consumers against which it has been able to recover only Rs.8.43 crore. It is pertinent to mention here that no recovery has been made in this regard after 2015-16 as most of the consumers have approached courts / arbitration. Further, as per PAC recommendation, GAIL has informed (May 2019 to November 2019) its consumers that the claims raised in this regard are interest bearing.

In respect of defaulting power consumers, GAIL has raised claims of Rs.593.54 crore against which it has recovered only Rs.3.24 crore so far.

However, GAIL requested (October 2019) MoP&NG that Central Electricity Authority may be authorized through Ministry of Power to provide certificates on usage of domestic gas by power consumers. Further action taken by the Ministry in this regard, if any, may be reported by the Ministry to PAC.”

19. In response, the Ministry in their Action Taken Reply submitted as under:

“MoPNG has requested Ministry of Power for regarding the issue of certification of gas usage even prior to GAIL’s request in November 2019.

Ministry of Power did not accede to the request of MoPNG. Subsequent to the request of GAIL, the matter has once again been taken up with Ministry of Power and this para may be dropped.”

**20. The Committee, in their Original Report, had *inter alia* noted that there were certain pending cases of claims to be raised and realized from entities who had diverted gas supplied at regulated (APM) price for purposes other than for which the allocation was made. In this regard, they had recommended that all such pending claims must be realized at the earliest along with the interest accrued.**

The Committee have been apprised by the Audit that GAIL has raised claims amounting to Rs.3,130.13 crore on defaulting fertilizer consumers for the period from FY 2006-07 to FY 2016-2017 against which only Rs.8.43 crore (.27%) could be recovered. Further, no recovery has been made in this regard post 2015-

16 as most of the consumers had approached the courts / sought arbitration. With reference to defaulting power consumers, GAIL has raised claims worth Rs.593.54 crore against which only Rs.3.24 crore(.55%) could be recovered as on date. Audit scrutiny has also revealed that GAIL had, in October 2019, requested MoP&NG that Central Electricity Authority may be authorized through the Ministry of Power to certify usage of domestic gas by power consumers. In this regard, the action taken reply of MoPNG states that a request was made to the Ministry of Power on the issue of certification of gas usage by the CEA even prior to the receipt of GAIL's request on the matter in November 2019. However, this was not acceded to. Following the request received from GAIL, the matter has once again been taken up with the Ministry of Power. The Committee, while appreciating the initiatives being taken for realizing the outstandings from the fertilizer and power consumers, are of the view that formulation of a clear plan of action may go a long way towards enhancing the recovery rate and realization of claims in a time bound manner. The Committee desire that with a view to ensure early settlement of claims, all possible efforts need to be initiated, inclusive of holding negotiations with the defaulting fertilizer consumers who have sought arbitration, and vigorously pursuing with the Ministry of Power, the matter of authorizing Central Electricity Authority to certify usage of domestic gas by power consumers.

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## CHAPTER II

### OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

#### Observation/Recommendation

The Committee note that efforts are afoot to connect the eastern coast to the western coast LNG terminals. They also note that pipeline projects to connect the eastern and north-eastern regions with the rest of the country are also under execution. While appreciating the plans and projects to connect the entire country with a network of gas pipelines to form a national gas grid, they recommend that every effort should be made to avoid further delays by regular monitoring and constant review of progress achieved at appropriate levels.

(Para 3)

#### Action Taken by the Ministry

In March, 2014 the total length of Natural Gas Pipeline in the country was approx. 15500 km which has been increased to approx. 16800 km in March, 2019. Apart from this approx. 14000 km pipelines have been authorized for construction/ at various stages of construction.

#### **Core issue requiring attention for development of natural gas pipeline infrastructure:**

- **RoU Issues & permissions:** Availability of Right of Use(RoU)& Land and permissions from various authorities are the primary enablers for construction of pipeline. In most of the cases, ROU & land acquisition are a major hurdle and project delays are on account of the same. Projects often face stiff resistance from farmers to either re-route the pipeline or demand of exorbitant compensation.
- **Non Availability of Land Possession Certificate (LPC) or Land records / Obsolete ownership records:** Land possession certificate is required for distribution of compensation to the farmers. Non availability of LPC or obsolete ownership records delays distribution of compensation.
- **Hindrance free Right of way:** Other difficulties in laying pipeline in urban areas are constrained working space because of restricted areas, encroachment issues, existence of utilities, restricted time for working, etc.

#### **Efforts made to avoid delays by Regular Monitoring and Constant Review of progress:**

- Review is done at the level of Prime Minister Office (PMO) through Pragati meeting
- Project Monitoring Group (PMG) review meetings at State level
- Review of issues through Monthly PMO Report
- Issues uploaded on Cabinet Secretary website on e-Samiksha portal

In addition, the progress of the projects are being constantly reviewed and closely monitored by the management of pipeline laying entities. Ministry of Petroleum & Natural Gas also reviewed and monitored the progress of laying of the pipelines. For laying of natural gas pipelines in Southern States namely Tamil Nadu, Andhra Pradesh, Karnataka and Kerala RoU notifications have been made by MoPNG but pipeline laying entities are facing stiff resistance from farmers. Difficulties being faced by the pipeline laying entities have taken up with State Governments for their support at all levels and early settlement of the issues. Difficulties faced by pipeline laying entities have also been taken up with the other Ministries viz. for environmental clearance (Ministry of Environment, Forests and Climate Changes), for national highway clearance (Ministry of Road Transport and Highway), for railway crossing clearance (Ministry of Railways).

To enable completion of National Gas Grid in a time bound manner, hindrance free ROU may be provided to pipeline laying entity by respective State Governments/UTs.

### **Vetting Comments of the Audit**

MoP&NG has furnished copy of minutes of certain Pragati meetings. Based on review of the same, the compliance to PAC recommendation should be watched in future as the projects have not yet been commissioned.

### **Further Action taken by the Ministry**

There is no specific project being dealt. PAC may monitor the overall progress in the implementation of the Natural Gas Grid. Accordingly, this para may be dropped.

### **Observation / Recommendation:**

The Committee are distraught to note the Ministry's nonchalant attitude towards the failures observed by Audit. Indecision and delays in taking timely action by the Ministry clearly has been at the root of the non-availability of piped R-LNG, and LNG to several fertilizer plants identified for revival by the Government. The objective of enhancement of production capacity of urea production through use of NG as feedstock could not be achieved as also the targeted conversion of all existing (nine units) naphtha and FO/LSHS based units to NG/RLNG based units within a period of three years (by 2009-10), due to timely commissioning of pipelines. The goals of reducing the cost of production and subsidy burden remain unachieved, and huge saving on subsidy to the tune of Rs. 4202.12 crore was forfeited due to non-expansion of capacity of Urea production units, and Rs.7673.82 crore due to failure to convert 4 of the proposed nine Urea productions units to NG based plants. The Committee finds the Ministry's responses to be in the nature of indifferent jugglery of facts and figures sans any sense of responsibility for the lapses and delays caused by their sloth and inaction. They feel that if laying pipelines involves risk of investment and requires anchor gas consumers, the concerns of interested entities could well have been addressed by a coordinated plan between the Ministry of P&NG and Department of Fertilizer to synchronize



authorization of pipeline projects with revival of fertilizers units which would serve as anchor consumers to reassure the investing entities involved in the pipeline projects. The inter-ministerial coordination was visibly absent, leading to such delays, and huge losses to the exchequer on subsidies which could have been saved. The Committee desires that efforts should be made to fix responsibility for the failure to orchestrate inter-ministerial coordination, if only for establishing the failures to serve as lessons for the future. They further recommend that the ongoing projects be closely monitored by an inter-ministerial team apart from the monitoring at the PMO level.

(Para 4)

#### **Action Taken by the Ministry**

Fertilizer Corporation of India Ltd. (FCIL) has five units at Sindri (Jharkhand), Talcher (Odisha), Ramagundam (Telangana), Gorakhpur (Uttar Pradesh) & Korba (Chhattisgarh) and Hindustan Fertilizer Corporation Ltd (HFCL) has three units at Barauni (Bihar), Haldia (West Bengal) and Durgapur (West Bengal). These units were closed during the period 1990-2002.

Gorakhpur (UP), Sindri (Jharkhand) & Barauni (Bihar) units Gorakhpur are being revived by means of a Special Purpose Vehicle of Public Sector Undertakings namely, National Thermal Power Corporation, Coal India Limited, Indian Oil Corporation Limited and Fertilizer Corporation India Limited/Hindustan Fertilizer Corporation Limited by setting up gas based fertilizer plants of 1.27 MMTPA capacity each. A Joint Venture company by name Hindustan Urvarak & Rasayan Limited (HURL) has been formed with shareholding of 29.67% of NTPC, IOCL & CIL each and 10.99% of FCIL/HFCL.

The main pipeline laying work for Barauni Fertilizers Unit, Bihar and Gorakhpur Fertilizers Unit, U.P. has been completed in March, 2019 and June, 2019 respectively. For Sindri Fertilizers Unit, Jharkhand the main pipeline laying work is scheduled to be completed by December, 2020.

All the FO/LSHS based units have been already converted to Natural Gas. For three naphtha-based urea plants, namely, Madras Fertilizers Limited (MFL), Manali (Tamil Nadu), Southern Petrochemical Industries Corporation Limited (SPIC), Tuticornin (Tamil Nadu) and Mangalore Chemicals & Fertilizers Limited (MCFL), Mangaluru, the status of gas pipeline connectivity to Naptha based Urea Units are as under:

**Madras Fertilizers Limited (MFL), Manali-** Ennore-Thiruvallur-Bengaluru-Puducherry-Nagapattinam-Madurai-Tuticornin gas pipeline of IOCL will provide gas to this Fertilizer Unit. Main pipeline section from Ennore to Manali has been commissioned.

**Southern Petrochemical Industries Corporation Limited (SPIC), Tuticornin -** Ennore-Thiruvallur-Bengaluru-Puducherry-Nagapattinam-Madurai-Tuticornin gas pipeline of IOCL will provide gas to this Fertilizer Unit. Mainline laying work from Ramanathapuram to Tuticornin section of 142.04 KM length is in progress and

110.47 KM welding and 89.71 KM Lowering has been completed as on date. This section of the pipeline is targeted for completion by March, 2020.

**Mangalore Chemicals & Fertilizers Limited (MCFL)-** Kochi- Koottanad- Mangalore- Bangalore pipeline of GAIL will provide natural gas to MCFL. For Kochi-Koottanad- Mangalore section (length: 448 km), welding work and lowering (444 km) have been completed. This section of the pipeline is targeted for commissioning by December, 2019.

The concerns of the entities are being addressed by coordinated efforts of MoPNG and Department of Fertilizers through inter-ministerial communications and meetings. Every month Department of Fertilizers organizes meeting under the chairmanship of Secretary, Fertilizers with all stakeholders including representative of MoPNG, to monitor the development of revival of urea plants. These revival works are being monitored by NITI Aayog and PMO. In view of this, it is mentioned that efforts are being orchestrated by inter-ministerial coordination.

#### **Vetting Comments of the Audit**

MoP&NG has furnished copy of minutes of certain meetings of IMC. Review of the same revealed that the projects have not yet been commissioned. Accordingly, the compliance to PAC recommendation should be watched in future.

#### **Further Action Taken by the Ministry**

**Madras Fertilizers Limited (MFL), Manali-**Section of Ennore-Thiruvallur-Bengaluru-Puducherry-Nagapattinam-Madurai-Tuticorin gas pipeline of IOCL which provides gas to this fertilizer unit has been completed.

**Southern Petrochemical Industries Corporation Limited (SPIC), Tuticornin –** About 140 km out of 143 km of mainline laying work from Ramanathapuram to Tuticorin section of Ennore-Thiruvallur-Bengaluru-Puducherry-Nagapattinam-Madurai-Tuticorin gas pipeline of IOCL has been laid and remaining part is likely to be completed soon.

**Mangalore Chemicals & Fertilizers Limited (MCFL)-**About 440 km out of 447 km of Kochi- Koottanad- Mangalore section of Kochi- Koottanad- Mangalore- Bangalore pipeline has been laid and remaining section is likely to be completed soon.

Accordingly, the para may be dropped.

#### **Observation / Recommendation**

The Committee appreciate the fact that the initial policy objectives of enhancing power supply by increased infusion of gas based power generation in to the energy mix of the country's power basket could not be fully met due to the less cost effectiveness of NG based power. They also understand that schemes related to gas based generation of power were discontinued as the country gets adequate power from other cheaper sources. However, keeping in mind the environmental concerns related to coal based thermal power generation, the committee recommend that the government must

continue to consider gas based power generation as one of the options and continue the efforts to get imported piped gas through international agreements at long-term and economical prices. Reiterating that the national policy on natural gas supply and infrastructure development is with a thrust on clean energy, the committee desires that the government should continue to strive for adequate energy as well as clean energy.

(Para 5)

#### **Action Taken by the Ministry**

The available gas from domestic gas sources is being supplied to various sectors including Power sector as per the respective gas utilization policy guidelines. In FY 2018-19, largest share of domestic natural gas (including gas from isolated fields) to the tune of 25.11 MMSCMD gas has been supplied to the Power Sector.

**PSDF Scheme (2015-17):** In order to utilize the gas based generation capacity available in the country, Cabinet Committee on Economic Affairs (CCEA), approved a Scheme for utilization of the gas based generation capacity available in the country vide MoP Office Memorandum of 27.03.2015 for a 2 year period. A budgetary allocation of Rs 3500 crore for FY 2015-16 and Rs 4000 crore for FY 2016-17 was also approved by CCEA for the Scheme. The Scheme envisaged supply of RLNG to both Stranded power plants (SGP) & plants receiving domestic gas (DGP) for generation of incremental electricity, through a competitive reverse e-auction process. Plants were allocated RLNG based on the lowest bid for per kwh PSDF (Power System Development Fund) support quoted in the auction. In order to minimize the cost of RLNG and consequently reduce the financial outgo from PSDF, the RLNG supplied was made subject to discounts and waivers.

During its 2 year tenure, PSDF Scheme enabled an increase of gas consumption in the Power Sector by 5.4 MMSCMD and 16 power plants generate electricity based on e-bid RLNG supply during various phases of the Scheme and total stranded capacity revived partially under the Scheme was around 5100 MW (at ~ 45% PLF). Total subsidy outgo from PSDF during the entire 2 year period was only Rs 1413 crore (18% of budgetary allocation of Rs 7500 crore approved by CCEA). The Scheme which commenced on 1st June'15 expired on 31st March'17 on completion of tenure.

**HLEC:** Recommendations of a High Level Empowered Committee (HLEC) constituted by Government of India on 29th July, 2018 under the chairmanship of Cabinet Secretary to address the issues related to the Thermal Power Projects for examination by Group of Ministers.

LNG is imported under Open General License. Import of LNG in the country is being carried out based on mutual agreement amongst buyer and sellers of LNG. In view of this Power Sector can meet the shortfall of domestic natural gas through import of LNG.

**Vetting Comments of the Audit**

Ministry has not furnished any document in support of its reply. However, the Government, in its reply to a Parliament Question, has stated that with the implementation of HLEC's recommendations, the issues affecting many power plants including low utilization of Gas based plants are likely to get resolved. Accordingly, compliance to this recommendation could not be verified.

**Further Action Taken by the Ministry**

The available gas from domestic gas sources is being supplied to various sectors including Power sector as per the respective gas utilization policy guidelines. In the year 2019-20, out of a total domestic supply of 25056 MMSCM of Natural Gas, the highest share of 29.8% (a total of 7475 MMSCM) of Natural Gas was utilized by power sector. LNG is imported under Open General License. Import of LNG in the country is being carried out based on mutual agreement amongst buyer and sellers of LNG. In view of this

Power Sector can meet the shortfall of domestic natural gas through import of LNG. A copy of the relevant report of the HLEC report in Ministry of Power is attached as Annexure, and action will be taken accordingly.

In light of the above, it is once again requested to settle the para.

**CHAPTER III**

OBSERVATIONS/RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE  
TO PURSUE IN VIEW OF THE REPLIES RECEIVED FROM THE GOVERNMENT

**-NIL-**

## CHAPTER IV

### **OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION**

#### **Observation and Recommendation**

The Committee are aware that there had been problems of delay in decision making with regard to authorizing the Petroleum and Natural Gas Regulatory Board (PNGRB) to grant authorizations to entities to lay, build, operate or expand the identified projects as per its notified regulatory function. The Committee takes strong exception to the Ministry's vague explanation of the delay by simply attributing it to 'some problems between the Ministry and PNGRB'. Further, rather than admitting the responsibility for the delay in timely empowerment of the PNGRB, the Ministry sought to underplay the same by claiming that the Ministry had been issuing authorizations prior to and in the interim period between the setting up of PNGRB in 2007 and notification of Section 16 of the PNGRB Act in 2010 which empowers the PNGRB to issue such authorizations. The Committee cannot fathom the rationale behind the Ministry's "apprehension" about the misuse of Section 16 and the reference being made to Ministry of Law and Solicitor General on the issue. The Committee feel the so-called apprehension and advices sought merely manifest the Ministry's reluctance to delegate the power of authorizations to the PNGRB even after the Regulatory body was already in place. They also feel that subsequent developments and achievements are no justification for the delay in enabling the PNGRB to exercise its powers and functions in time, and that much more could have been achieved without the delay in notifying Section 16 of the PNGRB Act. The Committee, therefore, recommend the Ministry to re-examine the reasons for delay in notifying Section 16 of the PNGRB Act and furnish the full details to the Committee, along with action taken against officials responsible for the delay. They also desire that action should be taken against officials responsible for failure to forfeit the Bank Guarantee of Rs.80 Crore against RGTIL for defaulting on timely commissioning of the pipeline project before its expiry in 2010.

(Para 1)

#### **Action Taken by the Ministry**

On 1st October, 2007, PNGRB was established and all the provisions (except Section 16) of the PNGRB Act, 2006 came into force. Initially, Ministry of Petroleum and Natural Gas (MoPNG) had apprehension that the provision of deemed authorization in Section 16 could be misused; hence, Section 16 was not notified. Further, MoPNG sought advice of Ministry of Law & Justice, and Solicitor General of India on the issue. The Ministry of Law and Justice, based on the opinion of Learned Solicitor General, conveyed that notification under Section 16 may be carried out and the appointed date for commencement of effectiveness of Section 16 could be future date as specified by the Central Govt. Accordingly, Section 16 was notified and made effective from 15.7.2010. PNGRB evolved their process of authorization by the year 2008 through notified Regulations under the Act. In 2008-09, PNGRB identified various Natural Gas

Pipelines Infrastructure including City or local gas distribution networks (CGD networks) and started bidding process for selection of successful entities to grant authorization to lay, build, operate or expand the identified projects as per its notified regulatory framework.

PNGRB monitors the development of all the ongoing pipeline projects. The entities which are behind schedule in the pipeline laying projects are called for project review meeting periodically to ensure the timely completion of the project. Further, the individual Boards of the company also monitor the progress of the execution of the respective pipeline projects. Government of India also reviews the progress of the various pipeline projects.

The following four pipeline were authorized by Central Government in 2007 to Reliance Gas Transportation and Infrastructure Limited (RGTIL) and transferred to a special purpose vehicle namely Relogistics Infrastructure Limited (RELOG).

- (i) Chennai - Bangalore - Mangalore Pipeline,
- (ii) Kakinada - Basudepur - Howrah Pipeline,
- (iii) Kakinada - Vijayawada - Nellore - Chennai Pipeline; and
- (iv) Chennai - Tuticorin Pipeline

PNGRB vide letter dated 14.05.2012 requested Ministry of Petroleum & Natural Gas to cancel the authorization of above pipelines to RELOG due to the following reasons:

- (i) Quarterly Progress Reports submitted by RELOG indicated extremely slow physical and financial progress.
- (ii) The authorized entity neither submitted the Performance Bank Guarantee to the PNGRB nor renewed the guarantee given to Ministry of Petroleum and Natural Gas.

Ministry of Petroleum & Natural Gas on 24.9.2012 issued the cancellation of authorization of the above pipelines to RELOG.

#### **Vetting Comments of the Audit**

MoP&NG has neither furnished the reasons for non- renewal/non- forfeiture of BG nor the details regarding action taken thereon despite repeated reminders. Regarding reasons for delay in notifying Section 16 of PNGRB Act, Ministry has reiterated the reasons given earlier which were not found acceptable by PAC.

As such, audit could not verify the action taken by MoP&NG in this regard.

#### **Further Action taken by the Ministry**

Vide letters dated 24.09.2012 rescinding the authorizations in respect of the four pipelines, the Ministry had deemed forfeited the Performance Bank Guarantees and asked the authorization holder to furnish an amount of Rs. 20 crore for each authorization failing which the Government reserved its right to take due legal action against RGTIL to recover the dues.

As regard the delay in notifying section 16 of PNGRB Act, it is to reiterate that initially Ministry of Petroleum and Natural Gas (MoPNG) had apprehension that the provision of deemed authorization in Section 16 could be misused. Hence, Section 16 was not notified. Further, MoPNG sought advice of Ministry of Law & Justice, and Solicitor General of India on the issue. The Ministry of Law and Justice, based on the opinion of Learned Solicitor General, conveyed that notification under Section 16 may be carried out and the appointed date for commencement of effectiveness of Section 16 could be future date as specified by the Central Govt. Accordingly, Section 16 was notified and made effective from 15.7.2010.

In light of the above, it is once again requested to settle the para.

#### **Comments of the Committee**

Please refer para no. 10 of Chapter I of this report.

#### **Observation / Recommendation**

The Committee note with dismay the Ministry's assertion that delay in notification of eligibility criteria by the Central Government and issuance of Regulations for registration thereupon by PNGRB has no connection with the pace of development of LNG terminals by interested entities. They fail to comprehend how any entity interested in development of LNG terminals could begin to operate in the absence of any clarity on eligibility criteria and regulations for registration as an entity while it is clearly provided under the PNGRB Act, 2006, that PNGRB has to register the entities desirous of establishing LNG terminals and fulfilling the eligibility criteria notified by the Central Government. While appreciating the price sensitivity related pressures on the sectoral players as well as the downstream market linkages to investments in LNG terminal projects, the committee feel the delay on the part of the Ministry in notification of eligibility criteria and issuance of regulations for registration is irrefutable. They, therefore, recommend that responsibilities must be fixed for such a huge delay, and the ongoing exercise to put the regulations in place must be expedited and completed within a fixed timeframe not longer than six months from the date this report is laid in Parliament.

**(Para 2)**

#### **Action Taken by the Ministry**

LNG is imported under Open General License. Import of LNG in the country is being carried out based on mutual agreement amongst buyer and sellers of LNG.

The growing energy needs and demands for natural gas green fuel in the country necessitates the expansion of liquid natural gas terminal in view of the limited domestic gas productions. Accordingly, a proposal to notify the Rules for "Eligibility Conditions for Registration of Liquefied Natural Gas Terminals" under Section 15(1) (b) and 61 (2) (I) of the PNGRB Act, 2006 was considered in 2009 and after detailed deliberation with



PNGRB and Ministry of Law and Justice (Department of Legal Affairs), MoPNG notified Petroleum and Natural Gas Regulatory Board (Eligibility Conditions for Registration of Liquefied Natural Gas Terminal) Rules, 2012 on 30.10.2012.

Based on the above eligibility conditions and provisions of PNGRB Act, 2006, PNGRB formulated the draft PNGRB [Registration for Establishing and Operating Liquefied Natural Gas (LNG) Terminals] Regulation, 2013 for registration of LNG terminals in the country and sought comments under the public consultation process.

It is pertinent to mention here that in 2012, there were only three LNG terminals namely Dahej, Hazira and Kochi in the country till the said Rules was notified. Thereafter LNG terminals at Dabhol (2013), Mundra (2019) and Ennore (2019) have been established.

In 2012, the LNG terminals capacity in the country was 20 MMTPA approx., which has been enhanced to 38.3 MMTPA in 2019.

#### **Vetting Comments of the Audit**

PNGRB [Registration for Establishing and Operating Liquefied Natural Gas (LNG) Terminals] Regulations have not yet been finalized despite lapse of time-frame stipulated by PAC.

However, the Ministry has not furnished the reasons for this delay and action taken in this regard despite repeated reminders.

#### **Further Action taken by the Ministry**

MoPNG notified Petroleum and Natural Gas Regulatory Board (Eligibility Conditions for Registration of Liquefied Natural Gas Terminal) Rules, 2012 on 30.10.2012. Based on the above eligibility conditions and provisions of PNGRB Act, 2006, PNGRB formulated the draft PNGRB [Registration for Establishing and Operating Liquefied Natural Gas (LNG) Terminals] Regulation, 2013 for registration of LNG terminals in the country and sought comments under the public consultation process.

After the public consultation, certain observations were made by PNGRB and they also sought keeping in abeyance one of the provisions of the Rule already notified.

The observations of PNGRB were examined and Ministry's views communicated to PNGRB. PNGRB was asked to conduct a study on the issue and if need be a proposal be sent to the government for its consideration.

Subsequently, PNGRB conducted another open house stake holder consultation and has again requested MoPNG to consider the operation of the abovementioned provision of Rule notified by MoPNG. The matter is being examined and appropriate action taken after due consideration.

In view of the above, it is requested to settle the para.

### **Comments of the Committee**

Please refer para no. 15 of Chapter I of this report.

#### **Observation/Recommendation**

The committee note with appreciation that the Ministry has acted on many of the corrective actions recommended by Audit on the issues of supply and pricing, as well as inter-agency coordination on matters relating to checking diversion of Gas supplied at regulated price as well as implementation of NG pipeline. The committee note that there are certain pending cases of claims to be raised and realized from entities who have diverted gas supplied at regulated (APM) price for purposes other than for which it was allocated. They recommend that all such pending claims must be realized at the earliest and the claims raised must be made interest bearing till they are paid.

(Para 6)

#### **Action Taken by the Ministry**

CAG in its Report No. 8 of 2012-13 has included Para No. 11.6 on "Under recovery of gas pool account and excess payment of fertilizer subsidy" wherein they have mentioned that GAIL has failed to evolve a suitable system to ascertain quantity of natural gas utilized by fertilizer companies for manufacturing non-fertilizer products and its billing at market price instead of subsidized price.

In this regard, MoPNG vide letter dated 16.12.2015 has issued guidelines for the recovery mechanism from fertilizer plants for domestic gas used for production of non-urea / non-fertilizer products.

Accordingly, GAIL has raised provisional claims to the tune of Rs. 2992.17 crore on defaulting fertilizer customers for the period from FY 2006-07 to FY 2016-2017 on the basis of available FICC certificates/ information (including information relating to the domestic gas usage for urea production provided by FICC for fertilizer pooling scheme since June 2015 onwards). Out of which Rs.8.43 crore have been recovered so far. Further, GAIL is pursuing with FICC for the certificates/ information pertaining to the customers for whom information is awaited.

#### **Vetting Comments of the Audit**

GAIL has raised claims of Rs.3130.13 crore on defaulting fertilizer consumers against which it has been able to recover only Rs.8.43 crore. It is pertinent to mention here that no recovery has been made in this regard after 2015-16 as most of the consumers have approached courts /arbitration. Further, as per PAC recommendation, GAIL has informed (May 2019 to November 2019) its consumers that the claims raised in this regard are interest bearing.

In respect of defaulting power consumers, GAIL has raised claims of Rs.593.54 crore against which it has recovered only Rs.3.24 crore so far.

However, GAIL requested (October 2019) MoP&NG that Central Electricity Authority may be authorized through Ministry of Power to provide certificates on usage of domestic gas by power consumers. Further action taken by the Ministry in this regard, if any, may be reported by the Ministry to PAC.

**Further Action Taken by the Ministry**

MoPNG has requested Ministry of Power for regarding the issue of certification of gas usage even prior to GAIL's request in November 2019.

Ministry of Power did not accede to the request of MoPNG. Subsequent to the request of GAIL, the matter has once again been taken up with Ministry of Power and this para may be dropped.

**Comments of the Committee**

Please refer para no. 20 of Chapter I of this report.

**CHAPTER V**

**OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH THE GOVERNMENT  
HAVE FURNISHED INTERIM REPLIES**

**-NIL-**

**NEW DELHI;**  
**10 March, 2021**  
**19 Phalguna, 1942 (Saka)**

**Adhir Ranjan Chowdhury**  
**Chairperson**  
**Public Accounts Committee**

**APPENDIX-II**

*(Vide Paragraph 5 of Introduction)*

**ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS/RECOMMENDATIONS OF THE PUBLIC ACCOUNTS COMMITTEE CONTAINED IN THEIR ONE HUNDRED AND TWENTY-SEVENTH REPORT (SIXTEENTH LOK SABHA)**

- |                                                                                                                                                        |   |                               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|---|-------------------------------|
| (i) Total number of Observations/Recommendations                                                                                                       | - | 06                            |
| (ii) Observations/Recommendations of the Committee which have been accepted by the Government:                                                         | - | Total : 3<br>Percentage: 50%  |
| Para Nos. 3, 4 and 5                                                                                                                                   |   |                               |
| (iii) Observations/Recommendations which the Committee do not desire to pursue in view of the reply of the Government:                                 | - | Total : 0<br>Percentage:0     |
| NIL                                                                                                                                                    |   |                               |
| (iv) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration: | - | Total : 3<br>Percentage: 50 % |
| Para Nos. 1, 2 and 6                                                                                                                                   |   |                               |
| (v) Observations/Recommendations in respect of which the Government have furnished interim replies/no replies:                                         | - | Total : 0<br>Percentage: 0    |
| NIL                                                                                                                                                    |   |                               |