

**GOVERNMENT OF INDIA  
PETROLEUM AND NATURAL GAS  
LOK SABHA**

UNSTARRED QUESTION NO:2323  
ANSWERED ON:23.08.2013  
IRREGULARITY IN SETTING UP OF GAS CRACKER PLANT  
Ganpatrao Shri Jadhav Prataprao;Khaire Shri Chandrakant Bhaurao

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

- (a) whether any case of Irregularity regarding selection of site and setting up of the Gas Cracker Plant in Assam by the Gas Authority of India Limited (GAIL) has come to the notice of the Government;
- (b) if so, the details thereof;
- (c) whether the pre-project activities of the Gas Cracker Project were carried out efficiently and effectively;
- (d) if so, the details thereof and if not, the reasons therefor; and
- (e) the action taken by the Government thereon?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SMT. PANABAACA LAKSHMI)

- (a) & (b): No, Madam. However, the location of the project had to be changed from Tenghagat village close to Duliajan (source of feed gas from OIL) to Lepatkata due to non-receipt of clearance from Indian Air Force as the site was close to Chabua Air Force station. This resulted in an additional investment of Rs.114.65 crore for transportation of gas through pipelines.
- (c) to (e): Subsequent to CCEA approval in April 2006, pre-project activities like preparation of tender for selection of Project Management Consultant (PMC), Licensor Selection, Feed stock tie-up, formation of JVC were initiated. The project was scheduled to be completed in 60 months from 9th April, 2007. The project has witnessed cost and time overrun as the actual execution of the project started after appointment of EIL as PMC in September 2007. CCEA in its meeting held in November 2011 approved the revised project cost and mechanical completion by July 2013 and commissioning by December 2013.