

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

STARRED QUESTION NO:153
ANSWERED ON:26.02.2009
DISCREPANCY IN INVESTMENTS BY OIL PSUs
Gaikwad Shri Eknath Mahadeo;Mane Smt. Nivedita

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

- (a) whether the Planning Commission has adversely commented upon the public sector oil companies for using large amounts of public money being spent to diversify and grow individual capacities in areas of no strategic significances to them;
- (b) if so, the details of such companies and the kind of discrepancies in the investments noticed; and
- (c) the corrective steps taken/proposed to be taken by the Government in this regard?

Answer

MINISTER OF PETROLEUM & NATURAL GAS (SHRI MURLI DEORA)

(a) to (c): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (c) OF THE LOK SABHA STARRED QUESTION NO. 153 TO BE ANSWERED ON 26TH FEBRUARY 2009 REGARDING DISCREPANCY IN INVESTMENTS BY OIL PUSs

(a) & (b): During finalization of Annual Plan proposals of public sector oil companies, the Planning Commission had, inter-alia, observed that, except for OVL and OIL which remain largely focused on their core competencies, all other public sector oil companies are seeking both upstream & downstream investments.

(c): Public sector oil companies formulate their investment plans in accordance with the XI Five Year Plan priorities, as approved by the Planning Commission for the Petroleum and Natural Gas sector, keeping also in view their long term corporate goals. Though public sector oil companies do not receive any budgetary support from the Government and investment decisions are taken by their Board of Directors under the delegated Navaratna/Miniratna powers, Government monitors the implementation of their projects on a regular basis.