

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

UNSTARRED QUESTION NO:3845

ANSWERED ON:02.12.2010

EXPENDITURE ON DEVELOPMENT OF KRISHNA GODAVARI BASIN

Owaisi Shri Asaduddin

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

- (a) whether Reliance Industries incurred heavy expenditure in developing the Krishna Godavari Basin D6 gas-field and submitted inflated bills to the Government;
- (b) if so, whether the Government has inquired about it;
- (c) if so, the details thereof;
- (d) the total revenue loss was incurred to the Government in developing this gas-field; and
- (e) if so, the details thereof and action taken or being taken by Government in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI JITIN PRASADA)

(a) to (e): As per the audited accounts, Reliance Industries Limited (RIL) has reported expenditure of about US\$ 8.66 Billion till 31.03.2010 for carrying out development activities in KG-DWN-98/3 block. No report regarding inflated bills has been received by Directorate General of Hydrocarbons (DGH) from Audit Agencies.

Further, considering the large stakes involved in the form of Royalty and Profit Petroleum, this Ministry had requested Comptroller & Auditor General (C&AG) to undertake a special audit of eight exploration fields /blocks including KG-DWN-98/3 (KG D6). The C&AG has agreed to the request and is conducting special audit in respect of four (4) blocks including the above block.