

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

UNSTARRED QUESTION NO:1953
ANSWERED ON:11.08.2011
DIVESTING STAKES TO FOREIGN COMPANIES
Saroj Shri Tufani

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

(a) whether the public sector undertaking Oil and Natural Gas Corporation (ONGC) has divested or intends to divest some of its stake in Krishna Godavari (KG) DWN 98/2 Block to some foreign companies; and

(b) if so, the complete details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI R.P.N. SINGH)

(a) & (b): Yes, Madam. Oil and Natural Gas Corporation (ONGC) has signed a Farm Out Agreement with Petrobras International Braspetro BV (PIB BV) on 27.09.2007 and with Hydro Oil and Energy India BV (HOEI) on 29.08.2007 for divesting 15% and 10% of its Participating Interest (PI) respectively in the Block KG-DWN-98/2. Government has approved the assignment of PI to the two companies, effective from 22.07.2008 and after assignment, the PI distribution of the Block would be ONGC (Operator) -65%, Cairn Energy India Pty. Ltd. (CEIL)-10%, PIB BV-15% and HOEI-10%. However, both the companies have proposed withdrawal from the block. ONGC will execute documents for reassignment of PI and has informed that further divestment plans are being considered.