

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

UNSTARRED QUESTION NO:1959

ANSWERED ON:11.08.2011

FAVOURING PRIVATE OIL EXPLORERS

Acharia Shri Basudeb;Bhadana Shri Avtar Singh;Biju Shri P. K.;Dome Dr. Ram Chandra;Haque Shri Sk. Saidul;Karunakaran Shri P.;Khaire Shri Chandrakant Bhaurao;Meghwal Shri Arjun Ram ;Paranjpe Shri Anand Prakash;Rajesh Shri M. B.;Singh Dr. Raghuvansh Prasad;Singh Shri Yashvir;Sugumar Shri K.

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

(a) whether Government has favoured three private oil exploring companies in KG Basin, Barmer oilfield and Panna-Mukta-Tapti gas field in recent years;

(b) if so, the details thereof;

(c) whether the Comptroller and Auditor General (CAG) has indicated that project cost has been increased more than two and half times than the original projected cost, which was manipulated by the operator with the nexus of Directorate General of Hydrocarbons (DGH);

(d) if so, the details thereof;

(e) whether the Government has set up an inquiry to find out how DGH had violated the guidelines; and

(f) if so, the details of the inquiry in this regard?

Answer

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

(a) : No, Madam.

(b): Does not arise.

(c)& (d): The Comptroller and Auditor General of India (C&AG) in its draft report made certain comments on KG-DWN-98/3 block in KG Basin, RJ-ON-90/1 block in Barmer and Panna-Mukta-Tapti field in Mumbai offshore area. The Draft audit observations received from C&AG have been replied by this Ministry on 8th July 2011 along with relevant comments received from the contractor in respect of KG-DWN-98/3 block. An exit conference was held by O/o C&AG on 12th July 2011 with the contractor and also with Directorate General of Hydrocarbons (DGH) and this Ministry. CAG has been requested to consider these replies before finalizing the audit report. As the report is in the draft stage and yet to be finalized and tabled in the Parliament, no comments can be made on the contents of the report.

(e) & (f): No, Madam.