

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

UNSTARRED QUESTION NO:1917
ANSWERED ON:23.08.2012
AUDIT OF CAIRN-ONGC
Aaron Rashid Shri J.M.

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

- (a) whether public-private partnership of Cairn-ONGC have been covered under CAG ambit; and
- (b) if so, the details thereof?

Answer

Minister of State in the Ministry of Petroleum & Natural Gas (SHRI R. P. N. SINGH)

(a) to (b) : As per PSC, Government has right to audit the accounting records of contractor in respect of petroleum operation. Considering the large stake involved in the form of Royalty and Profit Petroleum, the Ministry of Petroleum & Natural Gas had requested Comptroller & Auditor General (C&AG) to undertake a special audit of eight exploration fields/blocks including Pre-NELP Block RJ-ON-90/1 in which Oil and Natural Gas Corporation being licensee holds 30% Participating Interest (PI), Cairn Energy India Pty. Ltd. being operator holds 35% PI and Cairn Energy Hydrocarbons Ltd. holds 35% PI. However, C&AG conducted special audit in respect of four blocks including RJ-ON-90/1 for the 2006-07 & 2007-08. The final report on the Performance audit of Hydrocarbons Production Sharing Contracts (PSCs) has been tabled in the Parliament by Comptroller and Auditor General (C&AG) and the same is under consideration of Public Accounts Committee.

Currently, on the request of MOP&NG, C&AG has agreed to conduct audit of block RJ-ON-90/1 for the Financial Years 2008-09 to 2011-12.