

**SECOND REPORT
COMMITTEE ON PUBLIC UNDERTAKINGS
(2014-2015)
(SIXTEENTH LOK SABHA)**

**PURCHASE OF CONDENSATE AT CRUDE OIL PRICE BY OIL & NATURAL GAS
CORPORATION LIMITED
[BASED ON AUDIT PARA NO. 13.5.1 OF C&AG'S REPORT NO. 9 OF 2009-10]**

MINISTRY OF PETROLEUM AND NATURAL GAS

[Action taken by the Government on the observations / recommendations contained in the Twenty-eighth Report of Committee on Public Undertakings on purchase of condensate at crude oil price by Oil & Natural Gas Corporation Limited (Based on Audit para no. 13.5.1 of C&AG's Report no. 9 of 2009-10)]



Presented to Lok Sabha on 19.03.2015

Laid on the table of Rajya Sabha on 19.03.2015

LOK SABHA SECRETARIAT

NEW DELHI

March 2015 / Phalguna 1936(S)

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COMMITTEE ON PUBLIC UNDERTAKINGS
(2014 – 2015)

Chairperson

Shri Shanta Kumar

Members, Lok Sabha

2. Shri L. K. Advani
3. Shri Ramesh Bais
4. Shri Pankaj Chowdhary
5. Shri Nand Kumar Singh Chauhan
6. Shri Biren Singh Engti
7. Shri Dilipkumar Mansukhlal Gandhi
8. Dr. Kambhampati Haribabu
9. Shri Yogi Aditya Nath
10. Shri Baijayant Panda
11. Shri Prahlad Patel
12. Shri Ram Sinh Rathwa
13. Shri Rayapati Sambasiva Rao
14. Prof. Saugata Roy
15. Shri B. Senguttuvan

Members, Rajya Sabha

16. Shri Naresh Agrawal
17. Shri Narendra Budania
18. Shri Majeed Memon
19. Shri Muthukaruppan
20. Shri Rangasayee Ramakrishna
21. Shri C. M. Ramesh
22. Shri Tapan Kumar Sen

Secretariat

- | | |
|--------------------------|-------------------|
| 1. Smt. Sudesh Luthra | Joint Secretary |
| 2. Shri M.K. Madhusudhan | Director |
| 3. Shri Tirthankar Das | Deputy Secretary |
| 4. Shri Yogendra singh | Executive Officer |

INTRODUCTION

I, the Chairperson, Committee on Public Undertakings having been authorized by the Committee to submit the Report on their behalf, present this Second Report on action taken by the Government on the Observations / Recommendations contained in the Twenty-eighth Report of the Committee on Public Undertakings (Fifteenth Lok Sabha) on "Purchase of Condensate at crude oil price by ONGC Limited based on Audit Para No. 13.5.1 of &AG Report No. 9 of 2009-10".

2. The Twenty-eighth Report was presented to Lok Sabha / laid on the Table of Rajya Sabha on 5 February 2014. Replies of the Government to the Observations / Recommendations contained in the Report were received on 10 December 2014. The draft Report was considered and adopted by the Committee at their Sitting held on 28 January 2015. The Minutes of the Sitting are given in Appendix-I.

3. An analysis of the action taken by the Government on the Observations / Recommendations contained in the Twenty-eighth Report is given in Appendix-II.

New Delhi
11 March 2015
20 Phalguna, 1936(S)

SHANTA KUMAR
Chairperson
Committee on Public Undertakings.

CHAPTER I

REPORT

This Report of the Committee deals with the action taken by the Government on the Observations/Recommendations contained in the Twenty-eighth Report (Fifteenth Lok Sabha) of the Committee on Public Undertakings (2013-14) on “Purchase of Condensate at Crude Oil Price by ONGC based on Audit Para No. 13.5.1 of C&AG’s Report No. 9 of 2009-10” which was presented to Lok Sabha on the 5th February, 2014.

2. Action Taken notes have been received from the Government in respect of all the seven Observations / Recommendations contained in the Report. These have been categorized as follows:

- (i) Observations / Recommendations which have been accepted by the Government (Chapter II)
Sl. Nos. 1,2,3,4,5,6 and 7 (Total 7)
- (ii) Observations / Recommendations which the Committee do not desire to pursue in view of the Government’s replies (Chapter III) (NIL)
- (iii) Observations / Recommendations in respect of which replies of the Government have not been accepted by the Committee (Chapter IV) (NIL)
- (iv) Observations / Recommendations to which the Government have furnished interim replies. (Chapter V) (NIL)

3. The Government have accepted all the Observations / Recommendations made by the Committee in their Twenty-eighth Report (Fifteenth Lok Sabha). However, some replies of the Government have been commented upon in Chapter-I of the Report. The Committee desire that response to these comments should be furnished to them expeditiously.

4. The Committee will now deal with the Action Taken by the Government on some of the Observations/Recommendations in succeeding paragraphs.

Recommendation Serial No. 1

5. The Committee in their Twenty-eighth Report had recommended as follows:-

“The Committee are distressed to know the serious deficiencies in a commercial contract entered into between the Government of India, Oil and Natural Gas Corporation Limited (ONGC), Reliance Industries Limited (RIL) and British Gas Exploration and Production India Limited (BGEPIIL) formerly known as Enron Oil and Gas India Limited. The Production Sharing Contract (PSC) of the Tapti Gas

Field, a joint venture (JV) jointly operated by ONGC, RIL and BGEPIL was executed in December 1994. The PSC devised by ONGC did not provide for disposal of Tapti condensate and there was no separate pricing mechanism for condensate. The PSC was also silent about the appointment of Government nominee for purchase of the condensate and there was also no clarity in the PSC about delivery point of condensate which led to different interpretations. The Committees' pointed query seeking reasons for these lapses has not yielded any specific information. The Committee deplore the lapses on the part of ONGC and urge ONGC and the Ministry of Petroleum & Natural Gas to exercise extreme care in future and ensure that there are no shortcomings in commercial contracts."

6. The Ministry of Petroleum & Natural Gas in their action taken reply have stated that the observations of the Committee are pertinent and have been noted. Due care will be taken to avoid such short comings in future NELP PSCs.

7. The office of the C&AG in their comments on the action taken reply of the Government have stated that they have no further remarks to offer in view of the assurance given by MOP&NG that due care will be taken to avoid such short comings in future NELP PSCs.

8. In their response to the Audit observations, the Ministry have stated that no further reply appears necessary in view of the remarks of C&AG.

9. The Committee note that the Ministry of Petroleum and Natural Gas has assured to take due care to avoid shortcomings in future New Exploration and Licensing Policy Production Sharing Contracts (NELP PSCs). The Committee, however, desire that they be apprised of the safeguards proposed to be taken / incorporated in the future PSCs so as to obviate any ambiguity or loophole that may lead to different interpretations which can be exploited by the JV partners to their advantage.

Recommendation Serial No. 3

10. The Committee in their Twenty-eighth Report had recommended as follows:-

"ONGC is the transporter and processor of JV gas and its issues on fixation of transportation and processing charges were outstanding with the JV partners. The JV partners (viz., RIL and BGEPIL) insisted on valuation of condensate at crude oil price as a precondition for settlement of JV gas transportation and processing charges. ONGC entered into a 'settlement agreement' on 31 December 2005 (effective 1 April 2005) with JV partners which fixed pricing of condensate at crude oil price and resolved other issues like transportation and processing charges and delivery point, etc. The Committee see no reason why the issue of fixation of transport and processing charges was linked to valuation of condensate. Since the ONGC was legally entitled to receive transportation charges for JV gas, it should have gone for independent amicable settlement or

gone in for arbitration in the matter, particularly in view of Law Ministry's opinion that JV is liable to pay transportation charges to ONGC."

11. The Ministry of Petroleum & Natural Gas in their action taken reply have stated that Law Ministry examined the legal opinion obtained by ONGC from Additional Solicitor General of India, Shri Altaf Ahmed, which inferred that the cost of transportation of Panna-Mukta gas is to be borne by the Buyer or its nominee i.e. GAIL. The apparent conflict in various provisions of PSC in respect of delivery point of Panna-Mukta gas was acknowledged by Law Ministry and ONGC was not receiving transportation tariff either from sellers (JV) or from buyer (GAIL). Despite ONGC's efforts, the issue could not be resolved. In addition, there were pending issues w.r.t. interim nature of tariffs being paid by JV to ONGC for transportation & processing of Tapti gas, processing for Panna-Mukta gas and 10% gas sales revenue of Panna-Mukta lying in escrow account. In the absence of absolute certainty about the legal position w.r.t. Panna-Mukta Transportation Tariff, ONGC thought it prudent to enter into an omnibus 'Settlement Agreement' with JV partners. However, as advised by the Committee earlier, care would be taken to avoid such shortcomings in future.

12. The office of the C&AG in their remarks on the reply of the Government have stated that they have no further remarks to offer in view of the assurance given by MOP&NG that due care will be taken to avoid such short comings in future.

13. In their response to the Audit observations, the Ministry have stated that no further reply appears necessary in view of the remarks of C&AG.

14. The Committee do not subscribe to the justification given by the Ministry of Petroleum and Natural Gas with regard to ONGC's decision to enter into an omnibus 'Settlement Agreement' with JV partners on transportation/processing issues. The Committee may like to emphasise that ONGC was legally entitled to receive transportation charges for JV gas as per the opinion of Ministry of Law. The Committee may like to reiterate their earlier stand that ONGC should have explored legal alternative / arbitration to settle this transportation issue with JV partners instead of entering into an omnibus agreement with its JV partners. Now when the Ministry has assured that due care would be taken to avoid such shortcomings in future, the Committee hope and trust that due caution would be exercised in future while finalizing such contracts to ensure that there remains no scope for ambiguities, which may place the Company in a disadvantageous position.

Recommendation Serial No. 7

15. In their original Report, the Committee had recommended as follows:-

"What irks the Committee is that the 'settlement agreement' in 2005 was made by ONGC without prior approval of the Board of Directors and without the approval of the Ministry of Petroleum & Natural Gas which was the first signatory to the original production sharing contract. Since the 'settlement agreement' with

huge financial implications replaced the operational interim arrangement which had been devised at the instance of the Ministry of Petroleum & Natural Gas in 1998, propriety demanded that prior approval of the Board of Directors and the Ministry of Petroleum & Natural Gas was taken before implementation of the 'settlement agreement'. It is regrettable that even the Ministry of Petroleum & Natural Gas ignored the question of propriety in the matter and drew satisfaction from the fact that Panna-Mukta & Tapti JV intimated them of the developments *expost facto*. The Committee hope that there will be no repetition of such lapses in future."

16. The Ministry in its action taken reply have stated that as has been suggested by the Committee, it is assured that due care will be taken to avoid such lapses in future.

17. The office of the C&AG in their remarks on the reply of the Government have stated that they have no further remarks to offer in view of the assurance given by MOP&NG that due care will be taken to avoid such short comings in future.

18. In their response to the Audit observations, the Ministry have stated that no further reply appears necessary in view of the remarks of C&AG.

19. In view of the assurance given by the Ministry, the Committee hope that the Government would take necessary steps to ensure that provisions of any agreement / interim arrangement between ONGC and other JV partners are not altered without the prior approval of the administrative Ministry. Moreover, due process / procedure in the Ministry should be followed in this regard. The Committee, accordingly, desire that the administrative Ministry should also evolve a mechanism to ensure that any violation in this regard should be dealt with severe penalties. The Committee would also like to be apprised of the steps taken by the Ministry in this regard.

CHAPTER II

RECOMMENDATIONS / OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation Serial No. 1

The Committee are distressed to know the serious deficiencies in a commercial contract entered into between the Government of India, Oil and Natural Gas Corporation Limited (ONGC), Reliance Industries Limited (RIL) and British Gas Exploration and Production India Limited (BGEPIIL) formerly known as Enron Oil and Gas India Limited. The Production Sharing Contract (PSC) of the Tapti Gas Field, a joint venture (JV) jointly operated by ONGC, RIL and BGEPIIL was executed in December 1994. The PSC devised by ONGC did not provide for disposal of Tapti condensate and there was no separate pricing mechanism for condensate. The PSC was also silent about the appointment of Government nominee for purchase of the condensate and there was also no clarity in the PSC about delivery point of condensate which led to different interpretations. The Committees' pointed query seeking reasons for these lapses has not yielded any specific information. The Committee deplore the lapses on the part of ONGC and urge ONGC and the Ministry of Petroleum & Natural Gas to exercise extreme care in future and ensure that there are no shortcomings in commercial contracts.

Reply of the Government

The observations of the committee are pertinent and have been noted. Due care will be taken to avoid such short comings in future NELP PSCs.

Remarks of office of C&AG on the reply of the Government

In view of the assurance given by MOP&NG that due care will be taken to avoid such short comings in future NELP PSCs , no further remarks are offered.

Reply of the Government.

In view of the remarks of C&AG no further reply appears necessary.

(Ministry of Petroleum & Natural Gas)
(O.M. No. O-37011/9/2010-ONG-II dated 26th November, 2014)

Comments of the Committee

Please see para 9 of Chapter I.

Recommendation Serial No. 2

The lacunae in the PSC with regard to disposal and pricing of condensate led to an interim arrangement whereby ONGC retained the JV condensate and in turn delivered its own gas to GAIL on energy equivalent basis as per the PSC gas pricing mechanism. The fact that the interim arrangement, made at the instance of the Ministry of Petroleum & Natural Gas, continued for almost seven years (i.e. from May 1998 to March 2005) shows the apathy with which the matter has been handled. The Committee feel that adhocism on the part of Ministry of Petroleum & Natural Gas in such a crucial matter is inexplicable. It is only in December 2005, the interim arrangement was replaced by a 'settlement agreement' which was signed between ONGC and JV partners.

Reply of the Government

In the absence of clear PSC provisions on the treatment of condensate as crude oil or gas the matter was referred to Law Ministry. The law ministry stated the matter as technical and sought comments from the ministry. GOI referred the matter to Engineers India Ltd. (EIL) for technical comments and also took up with concerned JV, Govt. nominee and DGH but the issue remained inconclusive due to which interim arrangement continued till 2005. In the absence of certainty about the legal position ONGC entered into "settlement agreement" after obtaining legal opinion. Due care will be taken to avoid such lapses in future.

Remarks of office of C&AG on the reply of the Government

In view of the assurance given by MOP&NG that due care will be taken to avoid such short comings in future, no further remarks are offered.

Reply of the Government.

In view of the remarks of C&AG no further reply appears necessary.

(Ministry of Petroleum & Natural Gas)
(O.M. No. O-37011/9/2010-ONG-II dated 26th November, 2014)

Recommendation Serial No. 3

ONGC is the transporter and processor of JV gas and its issues on fixation of transportation and processing charges were outstanding with the JV partners. The JV partners (viz., RIL and BGEPIL) insisted on valuation of condensate at crude oil price as a precondition for settlement of JV gas transportation and processing charges. ONGC entered into a 'settlement agreement' on 31 December 2005 (effective 1 April 2005) with JV partners which fixed pricing of condensate at crude oil price and resolved other issues like transportation and processing charges and delivery point, etc. The Committee see no reason why the issue of fixation of transport and processing charges

was linked to valuation of condensate. Since the ONGC was legally entitled to receive transportation charges for JV gas, it should have gone for independent amicable settlement or gone in for arbitration in the matter, particularly in view of Law Ministry's opinion that JV is liable to pay transportation charges to ONGC.

Reply of the Government

Law Ministry examined the legal opinion obtained by ONGC from Additional Solicitor General of India, Shri Altaf Ahmed, which inferred that the cost of transportation of Panna-Mukta gas is to be borne by the Buyer or its nominee i.e. GAIL. The apparent conflict in various provisions of PSC in respect of delivery point of Panna-Mukta gas was acknowledged by Law Ministry and ONGC was not receiving transportation tariff either from sellers (JV) or from buyer (GAIL). Despite ONGC's efforts, the issue could not be resolved. In addition, there were pending issues w.r.t. interim nature of tariffs being paid by JV to ONGC for transportation & processing of Tapti gas, processing for Panna-Mukta gas and 10% gas sales revenue of Panna-Mukta lying in escrow account. In the absence of absolute certainty about the legal position w.r.t. Panna-Mukta Transportation Tariff, ONGC thought it prudent to enter into an omnibus 'Settlement Agreement' with JV partners. However, as advised by the Committee earlier, care would be taken to avoid such shortcomings in future.

Remarks of office of C&AG on the reply of the Government

In view of the assurance given by MOP&NG for taking care to avoid such shortcomings in future, no further remarks are offered.

Reply of the Government.

In view of the remarks of C&AG no further reply appears necessary.

(Ministry of Petroleum & Natural Gas)
(O.M. No. O-37011/9/2010-ONG-II dated 26th November, 2014)

Comments of the Committee

Please see para 14 of Chapter I.

Recommendation Serial No. 4

ONGC justified its decision to value condensate at crude oil price on the basis of Article 19.11 of the PSC. Audit, relying on the proviso to Article 1.18 of the PSC, took the stand that condensate could be treated as crude oil only if the conditions laid down in the proviso are fulfilled. The Committee feel that the proviso to Article 1.18 which deals with the condensate from an oil field is not relevant in this case, as Tapti is a gas field and not an oil field. The definition of 'condensate' in Article 1.18 and pricing of condensate as stipulated in Article 19.11 are relevant.

Reply of the Government

As at para 4 the committee has stated that the definition of 'condensate' in Article 1.18 and pricing of condensate as stipulated in Article 19.11 are relevant. ONGC justified its decision to value condensate at crude oil price on the basis of Article 19.11 of the PSC which is as follow:-

The provisions specified above for the determination of the price of sales of Crude Oil shall apply mutatis mutandis to Condensates".

Remarks of office of C&AG on the reply of the Government

In view of COPU decision regarding applicability of Article 19.11 for pricing of Condensate, no further remarks are offered.

Reply of the Government.

In view of the remarks of C&AG no further reply appears necessary.

(Ministry of Petroleum & Natural Gas)
(O.M. No. O-37011/9/2010-ONG-II dated 26th November, 2014)

Recommendation Serial No. 5

The Committee note that the joint meeting held on 13-14 April 1998 (at the instance of Ministry of Petroleum & Natural Gas), wherein representatives of ONGC, EIL and DGH were present had inter-alia concluded that 'the well fluid produced at Tapti field contains hydrocarbons which fall under the definition of natural gas and condensate due to their being in vapour phase and liquid phase respectively at normal temperature and pressure conditions.' It is also noteworthy to mention that a Committee constituted by the Ministry of Petroleum & Natural Gas in September 1998 comprising senior technical experts of GAIL and ONGC concluded that the composition of Tapti Gas Condensate matches almost with light stabilized crude oil and pointed out that 'gas condensate is not being treated as gas internationally.' The Committee note that barring problems in separation and measurement of the condensate, the interpretation arrived at by these bodies with respect to properties of condensate broadly conforms to the definition of condensate given in Article 1.18 of the PSC. Further, the legal opinion of Additional Solicitor General in this regard states that 'the price of the condensate produced from Mid & South Tapti Contract area is necessarily to be fixed under Article 19 of the PSC which means that Article 19.2 to 19.10 have to be applied, with the modification that the price has to be fixed with reference to the price of condensate and not of crude oil' also broadly conforms with the interpretation of ONGC. Taking into consideration the various views of the expert bodies and also given the fact that there is no separate pricing mechanism for condensate in the PSC, the Committee feel that condensate produced from Tapti Gas field (as defined in article 1.18) could not have been valued other than in accordance with Article 19.11.

Reply of the Government

Through settlement agreement ONGC is valuing 'condensate' as per provision of Article 19.11 as mentioned above which is in compliance with the observation of committee.

Remarks of office of C&AG on the reply of the Government

In view of COPU decision regarding applicability of Article 19.11 for pricing of Condensate, no further remarks are offered.

Reply of the Government.

In view of the remarks of C&AG no further reply appears necessary.

(Ministry of Petroleum & Natural Gas)
(O.M. No. O-37011/9/2010-ONG-II dated 26th November, 2014)

Recommendation Serial No. 6

Though, EIL study of 2005 concluded that condensate should be treated as gas, the Ministry of Petroleum & Natural Gas had categorically stated that EIL Report has not been accepted by them as it was not required as per PSC. However, Audit has contended that the Ministry had accepted EIL recommendations. The Committee, however, are of the view that as per PSC, 'gas' and 'condensate' are two different products with different characteristics and 'one' cannot be treated as 'the other'.

Reply of the Government

As per Article 1.18 of PSC 'condensate' is defined as follow:-

Condensate means those low vapour pressure hydrocarbons obtained from Natural Gas through condensation or extraction and refers solely to those hydrocarbons that are liquid at normal surface temperature and pressure conditions (provided that in the event Condensate is produced from an Oil Field and is segregated and transported separately to the Delivery Point, then the provisions of this Contract shall apply to such Condensate as if it were Crude Oil). Accordingly the 'Gas and 'Condensate' are two different products and are to be treated separately as per PSC provisions."

Remarks of office of C&AG on the reply of the Government

In view of COPU decision regarding applicability of Article 19.11 for pricing of Condensate, no further remarks are offered.

Reply of the Government.

In view of the remarks of C&AG no further reply appears necessary.

(Ministry of Petroleum & Natural Gas)
(O.M. No. O-37011/9/2010-ONG-II dated 26th November, 2014)

Recommendation Serial No. 7

What irks the Committee is that the 'settlement agreement' in 2005 was made by ONGC without prior approval of the Board of Directors and without the approval of the Ministry of Petroleum & Natural Gas which was the first signatory to the original production sharing contract. Since the 'settlement agreement' with huge financial implications replaced the operational interim arrangement which had been devised at the instance of the Ministry of Petroleum & Natural Gas in 1998, propriety demanded that prior approval of the Board of Directors and the Ministry of Petroleum & Natural Gas was taken before implementation of the 'settlement agreement'. It is regrettable that even the Ministry of Petroleum & Natural Gas ignored the question of propriety in the matter and drew satisfaction from the fact that Panna-Mukta & Tapti JV intimated them of the developments *expost facto*. The Committee hope that there will be no repetition of such lapses in future.

Reply of the Government

As has been suggested by the Committee, it is assured that due care will be taken to avoid such lapses in future.

Remarks of office of C&AG on the reply of the Government

In view of the assurance given by MOP&NG that due care will be taken to avoid lapses in future, no further remarks are offered.

Reply of the Government.

In view of the remarks of C&AG no further reply appear necessary.

(Ministry of Petroleum & Natural Gas)
(O.M. No. O-37011/9/2010-ONG-II dated 26th November, 2014)

Comments of the Committee

Please see para 19 of Chapter I.

CHAPTER III

RECOMMENDATIONS /OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES

- NIL -

CHAPTER IV

**RECOMMENDATIONS / OBSERVATIONS IN RESPECT OF WHICH REPLIES OF
THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE**

- NIL -

CHAPTER V

RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED

- NIL -

**New Delhi,
11 March 2015
20 Phalguna1936(S)**

**SHANTA KUMAR
Chairperson,
Committee on Public Undertakings.**

COMMITTEE ON PUBLIC UNDERTAKINGS
(2014-2015)

MINUTES OF THE ELEVENTH SITTING OF THE COMMITTEE

The Committee sat on Wednesday, the 28th January 2015 from 1500 hrs to 1640 hrs in Room No. '53', Parliament House, New Delhi.

PRESENT

Shri Shanta Kumar - Chairperson

MEMBERS

Lok Sabha

2. Shri Lal Krishna Advani
3. Shri Prahlad Patel
4. Shri Rayapati Sambasiva Rao
5. Prof. Saugata Roy

Rajya Sabha

6. Shri Naresh Agrawal
7. Shri Narendra Budania
8. Shri Rangasayee Ramakrishna
9. Shri C.M. Ramesh
10. Shri Tapan Kumar Sen

SECRETARIAT

- | | |
|--------------------------|------------------|
| 1. Smt. Sudesh Luthra | Joint Secretary |
| 2. Shri M.K. Madhusudhan | Director |
| 3. Shri Tirthankar Das | Deputy Secretary |
| 4. Shri G.C. Prasad | Deputy Secretary |

OFFICE OF C&AG

Shri P.K. Mishra - Director General (Commercial)

WITNESSES

MINISTRY OF CORPORATE AFFAIRS

1. Shri Naved Masood Secretary
2. Smt. Anjuly Chib Duggal Special Secretary
3. Smt. Sibani Swain Economic Adviser
4. Shri Amardeep Singh Joint Secretary
Bhatia

2. XXXX XXXX XXXX XXXX

(C&AG officials were then called in.)

3. The Committee, then, considered the draft Action Taken Report on the action taken by the Government on the observations/recommendations contained in the Twenty-eighth Report of Committee on Public Undertakings (Fifteenth Lok Sabha) on purchase of condensate at crude oil price by ONGC and adopted the same without any change.

(C&AG officials then withdrew.)

(XXXX XXXX XXXX)

4. XXXX XXXX XXXX XXXX

5. XXXX XXXX XXXX XXXX

The witnesses then withdrew.

A verbatim record of the proceedings has been kept separately.

The Committee then adjourned.

APPENDIX - II

(Vide para 3 of the Introduction)

Analysis of the action taken by Government on the Observations / Recommendations contained in the Twenty-eighth Report of the Committee on Public Undertakings on “Purchase of Condensate at Crude Oil Price by ONGC based on Audit Para No. 13.5.1 of C&AG’s Report No. 9 of 2009-10”.

I	Total number of Recommendations	07
II	Recommendations that have been accepted by the Government [vide Recommendations at Sl. Nos. 1,2,3,4,5,6 and 7] Percentage of total	07 100%
III	Recommendation which the Committee do not desire to pursue in view of Government’s replies	Nil
IV	Recommendations in respect of which replies of the Government have not been accepted by the Committee	Nil
V	Recommendations in respect of which final replies of Government are still awaited.	Nil