

## Ind directors forced ONGC's hand on gas row with RIL

**New Delhi:** The Board of ONGC, led by its vocal independent directors and government nominee, had forced the firm's management to take legal recourse that has now led to a damning finding that Rs 11,000 crore worth of its natural gas had flowed to neighbouring block of Reliance Industries.

It all started in July 2013 when a review of the firm's eastern offshore oil and gas campaign by the just appointed Director (Exploration) Narendra Kumar Verma led to suspicion that ONGC's Krishna Godavari basin block KG-DWN-98/2 and Godavari-PML are connected with adjoining KG-D6 block of RIL.

Immediately after the review, Oil and Natural Gas Corp (ONGC) wrote to the Directorate General of Hydrocarbons (DGH) seeking data of RIL block, sources with direct knowledge of the development said. Not much moved on the ONGC request for next few months.

When in March 2014, Dinesh K Sarraf took over as the Chairman and Managing Director of ONGC, he decided to inform the Board of the possible dispute.

The Board, however, asked for a proper presentation on the issue and when that was made on April 24, 2014 independent directors, including Om Prakash Bhatt, former SBI chairman and Samir Kumar Barua of IIM-Ahmedabad sought all steps including legal recourse to protect the company's interest, they said. When it was stated that legal recourse would also mean making the government a party to the dispute, Giridhar Aramane, who was then Joint Secretary (Exploration) in the Oil Ministry and government nominee director on ONGC Board, stated that the state-owned company should not hesitate.

Aramane, sources said, pressed ONGC to take action including making government a party to the dispute as he felt government was an interested party. The then Oil Secretary Saurabh Chandra was consulted and a writ petition was filed in Delhi High Court against RIL and the Government of India in May. The then oil minister M Veerappa Moily, however, had not taken kindly to ONGC making the government a party, calling it "signs of systemic failure" and ordered an enquiry and to "fix accountability either within the ministry, DGH or ONGC for mishandling the matter and allowing it to escalate to this level". ■