

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

UNSTARRED QUESTION NO:3392  
ANSWERED ON:15.04.2010  
FINANCIAL ASSISTANCE TO OIL COMPANIES  
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**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

(a) whether Oil and Natural Gas Corporation, Oil India Limited and GAIL India Ltd. provided financial assistance to bail out Indian Oil Corporation, Hindustan Petroleum Corporation Ltd. and Bharat Petroleum Corporation Ltd.

(b) if so, the assistance provided for the purpose, Company-wise;

(c) whether the dividend of these companies has reduced as a result thereof;

(d) if so, the reaction of the Government in this regard;

(e) whether this financial assistance had the approval of the Government; and

(f) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI JITIN PRASADA)

(a) to (f): The details of the price discounts given by the upstream oil PSUs to the Public Sector Oil Marketing (OMCs) during the years 2007-08 and 2008-09 are as under:

(Rs. crore)  
Upstream Oil Companies    2007-08    2008-09

ONGC        22000    27374

OIL         2307    2932

GAIL        1401    1694

TOTAL    25708    32000

OMCs

IOC         14324    18064

HPC        5409    6618

BPC        5975    7318

TOTAL    25708    32000

In addition ONGC and OIL provided Rs.943 crore during 2008-09 as compensation for the import losses of the three OMCs

The details of the rate of dividend paid by the Upstream Oil Companies during the years 2007-08 and 2008-09 are given below:

Upstream Oil Companies	2007-08	2008-09
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ONGC	320%	320%
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OIL	275%	305%
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GAIL	100%	70%
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The price discounts given by the upstream oil PSUs to the OMCs are a part of the equitable burden sharing mechanism which the Government has been following, to insulate the consumer from the full impact of high and volatile international oil prices.