GOVERNMENT OF INDIA PETROLEUM AND NATURAL GAS LOK SABHA

UNSTARRED QUESTION NO:4554
ANSWERED ON:06.08.2009
STATUTORY LEVIES ON CRUDE OIL PRODUCED FROM BARMER FIELDS
Dharmshi Shri Babar Gajanan

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

- (a) whether the Oil and Natural Gas Corporation (ONGC) has been allowed to shed its obligation to pay statutory levies on crude produced from Barmer fields;
- (b) if so, the reasons therefor; (c) whether the ONGC has to pay royalty on Barmer oil even if ONGC gives up its stake;
- (d) if so, the reaction of the Union Government thereon; and
- (e) the steps taken by the Union Government in this regard?

Answer

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

- (a) and (b) No, Madam.
- (c) to (e) As per the provisions of Production Sharing Contract for the Block RJ-ON-90/1, royalty is payable by the Licensee. Oil and Natural Gas Corporation Ltd. (ONGC), being the licensee of the Block, RJ-ON-90/1, is liable to pay royalty in respect of mineral oil produced from the Block.