

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

UNSTARRED QUESTION NO:3214  
ANSWERED ON:30.08.2012  
OIL AND GAS PRODUCTION BY ONGC  
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**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

- (a) whether the Oil and Natural Gas Corporation (ONGC) was established with the primary objective of crude oil and natural gas production;
- (b) if so, the details thereof along with the level of achievement of ONGC in the said field;
- (c) whether the ONGC has diverted from its primary objective and has been involved in other commercial activities from time to time;
- (d) if so, the reasons therefor along with the reaction of the Government thereto; and
- (e) the steps being taken by the Government to ensure that the primary objective of crude oil and natural gas production upto the desired level is achieved by ONGC?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI R.P.N. Singh)

(a) to (e): The Oil and Natural Gas Corporation(ONGC) was established with a view to promote development of Petroleum resources, for production and sale of such products, and develop core competence in Exploration & Production(E&P) activities. In line with its objectives, ONGC is engaged in exploration and production of crude oil and Natural Gas from various fields. During the year 2011-12, ONGC has produced 23.713 Million Metric Tonne(MMT) of crude oil and 23.316 Billion Cubic Meter(BCM) of Natural Gas.

In order to strengthen its operations and achieve downward integration, ONGC has entered into associated businesses such as Petrochemical, Biotech, Liquefied Natural Gas(LNG), C2-C3 extraction and power generation in a limited way. These activities are also in line with the main objectives of the ONGC, and further supplements the functioning of the Company. The total expenditure on these activities constituted 2.23% and 0.80% of the total plan expenditure incurred/allocated by ONGC during the 11th and 12th Plan (projections) respectively.