

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

UNSTARRED QUESTION NO:5178
ANSWERED ON:26.04.2013
PRODUCTION OF GAS BY ONGC
Ram Shri Purnmasi

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

- (a) whether the Oil and Natural Gas Corporation Limited (ONGC) produces 40 per cent of the total production of natural gas in the country;
- (b) if so, the details thereof;
- (c) whether the ONGC is bearing heavy losses due to sale of gas at prices below its production cost;
- (d) if so, the estimated amount of loss borne by the said company during the years 2011-12 and 2012-13; and
- (e) the average cost of production of gas incurred by the said company during 2011-12 and 2012-13 along with the norms adopted for determining the cost of production of gas during the said period?

Answer

Minister of State in the Ministry of PETROLEUM & NATURAL GAS (SMT. PANABAACA LAKSHMI)

- (a) & (b) During the year 2011-12, Oil and Natural Gas Corporation Limited (ONGC) produced about 23.32 Billion Cubic Meters (BCM) of gas which was about 49% of total gas production of 47.56 BCM in the country during that year. Similarly, during the year 2012-13, the total gas production in the country was about 40.68 BCM, of which ONGC produced about 23.55 BCM (i.e. 58%) of gas.
- (c) No, Madam. ONGC is not bearing any losses on sale of gas.
- (d) Does not arise in view of reply at (c) above.
- (e) The average cost of production of gas incurred by ONGC during 2011-12 was Rs. 6,132/Thousand Cubic Meter (TM3). The accounts for 2012-13 are under finalization and audit.

Cost of production includes operating cost, recouped cost (depreciation, depletion survey and dry wells) and statutory levies and excludes return on capital employed.