

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

UNSTARRED QUESTION NO:4594
ANSWERED ON:21.02.2014
SUBSIDY BURDEN OF ONGC
Dhruvanarayana Shri R. ;Krishnaswamy Shri M.

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

- (a) whether the subsidy burden of the Oil and Natural Gas Corporation Limited (ONGC) has risen in the recent years;
- (b) if so, the details thereof; and
- (c) the steps being taken by the Government to reduce the subsidy burden of the ONGC?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SMT. PANABAACA LAKSHMI)

(a) and (b): Oil and Natural Gas Corporation Limited(ONGC)'s share of under-recoveries during the last three years is as under:

Year	ONGC's share of under-recoveries (Rs. in crore)
2010-11	24,892
2011-12	44,466
2012-13	49,421
2013-14 (9 months i.e. upto 31.12.2013)	40,182

(c): The extent of sharing by Public Sector Upstream Oil Companies, inter-alia, depends on the quantum of total under-recoveries incurred by OMCs and the burden sharing formula finalized by the Government. As per the existing burden sharing mechanism effective since 1st April, 2011, ONGC is required to contribute @USD 56/barrel on net production of crude oil (including condensate).