

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
LOK SABHA
UNSTARRED QUESTION NO: 2044
ANSWERED ON:11.08.2011
PROFITS RECORDED BY ONGC, OIL AND GAIL
HARSH VARDHAN

(a):whether Oil and Natural Gas Corporation (ONGC), Oil India Limited (OIL), Gas Authority of India Ltd. (GAIL) and private sector gas companies had recorded profits during the last three years;

(b):if so, the details thereof;

(c):the contribution of ONGC, OIL and GAIL to central exchequer through duties, taxes, royalty and dividends during the said period;

(d):whether the Government has formulated any principle to determine which agency or agencies should bear the burden of an increase in international prices and to what extent; and

(e):if so, the details thereof?

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

ANSWER

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

(a) & (b): Profits recorded by Oil and Natural Gas Corporation Limited (ONGC), Oil India Limited (OIL) and Gas Authority of India Limited (GAIL) during the last 3 years are as under:

(Rs. In Crore/and in round figure)

Oil Company	2008-09	2009-10	2010-11
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ONGC	16,126	16,768	18,924
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OIL	2,162	2,611	2,888
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GAIL	2804	3140	3561
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Profits of Private Sector Gas Companies are neither reported to nor monitored by this Ministry.

(c): The contributions of ONGC, OIL and GAIL to central exchequer through duties, taxes, royalty and dividends during the last three years are as under:-

(Rs. In Crore/and in round figure)

Oil Company	2008-09	2009-10	2010-11
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ONGC	23,688	22,780	24,495
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OIL	4,177	4,359	4,652
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(d) & (e): To protect the consumer and the economy from the increasing price volatility and uncertainty of international oil prices since 2004-05, Government has been modulating the retail selling prices of the sensitive petroleum products, namely, Diesel, PDS Kerosene and Domestic LPG.

The Government has evolved a Burden Sharing Mechanism to ensure that the burden of increase in international prices is shared by all the stakeholders; in the following manner:

#Government through issue of Oil Bonds/ Cash assistance;

#Domestic upstream oil companies through price discounts to Oil Marketing Companies (OMCs);

#OMCs to bear a portion of the under recoveries; and

#Consumer to bear minimal price increases.