

LOSSES TO ONGC ON SALE OF GAS

New Delhi: December 17, 2009

The Minister of State for Petroleum & Natural Gas Shri Jitin Prasada informed the Lok Sabha in a written reply today that ONGC incurred a loss of Rs. 2,423 crores in sale of gas during 2008-09 and no estimates are available for the year 2009-10. He further said that during 2008-09, out of the total gas production of 32847 MMSCM, ONGC produced 22486 MMSCM, which is 68.46% of the total gas production. The average cost of production of gas by ONGC, during 2008-09 is Rs. 4,559/thousand SCM, he added.

Shri Prasada also told the House that Administrative Pricing Mechanism (APM) gas produced from blocks allotted to ONGC is sold to APM customers at the price fixed by Government of India. The price of APM gas for Power and Fertilizer Sector is Rs. 3200/ thousand SCM for outside the North East and Rs. 1920/thousand SCM in North-East. Further, the price of gas to court mandated customers, i.e., for City Gas Distribution (CGD) projects and Taj Trapezium Zone (TTZ), and small customers, i.e. those consuming upto 50,000 standard cubic metres per day (SCMD), is Rs. 3840/thousand SCM outside North-East and Rs. 2304/ thousand SCM in North-East.