

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
QUESTION NO 02.03.2010
ANSWERED ON
ACQUISITION OF OIL AND GAS ASSETS OVERSEAS

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Dr. T. Subbarami Reddy

Will the Minister of COAL, HEALTH AND FAMILY WELFARE, INFORMATION AND BROADCASTING, PETROLEUM AND NATURAL GAS be pleased to state :-

- (a) Whether he has written to the Finance Minister to consider setting up a fund that will aid domestic public sector companies in acquiring oil and gas assets overseas;
- (b) if so, whether it has been pointed out that as competition in the overseas market is tough and to establish a strong footing apart from quick decisions, huge investments are required;
- (c) whether as a strategy, a focal point is required to pursue such acquisition; and
- (d) if so, by what time a final decision in this regard is likely to be taken?

ANSWER

MINISTER OF PETROLEUM & NATURAL GAS

(SHRI MURLI DEORA)

(a) to (d): As per Presidential Address to Parliament on 04.06.2009 the Government is committed to pursue India's oil diplomacy aggressively which include consultations with concerned agencies/stake holders. Keeping in view requirements of Energy Security for the country, it has been suggested to consider the idea of creation of a sovereign fund focused on resource acquisition. Presently, the acquisition of overseas Exploration and Production (E&P) assets by oil Public Sector Undertakings (PSUs) and funding thereof is based on commercial considerations based on strategy adopted by the respective oil PSUs.