

GOVERNMENT OF INDIA  
MINISTRY OF PETROLEUM AND NATURAL GAS  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO-1723**  
ANSWERED ON- 18/12/2023

**MERGER OF MRPL KARNATAKA WITH HPCL**

1723 Shri Narayana Koragappa:

Will the Minister of Petroleum and Natural Gas be pleased to state:

(a) whether it is a fact that Mangalore Refinery and Petrochemicals Ltd. (MRPL) is going to be merged with Hindustan Petroleum Corporation Ltd. (HPCL);

(b) if so, the details thereof and advantages of merger of MRPL with HPCL and details of cash outgo after the merger, if any;

(c) whether MRPL has identified Karnataka to set up green hydrogen production capacity;

(d) if so, the details thereof;

(e) the anticipated time for completion of the project and starting of the production; and

(f) the details of funds so far allocated, released and spent by MRPL on above green hydrogen production capacity in Karnataka?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS  
(SHRI RAMESWAR TELI)

(a) & (b) A study was conducted by Oil and Natural Gas Corporation Ltd. (ONGC) in 2020 and a Committee of Eminent Experts (CEE) was constituted by the Government in 2022, which inter-alia included the issue of review of synergies/integration of various subsidiaries/downstream entities/Strategic Business Units (SBUs) of ONGC including Mangalore Refinery and Petrochemicals Ltd. (MRPL) and Hindustan Petroleum Corporation Ltd. (HPCL). Merger of organizations is based on the requirements of business, feasibility and economic considerations. Integrated oil and gas companies have lower volatility in comparison to pure upstream or downstream companies. Integration also mitigates the risk of volatility in prices. There may however be some negative points also. Any decision in this regard therefore requires careful and detailed assessment. No timeline has been determined in this regard so far. The details of cash outgo for or after the merger cannot be worked out at this stage.

(c) to (f) MRPL has announced plans to set up 3 Kilo Tonnes Per Annum (KTPA) capacity Green Hydrogen Plant in phased manner by 2026.

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