

LOK SABHA

UNSTARRED QUESTION No. 1593

TO BE ANSWERED ON 5th MARCH, 2018

MERGER OF OIL COMPANIES

1593. SHRI SISIR KUMAR ADHIKARI:

पेट्रो लयम और प्राकृतिक गैस मंत्री

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

(a) whether the Government proposes to merge all Public Sector oil companies into single entity and if so, the details thereof along with the reasons for the said mega merger of oil companies; and

(b) the State-wise Corporate Social Responsibility and finance participation by Public Sector Undertakings of Ministry of Petroleum and Natural Gas during the last three years?

ANSWER

पेट्रो लयम और प्राकृतिक गैस मंत्री

(श्री धर्मेन्द्र प्रधान)

MINISTER OF PETROLEUM & NATURAL GAS

(SHRI DHARMENDRA PRADHAN)

(a): In the Budget Speech of 2017-18 on February 1, 2017, Finance Minister had *inter alia* stated that “we see opportunities to strengthen our CPSEs through consolidation, mergers and acquisitions. By these methods, the CPSE can be integrated across the value chain of an industry. It will give them capacity to bear higher risks, avail economies of scale, take higher investment decisions and create more value for the stakeholders. Possibilities of such restructuring are visible in the Oil and Gas sector. We propose to create an integrated public sector ‘Oil Major’ which will be able to match the performance of international and domestic private sector oil and gas companies”.

Consequent to approval to the Government of India’s decision to sell its existing 51.11% shareholding in HPCL to ONGC, for total consideration of Rs. 36,915 crore, Share Purchase Agreement was entered into. Accordingly, the Share Purchase Agreement was executed on 20.1.2018 between President of India and ONGC.

The closing of the transaction for strategic acquisition of 51.11% paid-up capital in HPCL from Government of India took place on 31st January, 2018.

(b): The details of total amount spent under Corporate Social Responsibility (CSR) along with projects / programmes undertaken by major oil Public Sector Undertakings of Ministry of Petroleum and Natural Gas for the last three years are available in their respective Annual Reports and at their websites at [www.ongcindia.com](http://www ONGCIndia.com), www.gailonline.com, www.bharatpetroleum.com, www.iocl.com, www.hindustanpetroleum.com, www.oil-india.com and www.engineersindia.com.
