

LOK SABHA

UNSTARRED QUESTION No. 2631

TO BE ANSWERED ON 12th MARCH, 2018

ACQUISITION OF GAIL

2631. ADV. M. UDHAYAKUMAR:

पेट्रो लयम और प्राकृतिक गैस मंत्री

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

(a) whether Indian Oil Corporation Limited and Bharat Petroleum Corporation Limited are keen to acquire gas utility GAIL India Limited to become fully integrated energy companies;

(b) if so, the details thereof;

(c) whether it is a fact that GAIL feels a merger with ONGC would be more appropriate; and

(d) if so, the details thereof along with the reaction/views of the Government thereto?

ANSWER

पेट्रो लयम और प्राकृतिक गैस मंत्री

(श्री धर्मेन्द्र प्रधान)

**MINISTER OF PETROLEUM & NATURAL GAS
(SHRI DHARMENDRA PRADHAN)**

(a) to (d): 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”.

As far as GAIL (India) Limited (GAIL) is concerned, Indian Oil Corporation Limited (IOCL) and Bharat Petroleum Corporation Limited (BPCL) had written to the Ministry for integration with GAIL (India) Limited. However, Government has not taken any decision in this regard.
