

MINISTRY OF PETROLEUM AND NATURAL GAS
LOK SABHA
UNSTARRED QUESTION No. 1370
TO BE ANSWERED ON 11th February, 2019

Profits of Oil Companies

1370. SHRI VENKATESH BABU T.G.:

Will the Minister of PETROLEUM AND NATURAL GAS

पेट्रोलियम और प्राकृतिक गैस मंत्री

be pleased to state:

- (a) Whether the profits of Public Sector oil companies had been greatly reduced over the years;
- (b) If so, the details thereof during the last three years, year-wise and the reasons for such decline;
- (c) Whether the Government has taken any steps to improve the operations and profits of these loss making companies and if so, the details thereof;
- (d) Whether the Government proposes to merge the State-owned oil firms; and
- (e) If so, the details thereof and the time by which the above proposal is likely to be implemented?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्री

(श्री धर्मन्द्र प्रधान)

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

(a) to (c): None of the Public Sector Oil Companies under Ministry of Petroleum and Natural Gas has shown declining profit in Financial Year 2017-18 in comparison to Financial Year 2015-16. The details of the profits of Public Sector Oil Companies over the past 3 years are at Annexure.

(d) and (e): 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 this, Government of India’s existing 51.11% shareholding in HPCL was sold to ONGC for a total consideration of Rs. 36,915 crore and the transaction for strategic acquisition of 51.11% paid-up capital in HPCL from Government of India was effected on 31st January, 2018.

Annexure

Profit after Tax of PSUs (in Rs. Crore)			
Name of PSU	2015-16	2016-17	2017-18
OIL	2330.11	1548.68	2667.93
MRPL	1148.16	3643.69	2224.12
BLC	240	254	261
NRL	1222	2101	2045
ONGC	16140	17900	19945
GAIL	2226	3503	4618
HPCL	3726	6209	6357
CPCL	74.187	102.975	91.293
EIL	276.19	325.04	377.87
IOCL	11242	19106	21346
BPCL	7056.36	8039.3	7919.34