

Acquisition of State run oil PSUs by ONGC

127. DR. V MAITREYAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the Government has given nod for the acquisition of certain State run oil PSUs and allied companies by ONGC;
- (b) if so, the details thereof and the funds allocated for the same;
- (c) the effective steps taken by Government to make such projects economically viable and profit making and the Union Government's stand on this; and
- (d) the steps taken by Government for the smooth execution of mergers and acquisitions of companies by ONGC in near future?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) and (b) With due facilitation from Government, Oil and Natural Gas Corporation (ONGC) acquired 51.11% equity stake in Hindustan Petroleum Corporation Limited (HPCL) from Government of India on January 31, 2018 by paying ₹ 36,915 crore. The acquisition was funded by ONGC through internal accruals of ₹12,034 crore and external borrowing of ₹ 24,881 crore.

(c) and (d) This acquisition in the oil sector created a vertically integrated public sector 'Oil Major' company having presence across the entire value chain, giving ONGC enhanced capacity to bear higher risks and take higher investment decisions. The acquisition of HPCL by ONGC will result in significant synergies, in terms of optimization of logistics costs, research and development activities, economies of scale of purchase of crude oil and optimization in refinery operations. An in-principle agreement was arrived at in a meeting held on 17.4.2018 to merge Mangalore Refinery and Petrochemicals Limited (MRPL) and ONGC Mangalore Petrochemicals Limited (OMPL) with HPCL.

Impact of stopping oil imports from Iran

128. SHRI SANJAY RAUT: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the US has told all countries, including India to stop their oil imports from Iran by November or face sanctions;
- (b) if so, Government's reaction thereto;

(c) whether Government has asked refiners to prepare for a drastic reduction or zero imports of Iranian oil from November;

(d) if so, the details/reasons thereof indicating how it will impact the country's oil import bill due to such decision; and

(e) the details of steps taken/proposed to be taken by Government for safeguarding the national interests in importing oil from other countries?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) On 8th May, 2018, the USA announced that it is walking out of the Joint Comprehensive Plan of Action with Iran and released a Frequently Asked Questions regarding the re-imposition of sanctions on entities engaged with Iran, including import of crude oil.

(b) Indian refineries import crude oil from diverse sources including from Iran, depending on their technical and commercial considerations.

(c) to (e) Oil PSUs import crude oil mainly keeping in view the domestic requirement. The price of crude oil is determined by many factors, including demand and supply in the global market.

Inability of Ujjawala beneficiaries in refilling cylinders

†129. SHRI MAHESH PODDAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether large section of beneficiaries of Ujjawala Scheme are not using LPG gas due to their inability to refill their cylinder because of economic reasons and they are once again depending upon traditional harmful fossil fuel, the details thereof;

(b) whether Government is considering to provide support/grant/subsidy for refilling the cylinder to the beneficiaries of free gas connection under the Ujjawala Scheme; and

(c) if not, whether Government would consider to make small cylinders available to homemakers keeping in view of their poor economic conditions, if so, by when and if not, the reasons therefor?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) Oil Marketing Companies (OMCs) have reported that average refill

†Original notice of the question was received in Hindi.