

**GOVERNMENT OF INDIA  
PETROLEUM AND NATURAL GAS  
LOK SABHA**

UNSTARRED QUESTION NO:4252  
ANSWERED ON:26.08.2004  
MERGING BPCL AND HPCL WITH ONGC AND CIL WITH IOC  
Rao Shri Kavuru Samba Siva

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

- (a) whether the Government has any proposal for merging BPCL and HPCL with ONGC and Coal India Ltd., with IOC to create two oil behemoths;
- (b) if so, the details thereof;
- (c) whether the Government has held any meeting with Chief Executives of these companies;
- (d) if so, the response/suggestions given by the Chief Executives in this regard; and
- (e) the further steps taken by Government in this regard?

**Answer**

MINISTER OF PETROLEUM AND NATURAL GAS AND PANCHAYATI RAJ (MANI SHANKAR AIYAR)

- (a): There is no formal proposal at present under consideration of the Government for merging of Oil Companies in the public sector.
- (b): Does not arise.
- (c), (d) & (e): Meetings with the Chief Executives of the public sector oil companies are held regularly in the Ministry of Petroleum and Natural Gas to discuss issues pertaining to the emerging trends in the petroleum sector and performance of oil companies. While deliberating on the core competency of the public sector oil companies in the context of the liberalization of policy for oil industry in the country, Chief Executives have also discussed various options of developing an integrated approach of business growth and diversification. Evaluation of options for improving competency of the public sector oil companies is a continuous process in the Ministry.