

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

UNSTARRED QUESTION NO:6464  
ANSWERED ON:09.05.2002  
PURCHASE OF REFINERY BY ONGC  
UMMAREDDY VENKATESWARLU

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

- (a) whether ONGC has expressed their desire in forward integration and has sought to purchase a refinery and also marketing companies;
- (b) if so, whether the Government have assessed the impact of ONGC leaving its core business activity;
- (c) if so, the impact of ONGC diversifying in this manner;
- (d) the steps proposed to ensure that ONGC concentrates on finding new sources of oil in the country; and
- (e) the steps proposed to ensure that ONGC is more focused on its principal activity ?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLUEM & NATURAL GAS AND MINISTER OF STATE IN THE MINIS' PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR )

(a) to (c): Oil and Natural Gas Corporation Limited (ONGC) has informed that it has interest in forward integration of its activities in line with its mission to be an integrated company in the energy business. ONGC has, however, no plans at this stage for purchase of a refinery or entering into the refining business on its own. ONGC has also informed that its focus and core activity would continue to be in finding new sources of oil and gas in the country and in acquiring equity oil abroad. Any future equity participation by ONGC in downstream companies / facilities would, however, provide synergy to its business.

(d) & (e): ONGC is planning to significantly step up exploration activities in frontier basins, particularly deepwater, during the X Plan period, as a part of its reserve accretion enhancement programme. Further, ONGC has made plans to invest about Rs. 12,000 Crore in augmenting oil/gas production and increasing the ultimate recovery from its 15 major fields.