

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

UNSTARRED QUESTION NO:3388
ANSWERED ON:24.03.2005
MERGER OF IBP WITH IOC
Sarvey Shri Sathyanarayana

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

- (a) whether there is any proposal to merge IBP Company Limited with Indian Oil Corporation (IOC);
- (b) if so, the details thereof; and
- (c) the time by which the final decision is likely to be taken in this regard?

Answer

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

(a) & (b): Indian Oil Corporation Limited (IOC) have proposed the merger of their subsidiary company, IBP Co. Limited, with themselves. This proposal is being processed in view of the almost identical business of the two companies, and in the expectation that the merger of the two companies would result in consolidation of the business of the marketing of petroleum products and thus strengthen the position of the merged entity, in the market by enabling it to harness and optimize the synergies of the two companies.

(c) The proposal is under consideration of Government. It is not possible to indicate any time-frame by which a final decision will be taken by Government in the matter.