

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

UNSTARRED QUESTION NO:3186  
ANSWERED ON:30.08.2012  
DIVERSIFYING OF ACTIVITIES BY HPCL  
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**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

- (a) whether the Hindustan Petroleum Corporation Limited (HPCL) is diversifying its activities in other fields such as acquisition of exploration and production assets, developing gas business, establishment of a new Greenfield refinery along the coast of Maharashtra and aviation sector;
- (b) if so, the details thereof;
- (c) the number of jobs likely to be created with the setting up of new refinery and the details of financing of the refinery project;
- (d) the total number of petroleum outlets and LPG distributors of HPCL in Maharashtra at present along with those proposed to be opened during the next three years;
- (e) whether the HPCL is also considering to acquire ten City Gas Distribution (CGD) networks; and
- (f) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R P N SINGH)

(a) & (b) HPCL has been in Exploration & Production (E&P) business since 1998 through Joint Venture (JV) company, "Prize Petroleum". HPCL has started investment in E&P independently since 2004. Presently, HPCL is handling the E&P business through Prize Petroleum (a wholly own subsidiary of HPCL).

In order to meet the marketing demand of the petroleum products, HPCL has plans to set up a 9 MMTPA capacity Greenfield refinery in Ratnagiri District of Maharashtra. Detailed Feasibility Study has been carried out and land acquisition activities have been initiated. HPCL has also submitted application for Terms of Reference (ToR) to Ministry of Environment & Forests for environment clearance. However, the Ratnagiri District is under environmental moratorium till December, 2012. The feasibility of the project will therefore depend on lifting of environmental moratorium.

(c) As per the detailed feasibility report of Maharashtra Refinery Project (MRP), direct employment for 600 has been envisaged. The incentive package required from the Government of Maharashtra is yet to be finalized and financing of the proposed project will be worked out subsequently.

(d) There are 1227 Retail Outlets (ROs) of HPCL in Maharashtra and there is a proposal to set up approximately 220 additional ROs in the next three years. HPCL has 492 Liquefied Petroleum Gas (LPG) distributorships (Regular 430 + 62 Rajiv Gandhi Gramin LPG Vitran Yojna (RGGLVY)) in the State of Maharashtra. HPCL has also advertised 93 locations for LPG distributorships including RGGLVY and these are likely to be commissioned during the next three years.

(e) & (f) HPCL is considering to enter the City Gas Distribution (CGD) Network on its own or through a Joint Venture Company. Apart from existing business, HPCL is actively participating in Petroleum & Natural Gas Regulatory Board (PNGRB) bidding rounds for CGD Network for authorization in various cities.