

NO SUBSIDIARY CREATION FOR ASSAM OPERATIONS OF ONGC

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Several speculative media reports have appeared in recent past to the effect that ONGC has decided to hive off Assam operations through creation of a separate subsidiary company. Apparently, such misleading news items have hurt the sentiments of the *people of Assam* and have created avoidable confusion, anxiety and uncertainty among the masses regarding ONGC's operations in the *State of Assam*

Factually such reports have emanated out of certain reviews in ONGC as well as in the Ministry of Petroleum and Natural Gas. Various options for improving productivity in Assam Asset through appropriate changes in the decision making process and a more focused approach with improved professional support to local management, have been contemplated. One of the options examined was creating a wholly owned subsidiary of Assam Asset (like ONGC Videsh Limited).

Some of the local organizations in the *State of Assam* have also resorted to protests including direct action, leading to disruption of operations, including loss of production, which has actually hurt the economy of Assam.

ONGC has, time and again, clarified on the issue reaffirming its commitment towards uninterrupted continuation of its operations in Assam for improvement in the production of oil and gas from its oil fields. ONGC has also clarified that there is no decision to separate Assam Asset from ONGC and the ONGC Management continues to commit its total support in terms of resources including manpower, finance, technical expertise etc.

The matter has further been discussed with the Ministry of Petroleum and Natural Gas, Govt. of India and after due deliberations **it has been decided that there shall be no creation of subsidiary company for ONGC operations in the *State of Assam*.**

ONGC shall continue to remain committed to make **Tomorrow Brighter for the people of Assam.**