



**STANDING COMMITTEE ON
PETROLEUM & NATURAL GAS
(2019-20)**

SEVENTEENTH LOK SABHA

MINISTRY OF PETROLEUM & NATURAL GAS

**DEMANDS FOR GRANTS
(2019-20)**

FIRST REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2019 / Agrahayana, 1941 (Saka)

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Presented to Lok Sabha on 11.12.2019

Laid in Rajya Sabha on 11.12.2019



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NEW DELHI**

December, 2019 / Agrahayana, 1941 (Saka)

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(iii)

COMPOSITION OF THE STANDING COMMITTEE ON PETROLEUM & NATURAL GAS
(2019-20)

LOK SABHA

Shri Ramesh Bidhuri- Chairperson

2	Shri Dibyendu Adhikari
3	Smt. Chinta Anuradha
4	Dr. Ramesh Chand Bind
5	Shri Pradyut Bordoloi
6	Shri Girish Chandra
7	Shri Topon Kumar Gogoi
8	Shri Naranbhai Kachhadiya
9	Shri Santosh Kumar
10	Shri Rodmal Nagar
11	Shri Unmesh Bhaiyyasaheb Patil
12	Shri Gautham Sigamani Pon
13	Shri M.K. Raghavan
14	Shri Chandra Sekhar Sahu
15	Shri Dilip Saikia
16	Dr. Bharatiben Dhirubhai Shyal
17	Shri Janardan Singh Sigriwal
18	Shri Lallu Singh
19	Shri Vinod Kumar Sonkar
20	Shri Ajay Tamta
21	Shri Rajan Baburao Vichare

RAJYA SABHA

22	Shri Ripun Bora
23	Shri Narain Dass Gupta
24	Smt. Kanta Kardam
25	Shri Kanakamedala Ravindra Kumar
26	Shri Om Prakash Mathur
27	Shri Narayan Lal Panchariya
28	Shri Ahmed Patel
29	Shri K.K. Ragesh
30	Shri A. Vijayakumar
31	Ch. Sukhram Singh Yadav

SECRETARIAT

1	Smt. Abha Singh Yaduvanshi	Joint Secretary
2	Shri H. Ram Prakash	Director
3	Shri Tirthankar Das	Additional Director
4	Shri Mohan Arumala	Under Secretary

INTRODUCTION

I, the Chairperson, Standing Committee on Petroleum & Natural Gas having been authorised by the Committee to submit the Report on their behalf present this First Report on 'Demands for Grants (2019-20) of the Ministry of Petroleum & Natural Gas'.

2. The Committee examined the Demands for Grants (2019-20) pertaining to the Ministry of Petroleum & Natural Gas which were laid on the Table of the House on 19.07.2019.

3. The Committee took evidence of the representatives of the Ministry of Petroleum & Natural Gas at their sitting held on 05.11.2019. The Report was considered and adopted by the Standing Committee on Petroleum and Natural Gas on 09.12.2019.

4. The Committee wish to express their thanks to the representatives of the Ministry of Petroleum and Natural Gas for furnishing the material and information in connection with the examination of Demands for Grants (2019-20) of the Ministry and for giving evidence before the Committee.

5. The Committee also place on record their appreciation for the valuable assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

New Delhi;
9 December, 2019
18 Agrahayana, 1941 (Saka)

RAMESH BIDHURI,
Chairperson,
Standing Committee on
Petroleum & Natural Gas.

REPORT

PART – I

INTRODUCTORY

India is one of the fastest growing countries in the world. With the growth in population and improvement in socio-economic developments, India's energy demand is expected to rise consequently. Considerable progress has been made in improving energy access in the country in the recent years. India's energy vision centers around energy access, energy efficiency, energy sustainability and energy security. It is primarily concerned with exploration and production of oil and natural gas, refining, distribution, marketing, import, export and conservation of petroleum products.

India today is the third largest consumer of energy. It is the third largest consumer of crude oil in the world. Similarly, India is the fourth largest refiner of crude oil in the world and it is also the country with third largest number of vehicles plying with CNG. Both oil and natural gas are put together contribute to 36.2 per cent of India's primary energy consumption in 2018. Therefore, oil and natural gas will continue to play a critical role for many years to come.

In this backdrop, the mandate of the Ministry and the initiatives taken by it towards achieving the priorities have been analysed in the subsequent paragraphs.

MANDATE OF THE MINISTRY

1.2 The mandate of the Ministry of Petroleum and Natural Gas is provided in **Annexure-I**.

1.3 The details of PSUs, Organisations and Boards that are functioning under the administrative control of the Ministry is provided in **Annexure-II**.

A. BUDGETARY ALLOCATIONS

1.4 With regard to the total budget allocated to the Ministry of Petroleum and Natural Gas during the financial year 2019-20 along with actual for 2017-18, BE, RE and expenditure made during each quarter of 2018-19 along with the details of allocations

made and expenditure incurred during the last two years under different heads, the Ministry have submitted the following information:

<u>Total Budget Allocation during 2019-20, Actuals 2017-18, BE, RE and Expenditure made during each quarter of 2018-19</u>								
(Rs.in crore)								
Actual 2017-18	BE 2018-19	RE 2018-19	Actual Expenditure made during each quarter of 2018-19					BE 2019-20
			Q.1	Q.2	Q.3	Q.4	Total	
33192.06	31100.55	32464.74	14179.99	12005.23	1937.25	4498.52	32620.99	42901.49

Details of allocation made and expenditure incurred during last two years under different heads, year-wise

Heads	2017-18 Actuals	2018-19 BE	2018-19 RE	2018-19 Actuals	2019-20 BE	Percentage increase of BE 2019-20 over	
						Actuals 2017-18	Actuals 2018-19
DBT for LPG	13097.13	16477.80	16477.80	16477.80	29500.00	125.24	79.03
Other Subsidy payable including NE Region (Domestic Natural Gas)	282.40	608.00	513.38	498.58	674.00	138.67	35.18
Project Management Expenditure	25.00	92.00	92.00	92.00	91.00	264.00	-1.09
DBT for Kerosene	34.25	96.00	96.00	96.00	168.00	390.51	75.00
Other Subsidy payable including NE Region (Kerosene)	8661.87	4200.00	4200.00	4200.00	4058.00	-53.15	-3.38
Grant in Aid to State Govts. for Establishment of institutional mechanism for direct transfer of subsidy in cash for PDS Kerosene beneficiaries	2.40	4.00	0.00	0.00	5.00	108.33	-
Grant in Aid to UT Govts. for Establishment of institutional mechanism for direct transfer of subsidy in cash for PDS Kerosene beneficiaries	0.00	1.00	0.00	0.00	1.00	-	-
Cash incentive to State Govts. for Kerosene Distribution Reforms	105.00	252.00	252.00	272.31	254.00	141.90	-6.72
Cash incentive to UT Govts. for Kerosene Distribution Reforms	0.63	2.00	2.00	0.26	3.00	376.19	1053.85
Payment of Differential Royalty to State Govts.	7004.67	2325.51	4255.00	4255.00	1954.00	-72.10	-54.08
Petroleum Regulatory Board (PNGRB) Non-Salary	10.37	10.47	10.47	10.47	10.47	0.96	0.00
Petroleum Regulatory Board (PNGRB) Salary	7.97	7.90	18.25	18.25	9.19	15.31	-49.64
Society for Petroleum Laboratory (SFPL) Non-Salary	2.21	2.30	2.30	1.93	2.45	10.86	26.94
Society for Petroleum Laboratory (SFPL) Salary	0.12	0.12	0.12	0.12	0.14	16.67	16.67
ISPRL (O&M)	19.93	80.00	80.00	75.33	120.00	502.11	59.30
Rajiv Gandhi Institute of Petroleum Technology (RGIPT)	121.75	0.00	0.00	0.00	0.00	-100.00	-
LPG connection to Poor Households (PMUY)	2251.81	3200.00	3200.00	3200.00	2724.00	20.97	-14.88
Phulpur-Dhamra-Haldia Pipeline Project	400.00	0.00	2413.20	1206.60	2758.71	589.68	128.64
Indian Institute of Petroleum Energy (IIPE)	1.00	0.00	24.00	24.00	31.82	3082.00	32.58
Establishment of RGIPT Centre, Assam	0.00	0.00	0.01	0.00	1.00	-	-
Establishment of Centre of Excellence for Energy, Bangalore	0.00	0.00	0.01	0.00	1.00	-	-
National Bio-Fuel Fund	0.00	0.00	0.00	0.00	1.00	-	-
Pradhan Mantri JI-VAN Yojana	0.00	0.00	0.00	0.00	37.87	-	-
Total (A):	32028.51	27359.10	31636.54	30428.65	42405.65	32.40	39.36

PERCENTAGE INCREASE OF BE 2019-20 OVER 2017-18 (ACTUAL) AND 2018-19 (ACTUAL)

Heads	2017-18 Actuals	2018-19 BE	2018-19 RE	Actuals 2018-19	2019-20 BE	Percentage increase of BE 2019-20 over	
						Actuals 2017-18	Actuals 2018-19
Secretariat Economic Services (Rs/Lakh)							
Salaries	2361.52	2432.00	2523.00	2613.70	2699.00	14.29	3.26
Wages	0.00	0.10	0.10	0.00	0.10	-	-
Overtime Allowance	0.29	0.90	0.90	0.14	0.90	210.34	542.86
Domestic Travel Expenses	29.73	40.00	80.00	79.62	76.00	155.63	-4.55
Foreign Travel Expenses	119.95	150.00	138.00	99.54	100.00	-16.63	0.46
Office Expenses	482.38	340.00	340.00	332.60	285.00	-40.92	-14.31
Professional Services	19.96	22.00	22.00	13.89	22.00	10.22	58.39
Contribution	128.50	145.00	151.00	148.63	154.00	19.84	3.61
Publication	0.30	1.00	1.00	0.63	1.00	233.33	58.73
Other Administrative Expenses	34.16	30.00	30.00	29.97	30.00	-12.18	0.10
Medical Expenses	29.97	34.00	44.00	33.83	40.00	33.47	18.24
Information Technology	54.25	50.00	50.00	49.57	50.00	-7.83	0.87
Swachhata Action Plan(SAP)	0.00	0.00	0.00	0.00	55.00	-	-
Sub Total(Secretariat Economic Services)(B)(in Lakh Rupees)	3261.01	3245.00	3380.00	3402.12	3513.00	7.73	3.26
							(in crore)
Total Revenue(A+B)(Gross)	32061.10	27391.55	31670.34	30462.67	42440.78	32.37	39.32
Recoveries	-0.05	-	-1206.60	-	-1206.60		
Total Revenue(Net)	32061.05	27391.55	30463.74	30462.67	41234.18	28.61	35.36
Capital Section							(in crore)
*Phulpur-Dhamra-Haldia Pipeline Project	0.00	1674.00	0.00	0.00	0.00	-	-
Payment to ISPRL for Strategic Crude Oil Reserve	1121.28	700.00	700.00	608.14	1.00	-99.91	-99.84
Payment to ISPRL for construction of caverns	0.00	1.00	1.00	0.00	1.00	-	-
*Indian Institute of Petroleum Energy (IIPE)	0.00	32.00	0.00	0.00	0.00	-	-
* Centre of Excellence for Energy, Assam	0.00	1.00	0.00	0.00	0.00	-	-
*Centre of Excellence for Energy, Bangalore	0.00	1.00	0.00	0.00	0.00	-	-
National Seismic Programme	9.73	1300.00	1300.00	1300.00	1623.26	16583.04	24.87
Issue of Bonus shares by OIL	0.00	0.00	250.18	250.18	0.00	-	-
Interest free Loan to Biecco-Lawrie	0.00	0.00	0.00	0.00	42.05	-	-
Total Capital Section(Gross)	1131.01	3709.00	2251.18	2158.32	1667.31	47.42	-22.75
Receipts	-	-	-250.18	-250.18	-		
Total Capital Section(Net)	1131.01	3709.00	2001.00	1908.14	1667.31	47.42	-22.75
Grand Total(Gross)	33192.11	31100.55	33921.52	32620.99	44108.09	32.89	35.21
Grand Total(Net)	33192.06	31100.55	32464.74	32370.81	42901.49	29.25	31.51

*The amount was shifted to Revenue Section by obtaining Supplementary Demands for Grants (First Batch) 2018-19.

1.5 When asked to state the reasons for substantial increase in the BE 2019-20 over the actual expenditure of 2018-19, the Ministry have submitted the following information:

“The Budget provision of 2019-20 is Rs. 42901.49 crore. The overall increase of Rs. 10280 crore in BE 2019-20 over previous year has been on account of arrears which were carried forward. An overview of the actuals of 2018-19, arrears and allocations in 2019-20 for major schemes is given below:

Revenue Head

S. No.	Name of Schemes	Actuals 2018-19	Arrears as on 01.04.2019	Allocation – BE 2019-20
1.	DBT for LPG	16478	27162	29500
2.	Other Subsidy payable including NE (Domestic NG)	499	252	674
3.	Project Management Expenditure	92	278	91
4.	DBT for Kerosene	96	111	168
5.	Other Subsidy payable including NE region (Kerosene)	4200	4902	4058
6.	LPG to Poor Households (PMUY)	3200	3330	2724
7.	Payment of Differential Royalty to State Govts.	4255	1900	1954
8.	Cash incentive to State Govts. for Kerosene Distribution	272	461	254
	Grand Total	29092	38396	39423

Also, a provision of Rs.42.05 crore in the form of Interest free loan has been made towards meeting liabilities arising out of sundry creditors and other liabilities on account of closure of Biecco Lawrie Limited including offering of Voluntary Retirement scheme/ Voluntary Separation Scheme to the employees of BLL.

For new schemes of National Bio-Fuel Fund and Pradhan Mantri JI-VAN Yojana, a provision of Rs.1.00 crore and 37.87 crore have been made in BE 2019-20”.

Further, during the sitting of the Committee held on 05.11.2019 w.r.t. the increase of Rs.10280 crore in BE 2019-20 when compared to previous financial year, the representative of the Ministry has replied as under:

“.....we have commenced taking crude from U.S.A., we are in constant touch with Russia also. The Minister has visited there, the Prime Minister is also visiting there, CMD is also on the visit there, so the talks are holding over there. Sir, I would like to tell you the two things. Sir, the additional amount that we received Rs. 10,000 to 12,000 was pendency for the previous year meant for making payment under Direct Benefit Transfer for LPG and Direct Benefit Transfer for Kerosene. That is why, this amount has come. As you stated, the amount of Rs.

74 crore was required to paid, which has not been paid so far. That is part of the agreement signed with them. Bill has not been raised as on date, that is why we have not paid it yet”.

B. CAPITAL RECEIPTS

1.6 On being asked about the reasons for variations in the capital section of the Ministry between the previous financial year 2018-19 and the current financial year 2019-20, the Ministry have submitted the following reply:

“At Budget Estimates 2018-19 stage, a provision of Rs. 3709.00 crore was kept under Capital Section. The major portion of Capital allocation was kept in three schemes namely Phulpur-Dhamra-Haldia Pipeline Project (Rs.1674 crore), Payment to Indian Strategic Petroleum Reserve Limited (ISPRL) for Crude Oil Reserve (Rs.700 crore) and National Seismic Programme (Rs.1300 crore). As ‘Phulpur-Dhamra-Haldia Pipeline Project’ is being implemented by Gas Authority of India (GAIL), Ministry of Finance advised that the scheme allocation should be shown in Revenue Section. Accordingly, Parliament approval was taken and at RE 2018-19 stage, the provision for the ‘Phulpur-Dhamra-Haldia Pipeline Project’ was moved to Revenue Section. The provision for the scheme of ‘Phulpur-Dhamra-Haldia Pipeline Project’ has been retained in Revenue Section for the financial year 2019-20.

The provision for the schemes of ‘Establishment of IPE at Vishakhapatnam’, ‘Establishment of RGIPT, Assam and ‘Establishment of Centre of Excellence for Energy, Bangalore’ has also been kept in the Revenue Section in BE 2019-20. The allocation for the scheme of ‘Payment to Indian Strategic Petroleum Reserve Limited (ISPRL) for Crude Oil Reserve’ has been reduced at Rs.1.00 crore in the current financial year, as approvals for this scheme have not yet been received. The details are as under:

(Rupees in crore)

Sl.No.	Name of the Scheme	BE 2018-19	BE 2019-20
		Capital	Capital
1.	PhulpurDhamraHaldia Pipeline Project	1674.00	0.00
2.	National Seismic Programme	1300.00	1623.26
3.	Payment to Indian Strategic Petroleum Reserve Limited (ISPRL) for Crude Oil Reserve	700.00	1.00
4.	Payment to ISPRL for construction of caverns Phase-II	1.00	1.00
5.	Establishment of IPE at Vishakhapatnam	32.00	0.00
6.	Establishment of RGIPT, Assam	1.00	0.00
7.	Establishment of Centre of Excellence for Energy, Bangalore	1.00	0.00
8.	Biecco Lawrie Limited	0.00	42.05
	Total	3709.00	1667.31

C. PAYMENT OF DIFFERENTIAL ROYALTY TO STATE GOVERNMENTS

1.7 When asked about the reasons for variations in the 'Payment of Differential Royalty to States' between the previous financial year 2018-19 and the current financial year 2019-20, the Ministry have submitted the information as under:

"Allocation for 'Payment of Differential Royalty to States' has been provided to clear outstanding differential royalty of Rs. 15340.48 crore, as decided by MOF arising from an out of court settlement. In last three financial years through Budgetary Grants of Ministry of Petroleum & Natural Gas, an amount of Rs. 13,440.48 crore has already been paid. In BE 2019-20 a provision of Rs. 1954 crore was made, out of which an amount of Rs.1900.00 crore was released towards remaining committed liability on account of payment for differential royalty. Thus, due to lower liability of the outstanding differential royalty component, there is variation in BE of 2019-20 as compared to previous year".

D. PRADHAN MANTRI UJJWALA YOJANA

1.8 In order to provide clean cooking fuel to poor households in the country, the Government has launched "Pradhan Mantri Ujjwala Yojana (PMUY)" to provide 8 crore deposit-free LPG connections to women belonging to poor families. The target of 8 crore has already been achieved on 7th September, 2019, seven months ahead of the target date. The maximum beneficiaries of the scheme are from under-privileged sections of the society, viz. SCs/STs, OBCs and minorities. Implementation of PMUY has led to increase in national LPG coverage to 96.5%.

1.9 On being asked about the fund allocations made and utilised for PMUY in 2018-19 along with the targets set and actual number of beneficiaries since the launch of the scheme and the total number of LPG connections both state-wise and company-wise till date, the Ministry have replied as under:

"During Financial Year 2018-19, the Government had made a provision of Rs. 3200 crore for Pradhan Mantri Ujjwala Yojana (PMUY) and the allocated fund was fully utilised. The Government had fixed target to release 8 crore LPG connections under the Scheme by March 2020 and the same was achieved by 7th September, 2019. As on 23.10.2019, Oil Marketing Companies (OMCs) have released more than 8.03 crore LPG connections since inception of the Scheme. State-wise/company-wise details as under:

State/Company-wise LPG connections released (in lakh) under PMUY as on 23.10.2019				
State	BPC	HPC	IOC	OMC
	Connections released	Connections released	Connections released	Connections released
Andaman and Nicobar Islands	-	-	0.13	0.13
Andhra Pradesh	1.18	1.69	1.03	3.91
Arunachal Pradesh	0.01	-	0.44	0.45
Assam	6.62	3.63	24.69	34.94
Bihar	22.75	26.78	36.16	85.69
Chandigarh	0.00	0.00	0.00	0.00
Chhattisgarh	5.69	8.52	15.78	29.99
Dadra and Nagar Haveli	-	0.15	-	0.15
Daman and Diu	0.00	0.00	-	0.00
Delhi	0.25	0.19	0.33	0.77
Goa	0.00	0.01	0.00	0.01
Gujarat	7.52	7.45	14.10	29.08
Haryana	2.40	2.20	2.72	7.31
Himachal Pradesh	0.33	0.35	0.69	1.36
Jammu and Kashmir	1.95	6.95	3.41	12.31
Jharkhand	6.38	8.96	17.58	32.92
Karnataka	7.43	10.13	13.95	31.50
Kerala	0.62	0.62	1.33	2.56
Lakshadweep	-	-	0.00	0.00
Madhya Pradesh	18.76	18.35	34.68	71.79
Maharashtra	15.73	17.52	11.12	44.37
Manipur	0.06	-	1.51	1.57
Meghalaya	0.10	0.01	1.40	1.51
Mizoram	-	-	0.28	0.28
Nagaland	0.08	0.00	0.47	0.55

Odisha	12.95	14.96	19.57	47.49
Puducherry	0.05	0.05	0.03	0.14
Punjab	4.08	2.76	5.40	12.25
Rajasthan	19.27	18.18	26.46	63.92
Sikkim	0.00	0.00	0.08	0.09
Tamil Nadu	7.22	8.57	16.64	32.43
Telangana	2.92	3.29	4.54	10.75
Tripura	-	-	2.72	2.72
Uttar Pradesh	43.94	33.45	70.44	147.83
Uttarakhand	0.99	0.69	2.36	4.05
West Bengal	21.59	21.11	46.04	88.74
Total	210.87	216.58	376.10	803.55

1.10 When asked about the details of funds allocated for PMUY during the financial year 2019-20 along with the number of beneficiaries proposed to be added during the year, the Ministry have submitted the following replies:

“Budget Estimates for the Financial Year 2019-20 for the Scheme is Rs.2724 crore. A target of 2 crore connections under PMUY was fixed for the year 2019-20. However, the total target to release 8 crore LPG connections under the Scheme was achieved on 7th September, 2019”.

1.11 When specifically asked about the national average of LPG refill cylinders in respect of PMUY beneficiaries and also about state-wise details in the country, the Ministry have provided the following details:

“The annual refill consumption of PMUY beneficiaries who have enrolled in the initial two years of the Scheme, i.e. from May 2016 to May 2018, for the last one year, i.e. from October 2018 to September 2019 is 3.08 cylinders. State/UT-wise details are as given below:

INDUSTRY PMUY REFILL CONSUMPTION STATUS REPORT		
Consumer Enrolled during May 2016 to May 2018 and Refill Consumed by these Consumers from 01-10-2018 to 30-09-2019		
S No.	State Name	Average Refill Consumptions
1	ANDHRA PRADESH	3.34
2	ASSAM	2.82
3	BIHAR	3.31
4	GOA	3.94
5	GUJARAT	3.96
6	JAMMU & KASHMIR	2.37
7	KERALA	3.49
8	MADHYA PRADESH	2.35
9	TAMILNADU	3.33
10	MAHARASHTRA	3.03
11	KARNATAKA	3.53
12	ODISHA	2.65
13	PUNJAB	4.22
14	RAJASTHAN	2.98
15	UTTAR PRADESH	3.28
16	WEST BENGAL	3.01
17	HARYANA	5.22
18	HIMACHAL PRADESH	3.79
19	CHHATTISGARH	1.96
20	JHARKHAND	2.59
21	UTTARAKHAND	4.22
22	MANIPUR	4.73
23	MEGHALAYA	3.03
24	NAGALAND	3.65
25	SIKKIM	4.16
26	TRIPURA	3.04
27	ANDMAN & NIKOBAR	4.61
28	ARUNACHAL PRAD.	3.98
29	CHANDIGARH	6.00
30	DELHI	8.36
31	DADRA&NAGARHAV.	2.67
32	TELANGANA	2.85
33	DAMAN & DIU	4.25
34	LAKSHADEEP	3.01
35	MIZORAM	4.25
36	PUDUCHERY	4.94

1.12 Further, when asked about the national average consumption of LPG refill cylinders along with the state-wise details in the country, the Ministry have submitted the following information:

“The national domestic average/per capita LPG consumption for the year 2018-19 is 6.25 cylinders (14.2 kg.) per annum, State/UT-wise details are as given below:-

Domestic average LPG Consumption for FY 2018-19	
STATE/UT	Average refill consumption of 14.2 kg cylinder per year
ANDAMAN & NICOBAR	7.99
ANDHRA PRADESH	5.59
ARUNACHAL PRADESH	6.37
ASSAM	5.13
BIHAR	5.74
CHANDIGARH	9.84
CHATTISGARH	3.97
DADRA & NAGAR HAVELI	6.26
DAMAN & DIU	7.53
DELHI	10.54
GOA	7.02
GUJARAT	7.14
HARYANA	8.24
HIMACHAL PRADESH	5.97
JAMMU & KASHMIR	5.17
JHARKHAND	5.17
KARNATAKA	6.76
KERALA	6.64
LAKSHADWEEP	4.49
MADHYA PRADESH	5.25
MAHARASHTRA	6.77
MANIPUR	5.42
MEGHALAYA	6.08
MIZORAM	6.49
NAGALAND	6.79
ORISSA	4.86
PONDICHERRY	7.05
PUNJAB	7.71
RAJASTHAN	6.03
SIKKIM	7.60

TAMILNADU	6.27
TELANGANA	5.50
TRIPURA	5.67
UTTAR PRADESH	6.27
UTTRANCHAL	7.44
WEST BENGAL	5.76
All India	6.25

1.13 When asked about the plans of the Ministry to extend PMUY to people living in urban areas who are just above poverty line, the Ministry have stated as under:

“The Government had fixed target to release 8 crore LPG connections under the Scheme by March 2020 and the same was achieved by 7th September, 2019. Currently, no such proposal is under consideration of the Government to extend the PMUY”.

1.14 Also about the other sizes of LPG cylinders available to domestic consumers and commercial establishments along with the provision of subsidy in respect of 5 kg LPG cylinders, the Ministry have provided the following details:

“LPG cylinders for domestic consumers are available with the capacity of 14.2 kg and 5 kg. However, Commercial LPG is marketed by Oil Marketing Companies (OMCs) in the following capacity of cylinders:

OMCs	Details of commercial cylinders					
IOCL	19 Kg	---	47.5 kg	425 Kg	---	5 Kg
HPCL	19 Kg	35 Kg	47.5 kg	425 Kg	2 Kg	5 Kg
BPCL	19 Kg	35 Kg	47.5 kg	422 Kg	2 Kg	5 Kg

Subsidy is provided to the 5 kg cylinder domestic LPG customers”.

1.15 On being enquired as to whether the Ministry of P&NG is contemplating to provide any additional financial assistance to PMUY beneficiaries of rural households under the scheme to boost up LPG cylinder consumption so that average number of refills are increased, the Ministry have stated as under:

“At present, no such proposal is under consideration of the Government. However, to enhance the distributorship network to cater the increased LPG customers, OMCs have advertised 6380 LPG distributorships under Unified guidelines which are mostly in rural areas, out of which 4152 have already been commissioned”.

1.16 When the Committee enquired about the availability and supply of various sizes of LPG cylinders, the representatives of the Ministry during the sitting held on

05.11.2019 provided the following details:

“.....since 14.2 kg cylinder, as the Hon. Member is saying, is slightly difficult to meet financially, we have introduced 5 kg cylinder at much cheaper rate. Now, 5 kg double bottle connection is being offered. We have also deferred the loan recovery from subsidy for the first six refills or one year, whichever is earlier. We are conducting education programmes. We are also now introducing this facility to the common service centres. To enhance and improve the uninterrupted supply of LPG, additional bottling capacity every year, through increased capacity bottling plants, is being done. A number of 80 new bottling plants have been planned in the next three years. OMCs have finalised 33 locations for privately owned bottling facilities on PPP model. A number of 6,380 new sites for LPG have been advertised out of which 4,152 have already been done. Therefore, as time progresses, more and more LPG supply will be available in the country. As of today, the current selling price of a gas cylinder of 14.2 kg is Rs. 681.50, and PMUY consumers need to pay only Rs. 525.60. The remaining amount of Rs. 155.9 will be borne by the Government”.

1.17 When asked about the amount of subsidy provided on the domestic LPG cylinder during the last three years along with the details of total subsidy incurred under sale of subsidized LPG cylinders to customers during the period, the Ministry have stated as under:

“The total subsidy/under-recovery under sale of subsidized LPG cylinders to customers during the last three years is given as under:-

(Rs. in crore)

Particulars	2016-17	2017-18	2018-19
DBTL subsidies	12,905	20,905	31,539
PMUY subsidies	2,999	2,559	5,683
Total Subsidy on LPG	15,904	23,464	37,222

1.18 When asked as to whether OMCs received all the subsidy amount for the year 2018-19 from the Government and also whether OMCs passed on the subsidy amount to their customers, the Ministry in its written reply have stated as under:

“As on date, OMCs have received majority of the subsidy amount on domestic LPG and PDS Kerosene for the year 2018-19 from the Government.

OMCs have passed on the subsidy amount to their customers”.

E. PRADHAN MANTRI URJA GANGA

1.19 When enquired about the estimated budgetary allocation for PMUG Yojana during the current financial year 2019-20 and how much funds have been allocated /

utilised for this project during 2018-19 and 2017-18, the Ministry have furnished the reply as under:

“Estimated budgetary allocation for PMUG Yojana during the current financial year 2019-20 is Rs. 3,550 crore. During FY 2017-18 and 2018-19, Rs. 1,648 crore and Rs. 4,550 crore have been utilized respectively. Details are as follow:

Category	FY 2017-18	FY 2018-19	FY 2019-20	
	Actual	Actual	Allocated / Budgeted	Actual till September 2019
Total Capital Expenditure (Rs. Crore)	1648	4550	3550	1322
Capital Grant released by Gol (Rs. Crore)	400	1206.6	1512	776.06

1.20 The Ministry has given the following updated status on the progress of PMUG project till date:

“GAIL is executing JHBDPL (Jagdishpur-Haldia-Bokaro-Dhamra) Pipeline of length 2655 km and Barauni – Guwahati Pipeline of length 729 Km under Pradhan Mantri Urja Ganga Project with an investment of Rs. 12,940 Cr and 3308 Cr respectively. Total length of pipeline under Pradhan Mantri Urja Ganga Project is approximately 3384 Km. Details are given as under:-

Sl.	Pipeline Name	Length (Km)	State	Status as on 24.10.2019
1	JagdishpurHaldia Pipeline- Section 1 (Phulpur to Dobhi (Gaya) with spurlines to Varanasi, Gorakhpur, Patna and Barauni)	750	Uttar Pradesh, Bihar	Pipeline has been commissioned
2	Dhamra-Angul Pipeline section (Section-2A)	400	Odisha	Work under progress
3	Bokaro- Angul Pipeline Project (Section-3A)	366	Jharkhand, Odisha	Work under progress
4	Dobhi-Durgapur Pipeline section (Section-2B)	500	Bihar, West Bengal, Jharkhand	Work under progress
5	Barauni-Guwahati Pipeline Project	729	Bihar, West Bengal, Assam	Work under progress
6	Durgapur- Haldia Pipeline Project (Section-3B)	335	West Bengal	RoU acquisition in progress.

1.21 When asked to provide details about the industrial sectors for which gas will be provided through the pipeline project, the Ministry have submitted the following reply:

“The Jagdishpur-Haldia-Bokaro-Dhamra Pipeline- Barauni Guwahati (JHBDPL-BGPL) shall traverse through states of Uttar Pradesh, Bihar, Jharkhand, Odissa, West Bengal and Assam. Apart from the main trunk-line of approx. 2551 Kms, there would be spur-lines of approx. 3315 Kms for Gorakhpur, Varanasi, Patna, Sindri, Durgapur, Samblapur, Jamshedpur, Raurkela, Cuttack, Bhubaneshwar,

Paradeep, Kolkata, Bongaigaon and Guwahati. Customers from various sectors such as fertilizers, steel, refinery, other small industries and CGDs are being targeted for supplying gas through the JHBDPL-BGPL. Some of the important customers are:

1. Fertilizer plants in Gorakhpur, Sindri, Barauni and Durgapur (Matix).
2. IOCL's Refinery at Barauni, Haldia, Bongaigaon and Guwahati.
3. Other customers like Paradeep Phosphate, Mistubishi, Haldia Petrochemicals Plant etc.
4. GAIL has been authorized to develop CGD infrastructure in Varanasi, Patna, Ranchi, Jamshedpur, Kolkata, Bhubaneshwar and Cuttack.
5. Further, Barauni-Guwahati pipeline is also being executed as an extension of JHBDPL. The customers in Assam are expected to be from Power, Petrochemicals, CGD, Fertilizers and other Industrial sectors".

1.22 When the Committee asked as to whether the transported gas would be fully utilized, the Ministry furnished the details as under:

1. "Ason date GAIL has signed Firm contracts with Hindustan Urvarak and Rasayan Limited (HURL) for 5.61 MMSCMD. GAIL has also signed firm agreement with Matix fertilizers for supply of approx. 1.50 MMSCMD through JHBDPL
2. GAIL has been authorized to develop CGD network in 6 cities along JHBDPL. Further, GAs authorized by PNGRB under the 9th and the 10th round bidding en-route JHBDPL shall also be supplied gas through this pipeline and the transported gas shall be utilized".

1.23 When asked about the present status of Phulpur-Dhamra-Haldia pipeline project along with cost and time overruns from the scheduled plan, the Ministry have submitted the following details:

"The present status of Phulpur-Dhamra-Haldia pipeline project is given as under:

SI No.	Pipeline Name	Length (Km)	State	Anticipated Completion	Estimated Cost (Cr.)	Status as on 15.11.2019
1	JagdishpurHaldia Pipeline- Section 1 (Phulpur to Dobhi (Gaya) with spurlines to Varanasi, Gorakhpur, Patna and Barauni)	750	Uttar Pradesh, Bihar	Commissioned	12940	Completed.
2	Dhamra-Angul Pipeline section (Section-2A)	400	Odisha	Dec 2020		Work under progress.

SI No.	Pipeline Name	Length (Km)	State	Anticipated Completion	Estimated Cost (Cr.)	Status as on 15.11.2019
3	Bokaro- Angul Pipeline Project (Section-3A)	667	Jharkhand , Odisha	Dec 2020		
4	Dobhi-Durgapur Pipeline section (Section-2B)	500	Bihar, West Bengal, Jharkhand	Dec 2020		
5	Durgapur- Haldia Pipeline Project (Section-3B)	335	West Bengal	Dec 2020		

GAIL has informed that at present, there is no time and cost overrun in Phulpur-Dhamra-Haldia pipeline project from the scheduled plan”.

1.24 “The present status of Barauni – Guwahati pipeline project is given as under:

SI.No.	Pipeline Name	Length (Km)	State	Anticipated Completion	Estimated Cost (Cr.)	Status as on 15.11.2019
1	Barauni-Guwahati Pipeline Project	729	Bihar, West Bengal, Assam	Dec 2021	3308	<p>This pipeline is being developed as an integral of Jagdishpur-Haldia&Bokaro-Dhamra Natural Gas Pipeline (JHBDPL).</p> <p>Hon’ble Prime Minister has laid foundation stone for development of this pipeline in February, 2019.</p> <p>Tenders for procurement of material and pipeline laying has been awarded. The work is in progress.</p>

F. INDIAN STRATEGIC PETROLEUM RESERVES LIMITED (ISPRL)

1.25 When asked about the details of the status of commissioning of strategic caverns under phase-I in Visakhapatnam, Mangalore and Padur and also about the funds that have been allocated during the year 2019-20 along with the figures of BE and RE and actual expenditure for the previous two years, i.e., 2017-18 and 2018-19, the Ministry have provided the following details:

“Under Phase I of SPR project, Government has built SPR facilities at three locations viz. Vishakhapatnam (1.33 MMT), Mangalore (1.5 MMT) and Padur (2.5 MMT). The total reserve of Phase-I of SPR is currently estimated to cater approximately 9.5 days of India’s crude requirement based on the consumption during 2017-18.

Vishakhapatnam SPR Facility:

The facility at Visakhapatnam has two compartments, one having a capacity of 1.03 MMT and another having a capacity of 0.3 MMT. The 1.03 MMT compartment has been completely filled with crude oil utilising the funds allocated by Government. The second 0.3 MMT compartment, has been allocated to HPCL, on joint ownership basis, for storing and using the crude on day-to-day feeding for its Vishakhapatnam refinery.

- i) Capacity: 1.33 MMT
- ii) Date of commencement of work: January 2008
- iii) Date of Completion of work: December 2014
- iv) Total cost incurred: Rs 1126.86 crore (approved cost Rs 1178.35 crore)
- v) First crude filling: May 2015
- vi) Crude filling completed: April 2016

Mangalore SPR Facility:

The Mangalore facility has two compartments. One of the two caverns has been filled utilising funds allocated by government. For filling up the second compartment, ISPRL signed a restated Oil Storage and Management agreement with Abu Dhabi National Oil Company of UAE on 10th February 2018. Three consignments totalling 5.86 million bbls were shipped by ADNOC between May and November 2018 to Mangalore facility.

- i) Capacity: 1.5 MMT
- ii) Date of commencement of work: April 2009
- iii) Date of Completion of work: November 2015
- iv) Total cost incurred: Rs 1203.19 crore (approved cost Rs 1227 crore)
- v) Crude filling completed in Oct 2016 for one compartment (Cavern B) using funds made available by the Government. Second compartment (Cavern B) filled by ADNOC at its own cost in Nov 2018 under an Agreement between ISPRL and ADNOC.

Padur SPR Facility:

The Padur cavern has four compartments of 0.625 MMT each and have been mechanically completed and commissioned,

- i) Capacity: 2.5 MMT
- ii) Date of commencement of work: May 2010
- iii) Date of Completion of work: December 2017
- iv) Facility commissioned on : 15.12.2018
- v) Total cost incurred so far: Rs 1687.35 crore (approved cost Rs 1693 crore)
- vi) One compartment of 0.625 MMT filled with Iranian Mix crude transferred from Mangalore.

- vii) ISPRL and ADNOC signed a MoU on 12th November 2018 to explore possibility of crude filling by ADNOC in two compartments at the Padur SPR as per 'ADNOC Model'.

Funds allocated for Capital/Project expenditure during the year 2019-20:Rs 32 cr
Details of BE, RE and Actual in Crore for previous two years Project expenditure is as below".

2017-18 (Rs.in crore)			2018-19 (Rs. in crore)		
B.E.	R.E.	Actuals	B.E.	R.E.	Actuals
117.00	111.00	111.00	138.00	115.00	90.50

1.26 Also, about the quantum of funds allocated for ISPRL during the year 2019-20 and also about the funds allocated and actual expenditure incurred for the previous two years, i.e., 2017-18 and 2018-19, the Ministry have replied as under:

"Funds allocated for ISPRL during 2019-20 and under different heads:

(Rs. In Crore)

		2019-20		
		B.E.	R.E.	Actuals (April – September 2019)
1	Capital/Project Expenditure	32	32	-
2	O&M Expenditure	120	125	64.84
3	Security -ITBP at Vishakhapatnam	-	50	-
4	ADNOC DEAD STOCK / NCCD payment	14	14	-
5	CRUDE OIL PROCUREMENT FOR PADUR	2200	2200	-

Funds allocated and actual expenditure incurred for the previous two years, 2017-18 and 2018-19

(Rs in Crore)

		2017-18			2018-19		
		B.E.	R.E.	Actuals	B.E.	R.E.	Actuals
1	Capital/Project Expenditure	117	111	111	138	115	90.5
2	O&M Expenditure	110	19.93	19.93	80	92.1	75.32
3	Security -ITBP at Vishakhapatnam	-	-	-		50	-
4	ADNOC DEAD STOCK /NCCD payment	-	-	-	64	74	3
5	CRUDE OIL PAYMENTS	1121	1121	1121.3	700	700	534

As per CCEA decision, the expenses for Phase II shall be funded under PPP model the modalities for which not yet been finalized. Actual Expenditure for Phase II for year 2018-19 of Rs. 2 crore (out of approved amount Rs. 19 crores by MOP&NG) has been funded by OIDB".

1.27 When asked as to whether the entire allocated fund will be spent during the year 2019-20, the Ministry have stated as under:

“Requirement of an amount of Rs 2200 crores was projected for crude oil filling at Padur at BE stage for FY 2019-20. However, only a token amount of 1 crore has been allocated against the demand.

The entire fund of Rs.2200 crore, if allocated, is proposed to be utilized for filling of one cavern in Padur”.

1.28 Also, asked about the status note on the Phase II of the strategic caverns, the Ministry have provided the following reply:

- “The Union Cabinet gave “In Principle approval for establishing 6.5MMT Strategic Petroleum Reserves at two locations Chandikhol (4 MMT) in Odisha and at Padur (2.5 MMT) Karnataka including dedicated SPM’s for the two SPR’s. The ‘In Principle’ approval is to take up the project under PPP model to reduce budgetary support of Government of India.
- M/s Deloitte was awarded the job of Transaction Advisor for Phase II on 13.09.2018.
- Road shows entailing consultation process and one-on-one interactions were done in New Delhi (17th & 18th Oct, 2018), Singapore (26th & 27th Oct, 2018) and London (29th & 30th Oct, 2018).
- Report of Transaction Advisor and its recommendations were accepted by the committee in its meeting held on 12th February 2019. Recommendations approved by the Government on 27th February 2019.
- M/S DSK Legal was appointed as Legal Transaction Advisor on 09th July, 2019 for Phase 2 project which is being taken under PPP mode.
- Discussions were held between DEA, Niti Aayog and MoPNG on 19th July 2019 and the draft RFQ terms were finalized. RFQ documents and broad terms of concession agreement were further circulated for comments. Comments from all the concerned departments have been received.

STATUS OF CHANDIKHOL, ODISHA

- Work order has been placed on NEERI, Nagpur on 28.08.2018 for Risk Assessment and Environmental Impact Assessment Studies for the proposed underground caverns at Chandikhol, Odisha. The Kick off meeting was held with NEERI on 06.09.2018.
- Work order has been placed on Mineral Exploration Corporation Limited MECL on 26.06.2019 for conducting survey for assessment of minor minerals and preparation of Geological Assessment Report in Chandikhol Dankari hill area, Odisha.

- MECL has submitted a survey report for Assessment of minor minerals in Chandikhol Dankari hill area, Odisha on 06th July 2019.
- A meeting was held between Collector Jajpur and ISPRL official for Land Acquisition for Phase 2.DC, Jajpur advised a joint meeting along with the Chief Secretary of Odisha for expediting Notification for Land acquisition to be issued by Revenue Department, Government of Odisha. Special Secretary, Odisha Govt. wrote letter on 4th Sept'2019 to various departments in Odisha to provide necessary support for ISPRL project. Online application for land acquisition at Odisha has been submitted on 30th September 2019.

STATUS OF PADUR II, KARNATAKA

- Team of officials of ISPRL met the Principal Secretary (Commerce & Industries) Govt. of Karnataka, Bengaluru on 3rd September 2018 and gave a technical presentation about the Phase II SPRs project at Padur, highlighting the Phase I storage facilities already created at Mangalore and Padur and the Land requirement for Padur Phase -2.
- Letter of Award has been placed on NEERI on 15th July 2019 for Risk Assessment and Environmental Impact Assessment Studies for the proposed Underground Rock Cavern Storage of Crude Oil at Padur, Karnataka under Phase II SPRs project and Kick off meeting with NEERI was held on 30th July 2019
- At Padur, Karnataka Field survey for Phase 2 was started on 14.09.2019. While the survey of land was going on, local people started agitation on 20.09.2019 asking for additional compensation for Padur I project and also regarding employment in the current project. The field survey was stopped by the agitators. Meeting with DC- Udupi held on 04.10.2019 to ensure that field survey is started for phase 2”.

1.29 When asked to furnish a note on the present status of financing of crude oil and for utilizing the capacities of the storage caverns, the Ministry have submitted the following information:

- “Rs.4948 crore was allocated for filling up crude oil in strategic reserves. The Strategic Reserve at Visakhapatnam has been filled with crude oil worth Rs. 2521 crore. One compartment at Mangalore Strategic Petroleum Reserve (SPR) facility was filled at a cost of Rs.1753 crore.
- Government of India had allocated Rs 700 crore in the budget for procurement of crude for the year 2018-19. Rs.535 crore has been utilised for crude oil procurement to fill in the SPR facility at Mangalore. (1.3 million bbls crude oil filled through MRPL in December, 2018). Rs.70 crore was earmarked for payment of deadstock to ADNOC and Rs.4 crore towards National Calamity Contingent Duty (NCCD) payment.

Update on negotiations with foreign countries/companies for utilizing the capacities of the three strategic storage caverns.

- ISPRL signed a restated Oil Storage and Management agreement with Abu Dhabi National Oil Company of UAE on 10th February 2018. Three consignments of 5.86 million bbls were shipped by ADNOC between May and November 2018 to Mangalore facility.
- With the approval of Cabinet on 8th November, 2018, on 12th November, 2018, ISPRL signed MoU in Abu Dhabi with ADNOC to explore possibility of storing crude oil at Padur SPR facility.
- A MoU has been signed on 29.10.2019 between ISPRL and Saudi Aramco to explore possibility of filling one cavern of Padur on the sidelines of PM visit to Saudi Arabia”.

1.30 When asked about the current status on the land acquisition for strategic cavern under Phase-II, the Ministry have stated as under:

“In 2018, in-principle approval of Cabinet was obtained for establishment of additional 6.5 Million Metric Tonne Strategic Reserve of Crude Oil at two locations viz. Chandikhol (4 MMT) in Odisha and Padur (2.5 MMT) in Karnataka. As per the Detailed Feasibility Report done by Engineers India Ltd, 210 acres is required for Padur.

Minister of Petroleum and Natural Gas & Steel, as well as Secretary, PNG have taken up the issue of land acquisition with the Chief Minister and Chief Secretary of Karnataka. The matter is being followed-up by Ministry officials as well as by the ISPRL.

At Padur, field survey for Phase 2 was started on 14.09.2019. While the survey of land was going on, local people started agitation on 20.09.2019. The survey has been stopped by the agitators. The issue is being followed up with District officials and State Government”.

G. INDIAN INSTITUTE OF PETROLEUM ENERGY (IPE)

1.31 On being asked about the present status of IPE in Andhra Pradesh along with the details regarding original time-lines and cost estimates also about the revised time-lines and cost estimates, the Ministry have submitted the following reply:

1. “As committed under the 13 Schedule of Andhra Pradesh Reorganisation Act, 2014, it has been decided to set up “Indian Institute of Petroleum and Energy” (IPE) at Visakhapatnam, Andhra Pradesh with an objective to meet the quantitative and qualitative gap in the supply of skilled manpower for the petroleum as well as other conventional and renewable Energy sectors and to promote research activities needed for the growth of the Energy sector.

2. The Government has approved for establishment of IPE as “an Institute of National Importance” through an Act of Parliament having governance structure as well as legal mandate to grant degrees in a manner similar to that enjoyed by IITs. IPE has been registered as a Society under the AP Society Registration Act, 2001 on 18/04/2016.
3. The Indian Institute of Petroleum and Energy Bill, 2017 has been passed by Lok Sabha on 04.08.2017 (Bill No.111-C of 2017) and declared the Indian Institute of Petroleum and Energy as an Institution of National Importance. The Bill, as passed by Lok Sabha, has been passed by Rajya Sabha on 27.12.2017. The Indian Institute of Petroleum and Energy Act, 2017 (No.3 of 2018) has been notified in the Gazette of India on 8th January, 2018. Subsequent Gazette notification regarding implementation of IPE Act, 2017 with effect from 22nd January, 2018 has been issued on 17.1.2018. The First Statutes of IPE of IPE have been framed and notified in the Gazette of India on 17.12.2018.
4. Indian Institute of Petroleum and Energy will provide high quality education and research in the entire gamut of energy sector such as conventional and non-conventional hydrocarbon, LNG, biofuels and renewable energy like solar, wind, etc. As per section 9 of the IPE Act, 2017, the functions of the Institute inter-alia include:
 - (i) nurture and promote quality and excellence in education and research in the area of petroleum and hydrocarbon and energy;
 - (ii) provide for programmes and courses of instruction and research leading to the award of the Bachelors, Masters and Doctoral degrees in engineering and technology, management, sciences and arts in the area of petroleum and hydrocarbons and energy.
5. The academic and research activities of IPE will derive strength from the Institute’s proximity to sector-related activities such as KG-Basin, Visakhapatnam refinery and the planned Petrochemical complex at Kakinada.
6. Government of Andhra Pradesh has allocated 200 acres of land, free of cost, for setting up of IPE at Sabbavaram Mandal in Visakhapatnam district. The land has been handed over to IPE in January, 2019 and follow-up action is under process.
7. A temporary campus of IPE has been set up from academic session 2016-17 from the Andhra University Campus with two undergraduate programmes namely, Petroleum Engineering and Chemical Engineering (with capacity of 50 students each). IIT, Kharagpur has taken up the responsibility of mentoring the Institute. A list of courses along with sanctioned intake of students and existing students along with the gender bifurcation is as given below:-

Discipline/2016-17	Intake	Existing Students	Total	
			Male	Female
Petroleum Engineering	50	45	41	4

Chemical Engineering	50	47	42	5
Total	100	92	83	9

Discipline /2017-18	Intake	Existing Students	Total	
			Male	Female
Petroleum Engineering	50	42	36	6
Chemical Engineering	50	41	29	12
Total	100	83	65	18

Discipline/2018-19	Intake	Existing students	Total	
			Male	Female
Petroleum Engineering	50	46	43	3
Chemical Engineering	50	40	37	3
Total	100	86	80	6

Discipline/2019-20	Intake	Existing students	Total	
			Male	Female
Petroleum Engineering	60	59	57	2
Chemical Engineering	60	49	46	3
Total	120	108	103	5

8. Apart from the posts created with the approval of the Cabinet (Director, Registrar, Professors and Librarian), 100 posts (49 faculty + 51 non-faculty posts) have been created with the approval of Ministry of Finance (Department of Expenditure) for the Institute.
9. Board of Governors (BoG) of IPE has been constituted. The first President of BoG has also been appointed. Action to appoint President of BoG on regular basis is under progress.

Details regarding original time-lines and cost estimates are as under:

(Rs. In crore)

Year	Capital expenditure	Deficit against recurring expenses	Total
2016-17	396.19	30.35	426.54
2016-17	133.23	22.22	155.45
2017-18	101.96	27.90	129.96
2018-19	92.32	27.87	120.19
2019-20	71.64	31.36	103.00
2020-21	55.96	35.49	91.45
2021-22	4.16	37.54	41.70
2022-23	0.00	38.74	38.74
2023-24	0.00	41.31	41.31
2024-25	0.00	42.08	42.08
Total	855.46	334.86	1190.32

No revised cost estimates and revised time-lines have been done yet”.

1.32 With regard to the details regarding total funds that have been allocated during the year 2019-20 for setting up of IPE in Andhra Pradesh and the fund spent for the same, the Ministry have provided the reply as under:

“An amount of Rs.31.82 crore has been budgeted for IPE during 2019-20, out of which Rs.14.32 crore has been released up to the 2nd quarter of 2019-20, i.e, up to 30.9.2019”.

1.33 When asked about the current status on the allocation of land related to the construction of permanent campus of IPE at Visakhapatnam, the Ministry have submitted the information as under:

“The current status of allocation of the land related to the construction of permanent campus of Indian Institute of Petroleum and Energy (IPE) at Visakhapatnam is that out of a total land of 201.80 acres allocated by Government of Andhra Pradesh to IPE, as of date, land measuring 175.74 acres has been allotted to IPE and the remaining land measuring 26.06 acres is under litigation and yet to be allotted to IPE”.

1.34 On being asked about the further action taken by the Ministry on issue, the Ministry have stated as under:

“IPE is constantly following up with the District Collector for the resolution of the issue at the earliest and the district administration has assured to resolve the matter by consulting all concerned in order to handover the remaining land area of 26.06 acres”.

H. NATIONAL SEISMIC PROGRAMME

1.35 A provision of Rs. 1623.26 crore has been made in BE 2019-20. Ministry has formulated a plan to conduct 2D seismic survey of all sedimentary basins of India where no/scanty data is available. Survey work has already been started by ONGC and OIL and is proposed to be completed by the FY 2019-20. Acquisition processing and interpretation of 48243 LKM 2D seismic data will be done at an estimated cost of Rs. 2932.99 crore.

1.36 ONGC and OIL have been entrusted with the task of surveying in the un-appraised areas. OIL has been assigned to carry out 2D seismic API of 6,032 Line Kilometre (LKM) falling in North eastern part of India covering states of Assam,

Arunachal Pradesh, Manipur, Tripura and Mizoram. ONGC has been assigned to carry out 2D seismic API of about 42,211 LKM in 22 sedimentary basins of India viz, Cambay, Kutch, Saurashtra, Rajasthan, Pranhita-Godavari, Krishna-Godavari, Cuddapah, Bastar, Cauvery, Vindhyan, Narmada, South Rewa, Satpura-Damodar and Chattisgarh, Bengal, Mahanadi-NEC, Ganga, Deccan Synclise, Bhima-Kaladgi, Himalayan Foreland, Spiti-Zanskar, Karewa and Andaman-Nicobar basins. As on 25th October, 2019, surface coverage of ~ 41007 LKM, out of 48,243 LKM has been achieved under 2D Seismic data acquisition under National Seismic Programme.

1.37 When asked to furnish the update status on 2D Seismic Survey in onland appraised areas of sedimentary basins of India, the Ministry have submitted the following information:

“National Seismic Programme

National Seismic Programme was launched on 12th October, 2016. Under the programme, Government has approved the proposal for conducting 2D seismic survey for data Acquisition, Processing and Interpretation (API) of 48,243 Line Kilo Metres (LKM). The estimated cost of the project is Rs.2932.99 crore and the project is proposed to be completed by 2020-21.

The project is being implemented through National Oil Companies (NOCs) because they have the requisite expertise and experience for carrying out such works in their allotted acreages. The data acquired in the present process would help in identifying the prospective area, carving out the blocks; generate interest of bidders in Open Acreage Licensing Program (OALP) etc. Therefore, this will be of help in deciding the focus areas of the exploration activities in the country and on the basis of this primary data E&P companies would take up further exploration activities in the acreages allocated to them.

Benefits of appraisal work:

- i. The generated data will provide basic input for exploration activities in future.
- ii. To demarcate low priority areas in sedimentary basins from hydrocarbons point of view.
- iii. Identification of new / unexplored hydrocarbon areas through generation of new Geo-scientific data utilizing advance seismic technology which will open new areas for offer under future bidding rounds.
- iv. Larger area under exploration will lead to more discoveries some of which develop in to producing fields subsequently contributing to domestic oil & gas production.

As on 25th October, 2019, surface coverage of ~ 41007 LKM, out of 48,243 LKM has been achieved under 2D Seismic data acquisition under National Seismic Programme”.

1.38 When asked to furnish the update status on policy for Geo-scientific data generation for hydrocarbons in Indian sedimentary basins, the Ministry have stated as under:

“Survey in Indian Sedimentary Basins under Policy for Geo-Scientific Data Generation through Multi-Client Survey

New policy allowing Multi-Client Speculative Survey through Service Providers is being implemented by Government of India. Under this policy, Service providers have been invited for carrying out Non-exclusive Multi-Client Geo-Scientific Surveys/ Activities relating to Hydrocarbons in offshore and/or onland part of India at their cost and sell Geo-scientific data to the potential investors while submitting only Project Fee and data set to the Government. DGH is administering this Policy on behalf of the Government of India. GOI is the owner of the data acquired under this Policy”.

1.39 When asked to furnish the update status on Re-assessment of hydrocarbon resources of India, the Ministry have stated as under:

“Reassessment of Hydrocarbon Resources

A Multi Organisation Team (MOT) comprising of representatives of ONGC, OIL and DGH carried out estimation of hydrocarbon resource potential in the country and submitted final report in 2017.

The prognosticated conventional hydrocarbon resources in 26 sedimentary basins of the country are of the order of 41.87 billion tones (oil and oil equivalent of gas), which is about 49% increase as compared to earlier estimates of 28.08 billion tonnes”.

1.40 When asked to furnish the targets set for physical and financial performance under National Seismic Programme during the year 2019-20 along with progress achieved till date, the Ministry have stated as under:

“The physical and financial targets and achievement under National Seismic Programme during the Financial Year 2019-20 are as under:

Physical target	Achievement (as on 15.10.2019)
11561 LKM	4242.74 LKM
Budget (For 2019-20)	Expenditure (as on 15.10.2019)
Rs. 1623.26 crore	Rs. 166.35 crore

1.41 Further, w.r.t. major policy decisions taken by the Government in the hydrocarbon sector, the representatives of the Ministry has submitted the following details before the Committee during sitting held on 05.11.2019:

“.....The major policy decisions that have been taken by the Government in the hydrocarbon sector are (i) National Seismic Programme and (ii) National Data Repository with the idea to see that authentic scientific information on resources is available so that people can tap the resources and invest in the country for producing more and more hydrocarbons.

We have simplified the exploration policy. It is known as Hydrocarbon Exploration and Licensing Policy (HELP). We will explain it further. It has been simplified. The private individuals, who want to come for exploration, can identify the plots and come to Directorate General of Hydrocarbons (DGH). Then, we will tender it. Those who have identified these plots would get a priority for this purpose.

International Competitive Bidding is also available for new areas. It is available for Discovered Small Fields. We have also offered producing small fields for private sector participation. We have given pricing and marketing freedom for gas. New oil fields where oil will be produced will also be given pricing and marketing freedom. A single licence is given to all. So, they can produce crude; they can produce gas; they can produce CBM; they can produce shale gas. There are fiscal incentives and low royalty rates. Hundred per cent foreign direct investment is permitted in exploration. Recently, we have allowed private participation in retail sector so that private people who are having Rs.250 crore net worth can come participate through private sector”.

I. PRADHAN MANTRI JI-VAN YOJANA

1.42 The Ministry has notified a scheme “Pradhan Mantri JI-VAN (Jaiv Indhan – Vatavaran Anukool Fasal Awashesh Nivaran) Yojana for providing financial support for setting up integrated bio-ethanol projects using lignocellulosic biomass and other renewable feedstock as a tool to create 2G Ethanol capacity in the country and attract investments in this new sector.

1.43 A provision of Rs. 37.87 crore has been made in BE 2019-20. The scheme has been approved for supporting 12 commercial projects and 10 demonstration projects with a total cost of Rs. 1969.50 crore. (Rs. 1800 crore for 12 commercial projects, Rs. 150 crore for 10 demonstration projects and Rs. 19.50 crore for CHT as administrative charges)

1.44 When enquired about the objectives of Pradhan Mantri JI-VAN scheme and utilization of funds, the Ministry have submitted the following details:

“The scheme envisages setting up of 12 Commercial scale and 10 Demonstration scale 2G Bio-Ethanol projects based on non-food biomass feedstocks and other renewable feedstocks.

A total proposed financial outlay of Rs 1969.50 crore for the period 2018-19 to 2023-24 will be used in following manner:

- i. Rs 1800 crore for supporting 12 Commercial projects.
- ii. Rs 150 crore for supporting 10 Demonstration Projects
- iii. Remaining Rs 19.50 crore will be provided to Centre for High Technology (CHT) as administrative charges.

The objectives of the scheme are given below:

- a. Establish commercially viable projects for 2G Ethanol production.
- b. Provide remunerative income to farmers for their otherwise waste agriculture residues.
- c. Address concerns of environmental pollution caused by burning of biomass/ agriculture residues.
- d. Help in meeting the targets envisaged in Ethanol Blended Petrol (EBP) programme promoted by Government of India & Government of India vision of 10% reduction in import dependence by way of reducing the use of fossil fuels.
- e. To create rural & urban employment opportunities.
- f. To contribute to 'Swacch Bharat Mission' by supporting the aggregation of non-food biofuel feedstocks such as, waste biomass and urban waste.
- g. Indigenisation of second generation biomass to ethanol technologies".

1.45 The details of proposed projects to be undertaken under this scheme are as follows:

"Centre for High Technology (CHT), a technical body under the aegis of MoP&NG, is the implementation Agency for the scheme. CHT has issued Request for Selection (RFS) under "Pradhan Mantri JI-VAN Yojana" on 26.08.2019 which is open upto 22.11.2019".

J. NATIONAL BIO FUEL FUND

1.46 The Government has notified National Policy on Biofuels 2018 on 8th June, 2018 which is expected to give boost to the biofuel programme of the country. The major features of the Policy are as below:

- a) Categorization of biofuels as "Basic Biofuels' viz. First Generation (1G) bioethanol & biodiesel and "Advanced Biofuels' – Second Generation (2G) ethanol, bio-CNG etc. to enable extension of appropriate financial and fiscal incentives under each category.
- b) Expanding the scope of raw material for ethanol production by allowing use of sugarcane Juice, sugar containing materials like sugar beet, sweet sorghum, starch containing materials like corn, cassava, damaged food grains like wheat, broken rice, rotten potatoes, unfit for human consumption for ethanol production.

c) The Policy allows use of surplus food grains for production of ethanol for blending with petrol with the approval of National Biofuel Coordination Committee.

d) With a thrust on Advanced Biofuels, the Policy indicates a viability gap funding scheme for 2G ethanol Bio-refineries of `5,000/- crore in 6 years in addition to additional tax incentives, higher purchase price as compared to 1G biofuels.

1.47 When asked to provide a note on National Bio Fuel Fund along with its proposed plans for implementation, the Ministry have stated as under:

“National Policy on Biofuels-2018 has envisaged that National Biofuel Fund for extending financial incentives including Viability Gap Funding, subsidies and grants for biofuels. The mechanism to achieve the above objectives of the fund is under development. For year 2019-20, a token amount of Rs. 1.00 crore has been provided in the Budget”.

1.48 Also, w.r.t. availability and blending targets of ethanol, the representative of the Ministry during the sitting of the Committee provided the following details:

“.....in 2017-18, our blending target was 3.8 per cent. In 2021-22, our blending target is 10 per cent. The tender volume of OMCs for ethanol was 115 crore litre for the year 2013-14. Ethanol year 2018-19 is going on, it will be completed by 30th November and new year will commence from 1st of December. We have invited tender to procure 329 crore litre ethanol from market this year, but as per availability in domestic market, the party have offered us 244.7 crore litre ethanol while participating therein. On account of this we will receive 74 per cent ethanol of tender our target was 6 per cent this year during the period of June-July, but we crossed this target by 6.2 per cent. After that unfortunately, the drought was recorded in Karnataka and Maharashtra, then flood was recorded in Maharashtra, Karnataka and Bihar due to which the receipt of ethanol was reduced from these three main ethanol producing states, so our 6.2 per cent achievement of ethanol blending got reduced to 5.3 per cent, but our assessment is that by 30th November we will be able to cross 190 crore litre of ethanol in the current ethanol year. The Government has taken two important decisions to increase production of ethanol next year. One is that ethanol can be produced form sugar and another is that it can be produced from sugar syrup. Large amount of sugar is lying idle. That sugar can be converted into ethanol from 1st December 2019. It will increase the productivity of ethanol. This is first generation ethanol.

There is a problem in our distillery capacity, we have shortage of distillation. On account of this until more new distilleries are set up, the availability of ethanol will be a perennial problem. For this purpose the Government of India has framed a special scheme, under this special scheme interest subvention loan is being provided. Under the said scheme 417 applications have been received and out of these, 328 applications have accorded approval. On completion of this we will receive at least 350 crore litre ethanol. Our objective is that we could get 450

crore litre ethanol by the year 2020-21 so that our purpose is served. Secondly, Sir, what we are doing is, we have fixed prices in OMCs for procurement of ethanol even from grain based distillery since last year.

The rotten grains or those are the wastes and not fit for human consumption can be made in use. Then, there is second-generation ethanol. The second-generation ethanol is derived from biomass, industrial waste, municipal waste etc. For second-generation ethanol, 12 plants are either under set-up or conceptualization or planning stage. The most progressive plant is the one that we have set up in Numaligarh refinery in northeast of India by using bamboo with the cooperation of the Finnish Government and the Finnish company. We believe that it is likely to be completed by the year 2021-22. There is one more thing in the conceptualization stage, second generation biofuel is required to be made mandatory”.

1.49 Further, when the Committee enquired about the quality of ethanol blended petrol and diesel matching the international standards, the representative of IOCL elaborated on the issue as under:

“....., for 10 per cent ethanol-blended gasoline or pure gasoline which is petrol, the specifications are specified by BIS. So, although the national average may be 5.5 per cent or 6 per cent, we are either selling zero per cent ethanol petrol or 10 per cent ethanol-blended petrol. Upto 10 per cent, it is proven based on the lab research also that the engines do not require any change. As far as the vehicle performance is concerned, the existing vehicles can run on pure petrol or ethanol-blended petrol also. When this per centage goes up beyond 20 or 30 per cent, engines will have to be changed. Similarly, for diesel also, BIS has specified either zero per cent biodiesel-blended diesel or seven per cent biodiesel-blended fuel. So, looking into all the lab trials and what is happening in other countries, these specifications are specified by BIS and followed by all of us. The blending is done at the final depot and terminals where we are procuring and then we are selling 10 per cent ethanol-blended fuel. Today, the vehicles that are running in India do not require any change and they can accept these blended fuels without any impact on the performance of the engines”.

K. LPG DISTRIBUTORSHIPS

1.50 When enquired about the details of allocation of funds and their utilization along with the number of beneficiaries for the purpose by each OMC, the Ministry have submitted the following information:

“The Scheme was implemented to release 8 crore LPG connections with a budgetary support of Rs. 12800 crore. Till date, Rs.10675 crore has been made available for the Scheme and the same has already been utilised. Further, additional fund of Rs. 2118 crore has been requested to be made available in

Revised Estimates for 2019-20. Details of OMCs-wise LPG connections released under PMUY are as under:

IOC	BPC	HPC	Total
376.10 lakh	210.87 lakh	216.58 lakh	803.55 lakh

1.51 Further, with regard to arrangements that have been made to ensure an uninterrupted supply of gas to new consumers particularly in rural areas, the Ministry have furnished the information as under:

“OMCs have planned the following measures for un-interrupted supply of gas to new consumers:

- (i) Addition of 1 MMT bottling capacity every year through augmentation of existing Bottling Plants as well as commissioning of new Bottling Plants.
- (ii) 30 new Bottling Plants have been planned in next 3 years.
- (iii) OMCs have finalised 33 locations for private bottling facilities on PPP model. These Bottling Plants are expected to provide 0.50 MMT bottling.
- (iv) To enhance the distributorship network to cater the increased LPG customers, OMCs have advertised 6380 LPG distributorships under unified guidelines which are mostly in rural areas, out of which 4152 have already been commissioned”.

1.52 Clarifying on the issue of clearance of pending LPG distributorships, the representative of the OMC during oral evidence stated as under:

“..... as per the set process be it for LPG distributorship or retail outlet, we publish an advertisement and on the basis of submission of applications the applicant become entitled for draw of lot. After conducting draw of lot we issue Letter of Intent. Thereafter physical verification of the documents of the selected candidates and verification of the site is conducted as per their category. If everything is found correct, other formalities such as obtaining license after payment of fee are fulfilled. Sir, there are 6380 distributors who have been issued LOI's at different times which is sequential. We will continue to publish advertisements. We should have one or two thousand such licenses which are undergoing in this process”.

1.53 Further, with regard to the land issue related to allotment of LPG distributorship, the representative of Oil Company has submitted following details:

“..... All of you would have received complaints that we have received LOI but it was cancelled later. It has three categories. First priority is given to the land owner when he submits his application. If there is even one application like this, he is given first priority. After this, those who have lease agreement are placed in

the second category. Many times, some people submit their application showing their land and their names appear in LOI but it get cancelled later. Earlier, the process which you have been mentioning earlier was adopted. Earlier, the documents were verified and the selection process was done later. Sir, it is a time taking process, because if there are 20 applications and we have to process 20, then, we will take up only one application in a day. Our current conversion rate is better than earlier. We have adopted this process on the basis of our previous experience. If there is any need for improvement, we will definitely do it”.

1.54 When asked about the pending distributorships commissioned by OMCs and also the likely date for completion of the same, the Ministry have submitted the following information:

“Oil Marketing Companies have reported that as on 01.11.2019, out of 6380 locations advertised for selection of LPG distributorship under Unified Guidelines, distributorships at 4235 locations have been commissioned. The process for commissioning of the remaining distributorship is in progress.

Allotment of LPG distributorships involves the process of advertisement, scrutiny of applications, conducting draw among eligible applicants, field verification of the candidate selected in draw, placement of Letter of Intent (LoI) to the candidate successful in field verification. LOI holders are required to construct the LPG Godown and Showroom. They are also required to obtain necessary statutory approvals and license before commissioning.

Further, the allotment of LPG distributorship gets affected due to various reasons like complaints, court cases, nil applicants, applicants getting rejected during scrutiny, redraw due to quorum not available, rejection of candidates during Field Verification of Credentials (FVC) etc. Once the candidate gets rejected during FVC, re-draw has to be conducted. This process goes on till all the eligible candidates for draw are exhausted. In view of the above mentioned facts, it is difficult to fix timelines for commissioning of distributorship”.

L. MAKE IN INDIA / SKILL INDIA / STARTUP INDIA

1.55 When asked about the initiatives that have been taken by the Government/oil PSUs under the ambitious ‘Make in India’ campaign to provide fillip to oil sector in the last two years, the Ministry have provided the details as under:

“The “Make in India” initiative was launched by the Prime Minister on 25th September, 2014 as a major new national programme designed to facilitate investment, foster innovation, enhance skill development, protect intellectual property and build best-in-class manufacturing infrastructure in India.

Upstream, Midstream and Downstream companies of Oil and Gas sector have formed Indigenous Development Group (INDEG) to promote indigenisation and

are working towards import substitution. Oil and Gas PSUs have also signed MoUs with Global Players with the aim of enhancing production and progressive import substitution.

To roll out Make in India campaign in Oil and Gas Sector, a Policy to provide Purchase Preference (linked with Local Content (PP-LC)) in all Public Sector Undertakings under Ministry of Petroleum & Natural Gas has been approved by the Government on 12.04.2017. Under the policy, progressively increasing targets of Local Content are stipulated for procurement of goods, services and EPC contracts for oil and gas business activities.

To give fillip to 'Make in India' campaign in the complex and high technology deep water operations, deep water operations with 5% of Local Content target has been included by this Ministry on 14.09.2017.

Ministry of Petroleum and Natural Gas as the nodal ministry has prescribed local content of 10% each for High Speed Diesel (HSD) and Petrol for 2018-19 on 06.08.2018.

As per para 11 of the PP-LC Policy, the Steering Committee has recommended continuation of the PP-LC Policy. The Policy has been extended for a further period of one year w.e.f. 01.10.2019".

1.56 When the Committee enquired about the activities carried out by oil PSUs as part of Skill India Programme during the year, the Ministry have provided the following information:

"Skill India initiative was launched by Prime Minister of India on 15th July, 2015. The Mission creates convergence across sectors and states in terms of skill training activities. In this endeavour, Hydrocarbon Sector Skill Council (HSSC) has been set up under Societies Registration Act, 1860 on 26-04-2016.

In line with National Skill Development Mission of the Government of India, MoPNG has taken a unique initiative of setting up Skill Development Institutes (SDIs) that will focus on imparting skill training of Hydrocarbon sector, sub-sector to cater the sector need in different part of the country. Six Skill Development Institutes (SDIs) at Bhubaneswar, Vizag, Kochi, Ahmedabad, Guwahati and Rae Bareli have been started by IOCL, HPCL, BPCL, ONGC, OIL and GAIL respectively.

As on July 2019, the SDI's have imparted training to over 9886 trainees in various trades. Hydrocarbon Sector Skill Council (HSSC), under Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is executing Recognition of Prior Learning (RPL) – Best in Class Employer (BICE) scheme in three trades i.e. Retail Outlet Attendant (Oil & Gas), LPG Delivery Personnel and Tank Lorry Driver – Petroleum Products for certifying the large number of uncertified manpower engaged with the dealers, distributors and contractors under IOCL, HPCL and BPCL.

Ministry of Petroleum & Natural Gas in consultation with the Industry members have identified high priority 12 trades for National Occupational Standard (NOS)/

Qualification Pack (QP) development. All 12 QPs have been approved by NSDC's Qualification Registration Committee (QRC)".

1.57 On the support provided by oil PSUs for Start-Up programme, the Ministry have provided the details to the Committee as under:

"Start-Up India' initiative was launched by the Prime Minister of India on January 16, 2016. The initiative aims at fostering entrepreneurship and promoting innovation by creating an ecosystem that is conducive for growth of Start-ups. The CPSEs under the Ministry of Petroleum and Natural Gas are facilitating/creating an innovation ecosystem and promoting Start-Ups in their respective fields.

Under the Start-Up initiative of Oil and Gas Sector, proposals/applications were invited through open advertisement by the individual PSUs for funding and mentoring. The themes for the proposals included Leveraging Internet of Things (IoT) in Upstream/Midstream/Downstream operation of Oil and Gas PSUs, Digitization of business processes, Green Fuels, Alternative Energy, Improved technologies for Hydrocarbon industry, besides topics of societal relevance.

The industry initiative was flagged off on 25th October, 2017 by Hon'ble Minister, MoP&NG. The total committed corpus is Rs. 320 Crores. The participating CPSE's are ONGC, OIL, IOCL, BPCL, HPCL, GAIL, EIL, MRPL, NRL and Balmer Lawrie. As of date, a total no. of 148 Start Up projects are being funded by the PSUs with a committed fund value of approximately Rs. 186 crore".

1.58 When asked about the efforts made by the Ministry/ PSUs towards 'Make in India/ Skill India' and 'Startup India' progress during the current financial year, the Ministry have submitted the following information:

"The Make in India initiative was launched as a major new national programme designed to facilitate investment, foster innovation, enhance skill development, protect intellectual property and build best-in-class manufacturing infrastructure in India.

To roll out Make in India campaign in Oil and Gas Sector, a Policy to provide Purchase Preference (linked with Local Content (PP-LC)) in all Public Sector Undertakings under Ministry of Petroleum & Natural Gas has been approved by the Government on 12.04.2017. The policy aims to incentivize growth of local content in goods and services by implementing Oil and gas projects in India by providing purchase preference to the manufacturers/ service providers who meet the local content targets in Oil and gas business activities.

During the current Financial Year, PP-LC Policy was reviewed by the Steering Committee constituted under the Policy by MoPNG. As per the recommendation of Steering Committee, Policy has been extended for a further period of one year w.e.f. 1st October, 2019.

Ministry of Petroleum and Natural Gas on 6.8.2018 prescribed Minimum Local Content (MLC) for High Speed Diesel (HSD) and Petrol as 10% each for 2018-19 under DPIIT's Public Procurement (Preference to Make in India) Order, 2017.

In the current Financial year (FY 2019-20), MLC for HSD and Petrol was reviewed and MoPNG prescribed MLC for HSD and Petrol along with some other petroleum products as:

S.No.	Products	Minimum Content (%)	Local
1	High Speed Diesel	10	
2	Petrol	10	
3	Lubes & Grease	40	
4	Aviation (ATF, JP-5)	22	
5	SKO	12	
6	LPG (Auto LPG included)	20	
7	FO/LSHS/HPS	12	
8	Bitumen	15	
9	Naphtha	10	
10	LDO	12	
11	Specialty products: Hexane, MTO, JBO & solvents, Spirit, propylene, RPO, Benzene, Toluene, MTBE & Wax.	13	
12	Other Petroleum Products (Petcoke, Sulphur)	10	

Skill India:

Skill India initiative was launched by the Prime Minister of India on 15th July, 2015. The Mission creates convergence across sectors and states in terms of skill training activities. As part of this initiative, Hydrocarbon Sector Skill Council (HSSC) was set up on 26-04-2016 with its primary objective to execute skill development activities in Indian Hydrocarbon Sector.

Hydrocarbon Sector Skill Council (HSSC), under Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is executing Recognition of Prior Learning (RPL) – Best in Class Employer (BICE) scheme in three trades i.e. Retail Outlet Attendant (Oil & Gas), LPG Delivery Personnel and Tank Lorry Driver – Petroleum Products for certifying the large number of uncertified manpower engaged with the dealers, distributors and contractors under IOCL, HPCL and BPCL. Assessment of 50065 personnel has been completed in the current financial year 2019-20.

Ministry of Petroleum and Natural Gas in consultation with the Industry members have identified high priority 12 trades for National Occupational Standard (NOS)/ Qualification Pack (QP) development. All 12 QPs have been approved by NSDC's Qualification Registration Committee (QRC).

S No	Name of the Qualification
1	Assistant Technician-Drilling (Oil & Gas)
2	Assistant Technician-Production (Oil & Gas)

3	Retail Outlet Attendant (Oil & Gas)
4	Retail Outlet Supervisor (Oil & Gas)
5	LPG Delivery Personnel
6	LPG Supervisor
7	Tank Lorry Driver-Petroleum Products
8	LPG Mechanic
9	Industrial Electrician (Oil & Gas)
10	Pipe Fitter – City Gas Distribution
11	Pipe Fitter (Oil & Gas)
12	Industrial Welder (Oil & Gas)

Six Skill Development Institutes (SDIs) at Bhubaneswar, Vizag, Kochi, Ahmedabad, Guwahati and Rae Bareli have been started by IOCL, HPCL, BPCL, ONGC, OIL and GAIL respectively. As on September 2019, the SDI's have imparted training to over 11414 trainees in various trades.

Startup India

Start-Up India' initiative aims at fostering entrepreneurship and promoting innovation by creating an ecosystem that is conducive for growth of Start-ups. The CPSEs under the Ministry of Petroleum and Natural Gas are facilitating/creating an innovation ecosystem and promoting Start-Ups in their respective fields.

Under the Start-Up initiative of Oil and Gas Sector, proposals/applications were invited through open advertisement by the individual PSUs for funding and mentoring. The themes for the proposals included leveraging Internet of Things (IoT) in Upstream/Midstream/Downstream operation of Oil and Gas PSUs. Digitization of business processes, Green Fuels, Alternative Energy, Improved technologies for hydrocarbon industry besides topics of societal relevance.

The PSUs under the Ministry of Petroleum and Natural Gas have created a corpus fund of Rs. 320 crores. As on date, a total no. of 148 Start-ups are being funded by the PSUs with a committed fund value of approximately Rs. 186 crores”.

1.59 When asked about the data available with the Ministry with regard to creation of employment opportunities under these projects, the Ministry have stated as under:

“Placement from Skill Development Institutes is offered to more than 80% trained candidates. Six Skill Development Institutes (SDIs) at Bhubaneswar, Vizag, Kochi, Ahmedabad, Guwahati and Rae Bareli have been started by IOCL, HPCL, BPCL, ONGC, OIL and GAIL respectively. In the financial year 2018-19, training programme to 833 candidates were imparted on HSSC's 12 approved trades, of which 762 candidates were certified and 701 candidates were placed”.

M. SAFETY AND SECURITY OF OIL INSTALLATIONS

1.60 When asked to furnish a note on fire incident occurred recently at ONGC unit of Uran, Mumbai, including the reasons for the incident and steps to prevent such incidents in future, the Ministry have stated as under:

“Brief of incident

On 3rd September, at 06:47 hrs of 2019 a strong smell of Hydrocarbon near demineralized water plant (Oily water sewage pit) was reported to the process control room at ONGC’s Uran plant. Later, a major fire incident is reported to have occurred at 06:55 hrs. A fire tender reached the site with CISF firefighting team. Fire was controlled at 10:00 hrs. The fire incident resulted in four fatalities, one from ONGC (RPS) and three CISF fire personnel.

Cause of incident as investigated by OISD enquiry committee

As informed by ONGC, the fire incident took place due to ignition of hydrocarbon vapour cloud formed at the site because of overflow of Oil Water Sewage (OWS) pits muck (process upset situation) due to very heavy rains on the intervening night of 2nd and 3rd November, 2019. The probable source of ignition of fire could be starting of the CISF security vehicle or spark when firefighting crew member, wearing breathing apparatus, entered the vehicle.

Steps to prevent such incidents in future

1. Studies are being carried out for modification of OWS (Oily Water Sewage) pit and adequacy of storm water drainage system during very heavy rain situation.
2. All concerned working in plant have been sensitized to follow SOPs including vehicular movements within plant area.
3. Drivers are trained regularly on safety issues related to vehicular movement in plant”.

1.61 Explaining the sequences leading to the recent fire incident in ONGC plant, the representative of the ONGC submitted the following details on fire incident as under:

“..... A fire incident took place on 3rd September in Uran. It was a very unfortunate incident. Our four employees, out of which three were CISF soldiers and one of our Senior Officers died in this incident. Fortunately, no one else apart from it got injured.

Sir, the incident was that it rained very heavily in the morning of 2nd September. Generally, there is a pit. The maintenance done around the plant or anything done there and the spillage coming out as a result goes and gets collected into the pit.

Water overflowed from that pit. As you know, the rainwater in the hilly area drains out quickly from a strong water drainage system. Some vapour cloud formation took place as a result of some petroleum products present in the strong water drainage. This incident took place at the plant gate which was not inside the plant. Our property did not suffer any loss in it. Some cables got burnt which we had restored within a week. The security guard deputed there smelt something. He immediately informed our control room. From the control room, our fire personnel approached there. All the three employees who died there were from fire department. They reached there fully equipped. This whole incident has been captured. It is seen that one car was parked in front of the gate, it was not in running condition. That car was being removed so that the fire brigade could come inside. It is clearly written in our records and they were fire officers who should have known that the engine of the vehicles should not be started in such a situation. It is seen in the video that they entered the car and within seconds an explosion taken place. The people around that place namely three fire fighters and our senior officer reached very fast at the spot from the control room as soon as they got the news. They wanted to check whether there was any gas leakage in the plant. Effort was being made to bring fire brigade as a precautionary measure. Four persons from our staff died in the incident. This is the brief information on this issue”.

N. R&D EXPENDITURE OF OIL PSUs

1.62 When asked about the new research and development initiatives that have been incorporated in Indian refineries which have been developed domestically by R&D Programme of oil PSUs, the Ministry have submitted the following information:

“IOCL

IOCL R&D has done extensive research for indigenization of refining technologies and successfully commercializing them in Indian Refineries. The major refining technologies developed and incorporated by IOCL R&D are as follows:

Refining Technologies offered by IndianOil	
INDMAX Technology™	Light olefins & high octane Gasoline from Residue/VGO. Implemented at Guwahati and Paradip Refineries.
Octamax®	Production of ultra high octane gasoline component. Implemented at Mathura Refinery.
AmyleMax®	Enhancing octane of light cracked naphtha. Implemented at Gujarat Refinery.
indeDiesel®	Production of ultra-low sulfur diesel meeting BS VI /Euro VI quality. Implemented at Bongaigaon and Gujarat Refineries.
Delayed Coking	Thermal conversion of heavy residue. Implemented at Barauni Refinery.

Refining Technologies offered by IndianOil	
indeHex	Low severity process for production of Food / Polymer grade hexane. Implemented at Gujarat and Bhatinda Refinery.
INDAdept ^{G®}	Adsorptive desulfurization of cracked Gasoline with lower hydrogen consumption. Implemented at Guwahati Refineries.
indDSN [®]	Desulfurization of Naphtha range streams. Implemented at Bongaigaon Refinery.
indDSK [®]	Desulfurization of Kerosene range streams. Implemented at Paradip and Gujarat Refineries.
indJet	ATF production by selective removal of mercaptan sulfur. Implemented at Barauni Refinery.
Zeosom [®]	Isomerization of Light naphtha. Implemented at Bongaigaon Refinery.
indSelect ^G	Removal di-olefins & sulfur from cracked naphtha streams. Implemented at Guwahati Refinery.
IPIG Technology	Instrumented Pipeline Inspection Gauge for inspection of crude and liquid fuel pipelines upto 24" dia. ~6000 kms of pipeline inspection carried out.
FCC additives for improved unit performance	
i-MAX Series	FCC/RFCC additives for maximizing LPG with enhanced propylene yield and gasoline octane
IndVi [®]	Additive for trapping of Ni and V in FCC/RFCC unit
RUA	Bottom up-gradation additive for FCC/RFCC unit to improve middle distillates
Eco-MAX [®]	CO combustion promoter additive for conversion of CO to CO ₂ in FCC/RFCC Regenerator
Octa Zoom [®]	Octane boosting FCC additive to uplift Octane barrel with lower CLO yield
Hydro-processing catalyst	
IndiCATseries	DHDT/DHDS catalyst for production of Ultra low sulfur diesel meeting BS VI /Euro VI quality. Deployed at Digboi Refinery.

BPCL

Following in-house R&D initiatives have been implemented in BPCL:

S.N.	Product/Process developed	Implementation location
1	Gasoline Sulfur Reduction additive for FCC	Mumbai Refinery

	operation (Bharat-GSR)	
2.	Indigenous dewaxing catalyst for LOBS production (Bharat-HiCat)	Mumbai Refinery
3.	BPMARRK®: A rapid tool for crude assay	Mumbai and Kochi Refineries
4.	K-Model: A rapid tool for crude compatibility prediction	Supply Chain Optimization, Mumbai and Kochi Refineries
5.	Divided wall column technology	Kochi Refinery
6.	Bharat-EcoChem: Indigenous corrosion inhibitor for EBMS	Retail Operations
7.	Bharat-Water Detecting Paste for delivering EBMS with Pure for Sure promise	Retail Operations
8.	Process for de-aromatized solvent production	Mumbai Refinery (Trial conducted)
9.	Crude antifoulant: Bharat-AF-Chem & Comprehensive additive package for corrosion control	Mumbai Refinery (Trial conducted)
10.	Furnace cleaning chemical	Mumbai Refinery (Trial conducted)
11.	Process models for plant optimization	Mumbai and Kochi Refineries

Numaligarh Refinery Limited (NRL)

During the year 2018-19, NRL has taken up following R&D project:

- i. Projects taken up in collaboration with CRDC:
 - Production of MCW (Microcrystalline Wax) from Paraffin Wax:
 - Production of Furfural Alcohol (FA) and Tetra Hydro Furan (THF) from Furfural.
- ii. Dosing of antifouling additive in CDU preheats train to reduce drop in crude preheat.
- iii. Value added products from Fooths: In order to improve value chain NRL is exploring feasibility of production of industrial solvents from fooths oil with help of Indian Institute of Petroleum (IIP).

HPCL

- **HP-HiGAS Technology:** New generation technology for gas absorption with a significant equipment size reduction by 10 times. First-of-its-kind unit successfully demonstrated at HPCL Visakh Refinery.
- **Cat-Visbreaking Process:** Novel catalyst formulation (HP-VisCat) to increase conversion by 3-4%. Successfully demonstrated at HPCL Visakh Refinery Visbreaking unit.
- **H2 PSA Technology:** First indigenous H2 PSA unit successfully installed and demonstrated H2 PSA unit at Visakh Refinery to produce 99.5% pure Hydrogen from CCR off-gases. Replaced adsorbents of H2 PSA unit at HPCL Mumbai Refinery for purification of MR DHDS HGU off gases to produce high purity Hydrogen (99.99 vol%).
- **HPFurnOKare:** Indigenous and cost-effective chemical formulation / process for online cleaning of the furnace tubes. Successfully implemented at HPCL Mumbai Refinery & Visakh Refinery.
- **HP DUCER:** Novel dispersant chemical for pressure drop reduction in Hydro processing reactors. Successfully demonstrated at HPCL Visakh Refinery DHDS unit.

- **HPBioActiva:** Novel Enzyme based formulations for treatment of refinery effluents for meeting environmental norms. Demonstrated successfully in ETP units at HPCL Visakh and Mumbai Refineries.
- **HPCOSOL:** Highly selective solvent system for lube oil yield improvement in Solvent Extraction units. Implemented at HPCL Mumbai Refinery with 2-3% raffinate yield improvement.
- **SprayMax:** Indigenous “SprayMax” FCC Feed nozzles successfully installed at FCC Units of HPCL Mumbai Refinery and Visakh Refinery with improved conversion and reduction in dry gas yield.
- **HP-TRAE:** Improved solvent system for production of environment friendly Rubber Processing Oil (Treated Residue Aromatic Extract). Plant trials successfully conducted at HPCL Mumbai Refinery SEU unit.
- **HP DLA:** Novel lubricity additive to significantly improve lubricity properties of ultra-low sulphur diesel. Product successfully demonstrated at HPCL Visakh Refinery and is in continuous use.
- **HP2FCC Technology:** R&D has developed HP2FCC Process and Catalyst. The HP2FCC catalyst has been scaled up and successfully carried out trials in OFCC unit of HPCL Mumbai Refinery. Performance of [HP]2 catalysts was superior in terms of propylene yield and RON gain.
- **HP Neutmax** : A novel Neutralizing Amine field trials successfully completed at CDU-II & CDU-III of HPCL Visakh Refinery. HP-Neutmax dosage is about 23 % lower than benchmark formulation, while meeting all other parameters.

Engineers India Limited (EIL)

New research and development initiatives that have been incorporated in Indian refineries which have been developed domestically by R&D-EIL during last three years are as follows:

Year 2018-19

1. Commissioning of SRUs (3 x 180TPD) of BORL licensed by EIL
2. Commissioning of both Tail Gas Treating Units (TGTUs) of BPCL Mumbai Refinery licensed by EIL.
3. Performance Guarantee Test Run of Sulfur Recovery Units (SRUs) at BPCL Kochi Refinery licensed by EIL.
4. Design of Oxygen enrichment facilities for capacity enhancement of two SRUs upto 25% (2x 421 TPD) at BPCL- Kochi.
5. Basic Engineering Design Package (BEDP) preparation for Straight Run LPG treating and CR LPG treating for HRRL Refinery project (EngTreatL)
6. BEDP preparation for EngHOG unit at HRRL Refinery project.
7. Commissioning of EngHOG unit at BORL licensed by EIL.
8. Implementation of Indjet unit at IOCL Barauni.
9. Implementation of Process Integration and Solar Integration at GGS, ONGC Mehsana.

10. CFD Study of Feed Distributors of Fluid Bed Reactor System for M/s Jubilant Life Sciences Ltd.
11. CFD study for M/s ADNOC Fertilizers, Abu Dhabi as part of Integrity Assessment Study for their Circulation Water Tank.
12. Energy Efficiency Improvement Studies for 15 PSU Refineries.
13. Energy Efficiency Improvement Study for Ruwais Refinery of ADNOC, Abu Dhabi.
14. Supply of PARLPAK (as part of EIL-Kevin MOU) in Amine Absorption Column, 307-C-01(M) o FCC Gasolene Desulphurization unit of IOCL-Mathura.

Year 2017-18

1. Grass root design of Tail Gas Treating Unit (TGTU) with EIL technology completed for MRPL.
2. Commissioning of TGTU of HPCL Mumbai Refinery licensed by EIL.
3. Commissioning of two Sulfur Recovery Units (SRU) of BPCL Kochi Refinery, each with 340 TPD capacity, successfully completed.
4. Commissioning of two TGTUs of BPCL Kochi Refinery with EIL technology, completed successfully.
5. Implementation and commissioning of oxygen enrichment facilities for capacity enhancement of 4 trains of SRU upto 30% (2 x 105.6 TPD, 2 x 59 TPD) at BPCL-MR carried out successfully
6. Implementation of Pressure Filtration system and Membrane system for SRU at ONGC Hazira
7. Commissioning of CDU/ VDU (Vacuum Column) with EIL patented PARLPAK at IREP-BPCL-Kochi.
8. Implementation of indDSK unit at IOCL JR
9. BEDP preparation for EngHOG unit at HPCL-VR

Year 2016-17

1. Secured from IOCL for following technologies developed jointly with IOCL(R&D)
 - a. Implementation of indJet unit (demo) at IOCL Barauni
 - b. Implementation of indeSelect unit at IOCL Guwahati
 - c. Implementation of indDSK unit at IOCL Paradip
2. Scoping Study Report completed on Integration of Gas Gathering Station with Solar Block at Kadi, Mehsana for ONGC Energy Ltd (OEC).
3. EIL has been involved in preparation of DFR's for 2G ethanol of OMC's & help them in implementation of 2G ethanol plant
 - a. Feasibility Report prepared for 2G Ethanol Plant for HPCL.
 - b. Licensor selection and Detailed Feasibility Report (DFR) for 2G Ethanol Plant at 3 locations for HPCL is in progress.
 - c. DFR for 2G Ethanol Plant at one location for IOCL is in progress.
 - d. DFR for 2G Ethanol Plant at 3 locations for BPCL has also been initiated.
 - e. DFR for 2G Ethanol Plant for MRPL has also been initiated.
4. TGT Technology has been accepted by MRPL for Grass root design of TGTU.

CPCL**New R&D Initiatives:**

1. Renewable crude and liquid Hydrocarbon fuels from Marine Algae
2. Development of process methodology for production JP-7 jet fuel from refinery streams.

R&D initiatives incorporated in CPCL:

1. Study on Micro Crystalline Wax production.
2. Study on Production of Polymer Grade Hexane

1.63 When asked to furnish details of the allocated percentage share of R&D expenditure of oil PSUs in their annual budget and actual utilization thereof during the last three years along with the total budgeted allocation for R&D Programmes during the year 2019-20, the Ministry have stated as under:

Year	Total CAPEX	Allocation for R&D	% Allocation for R&D	Actual R&D Expenditure (Rs. in Crore)
2016-17	29307	608	2.07%	592
2017-18	29968	650	2.17%	586
2018-19	32077	455	1.42%	583

Total Budget allocation for R&D during 2019-20(BE) is Rs. 800 crore”.

1.64 The Committee note that the R&D expenditure of oil PSUs has shown a decline between 2017-18 and 2018-19. When asked about the reasons for reduction in R&D expenditure and the target for the current financial year 2019-20, the Ministry have provided the following information:

“ONGC and OIL’s expenditure on R&D in during 2017-18 and 2018-19 and targets for 2019-20 are as under:

Year	Amount Spent by OIL (in Rs. crore)	Amount Spent by ONGC (in Rs. crore)
2017-18	64.32	586
2018-19	86.19	583
2019-20 (target)	97.49	800

As may be seen from above, there is a variation of only 0.5% in actual R&D expenditure by ONGC from 2017-18 to 2018-19. Further the target of 2019-20 (BE) is Rs. 800 crore”.

O. DIVERSIFICATION OF CRUDE OIL IMPORT

1.65 Import of crude oil during FY 2017-18 was 220.43 MMT valued at Rs.566450 crore as against import of 213.93 MMT valued at Rs.470159 crore in FY 2016-17 which marked an increase of 3.04% in quantity terms and 20.48% in value terms as compared to the import of crude oil during FY 2016-17. Import of Crude Oil during April-November, 2018 was 150.98 MMT valued at Rs.548021 crore which marked an increase of 4.13% in quantity terms and 59.62% in value terms as against the imports of 144.99 MMT valued at Rs.343321 crore for the same period of last year.

The prices of crude oil and petroleum products have shown a declining trend after July, 2014. As a result, the average price of Indian crude oil basket during FY 2015-16, FY 2016-17 and FY 2017-18 was recorded at \$46.17/bbl, \$47.56/bbl and \$56.43/bbl respectively. The price has increased to \$72.16/ bbl during the current FY 2018-19 (up to 27th December, 2018). Since the price of crude oil and petroleum products in the international markets are quoted in US Dollars, the Indian Rs.–US\$ exchange rate plays a vital role in the Indian context. The rupee dollar exchange rate was moving in a narrow band till FY 2011-12, but subsequently there was a depreciation of the Indian rupee thus making the prices of crude oil and petroleum products expensive in domestic currency.

1.66 When asked about the countries from where petroleum products including crude oil and natural gas are being imported along with country-wise details for the last three years, the Ministry have submitted the following:

“Country-wise details from where crude oil, petroleum products and natural gas have been imported during the last three years and the current year are as follows:

Region/ Country wise crude oil import during 2016-17 to April- September 2019 (P)						
(MMT)						
Region	Sl.No.	Country	2016-17	2017-18	2018-19	April- September 2019
Middle East	1	Iran	27.2	22.6	23.9	1.7
	2	Iraq	37.5	46.9	46.1	26.0
	3	Kuwait	9.8	12.4	11.1	5.1
	4	Oman	0.6	5.8	1.7	1.4
	5	Qatar	5.0	3.0	2.5	1.1
	6	Saudi Arabia	39.5	36.9	39.8	20.7

	7	UAE	17.6	14.0	17.7	8.9
	8	Bahrain	0.0	0.3	0.0	0.0
	9	Yemen	0.0	0.3	0.0	0.0
		Sub Total	137.1	142.1	142.9	64.9
Africa	10	Algeria	1.5	1.8	2.2	1.7
	11	Angola	6.7	8.1	6.0	3.8
	12	Cameroon	1.0	0.7	0.1	0.3
	13	Chad	0.5	0.5	1.3	0.3
	14	Congo	0.1	0.2	0.9	1.0
	15	Egypt	2.7	2.1	2.2	1.3
	16	Eq. Guinea	1.2	0.8	0.6	0.9
	17	Gabon	0.1	0.6	0.7	0.0
	18	Ivory Coast	0.1	0.0	0.0	0.1
	19	Libya	0.0	0.0	0.4	0.1
	20	Nigeria	18.1	17.8	17.0	9.9
	21	West Africa	0.0	0.1	0.8	0.4
	22	Sudan	0.2	1.1	1.4	0.3
		Sub Total	32.3	34.0	33.4	20.1
Asia	23	Brunei	1.6	1.1	1.0	0.5
	24	Malaysia	4.0	3.2	3.6	1.5
	25	Indonesia	0.4	0.0	0.0	0.2
		Sub Total	6.0	4.2	4.6	2.2
South America	26	Brazil	4.3	4.0	3.4	1.0
	27	Columbia	0.0	0.0	0.9	0.0
	28	Ecuador	0.7	0.3	0.3	0.4
	29	Argentina	0.0	0.0	0.2	0.0
	30	Venezuela	22.6	17.9	17.8	8.0
		Sub Total	27.6	22.2	22.6	9.4
Eurasia	31	Azerbaijan	2.0	1.9	2.2	1.5
	32	Kazakhstan	0.8	2.0	2.0	1.8
	33	Russia	0.6	3.2	1.4	1.5
	34	Norway	0.0	0.0	0.0	0.1
		Sub Total	3.4	7.1	5.5	5.0
North America	35	Canada	0.0	0.2	0.7	0.4
	36	Mexico	7.3	8.6	10.3	4.1
	37	USA	0.0	1.9	6.2	5.4
		Sub Total	7.3	10.7	17.1	9.8
Europe	38	UK	0.0	0.0	0.4	0.0
		Sub Total	0.0	0.0	0.4	0.0
Australia	39	Australia	0.2	0.2	0.1	0.0
		Total	213.9	220.4	226.5	111.4

Source: Oil companies.”

1.67 When asked about the steps taken to diversify the import of crude oil from other sources and reduce dependence on Middle East countries, the Ministry have stated as under:

“Indian refineries import crude oil from diverse sources depending on their technical and commercial considerations and keeping in view the domestic requirement.

Traditionally, imports from OPEC countries were as follows:

Crude Import	2016-17	2017-18	2018-19	2019-20 (Apr – Sept 2019)
Import from OPEC (%)	85.38 %	81.60 %	81.55 %	75.4 %

As can be seen from the above table, imports from OPEC countries have reduced from 85.38 % in 2016-17 to 75.4 % in 2019-20. In the recent past, Indian refineries have started importing crude oil from US, Canada and Mexico to diversify their crude sourcing”.

1.68 On being enquired about the excessive dependence on Middle-East for import of crude oil, the representative of the Ministry during the sitting held on 05.11.2019 explained to the Committee as under:

“.....the dependency on the Middle-East for crude is very high. That’s why great efforts are being made for diversifying crude. We have now entered into an agreement with USA. Now crude is coming from USA. The Government is talking with Russia. Discussion is going on regarding importing crude from Russia. But in spite of all that we depend mainly on middle-east for crude. But after diversification, this dependency is likely to decrease gradually and diversifying the sources of procurement of crude is one of the strategies that we are following”.

PART - II**OBSERVATIONS / RECOMMENDATIONS**

In pursuance of Rule 331E (1) (a) of Rules of Procedure and Conduct of Business in Lok Sabha, the Demands for Grants (2019-20) in respect of different Ministries/Departments stand referred to concerned Departmentally related Standing Committees. The Standing Committee on Petroleum and Natural Gas (2019-20) have examined the Demands for Grants (2019-20) of the Ministry of Petroleum and Natural Gas under its jurisdiction and this Report of the Committee deals with it. The recommendations/observations of the Committee are in succeeding paragraphs:-

Recommendation No. 1**Analysis of Budgetary Allocations**

The Committee note that the budget of Ministry of Petroleum and Natural Gas for the year 2019-20 shows a total allocation of Rs. 42901.49 crore, of which Rs. 41234.18 crore is under revenue item and Rs. 1667.31 crore is under capital item. For the year 2019-20, the BE under the head DBT for LPG accounts for Rs. 29500 crore and other subsidies payable including NE Region (kerosene) is Rs. 4058 crore. Under the head LPG connection to poor households (PMUY), the allocation is Rs. 2724 crore and under Phulpur-Dhamra-Haldia pipeline project it is Rs. 2758.71 crore. For payment of differential royalty to State Governments, an allocation of Rs. 195 crore has been made. Further, an amount of Rs. 37.87 crore and Rs. 31.82 crore have been allocated under PM JI-VAN Yojna and IIFE respectively during the current financial year. In the capital section, an amount of Rs. 1623.26 crore has been allocated as BE 2019-20 for National Seismic Programme.

An analysis of the allocation of BE 2019-20 over actuals of 2018-19 shows that the allocation under the head DBT for LPG shows an increase of 79 per cent while the Phulpur-Dhamra-Haldia project shows an increase of 128 percent. However, the allocation of funds under PMUY shows a decrease of around 14.88

per cent while payment of differential royalty to State Governments indicate a decline of 54 per cent as compared to the actuals of 2018-19. Under capital section, the allocation for National Seismic programme shows an increased allocation of 24.87 percent over the actuals of 2018-19.

Further, the Committee have been informed that a provision of Rs. 42.05 crore has been made in BE 2019-20 towards the provision of interest free loan to Biecco Lawrie Ltd., and the Committee desire that the latest position along with the utilization of the fund may be informed at the earliest.

The Committee note that the BE 2019-20 at Rs. 42901.49 crore shows an increase of 32.53 percent over Rs. 32370.81 crore over the actual expenditure during the year 2018-19. The Committee observe that the major increase in expenditure is under the head DBT for LPG which has seen an increased allocation of Rs. 13000 crore to clear the outstanding payments to oil marketing companies towards direct benefit transfer for LPG. The Committee are dismayed to observe that the Ministry has not estimated the funds requirement under DBT for LPG during the last financial year properly. Further, the Committee observe that during the last financial year the allocation under cash incentive to Union Territory Governments for kerosene distribution reforms was Rs. 2 crore and the actual utilization of the funds was Rs. 0.26 crore only. The Committee recommend that the Ministry should utilize the allocated funds fully under all the heads and if need be may seek additional funds to complete their targets under both capital and revenue sections.

Recommendation No. 2

Need to widen the scope of PMUY with more beneficiaries

The Committee note that Pradhan Mantri Ujjwala Yojana (PMUY) is one of the flagship schemes of the Ministry of Petroleum and Natural Gas launched during the year 2015 with the objective of providing five crore LPG connections to women belonging to BPL households over a period of three years starting from the financial year 2016-17. However, the target was revised to eight crore connections by the financial year 2019-20. The Committee note that the

Ministry/OMCs have achieved the target of eight crore connections by September, 2019. In this regard, while being satisfied with the performance of the Ministry/OMCs for achieving the stipulated target before time, the Committee remain sceptical about the assessment of the targets. The Committee note that an amount of Rs. 2724 crore has been allocated under this scheme for the current financial year 2019-20. The Committee desire that the Ministry should make more rational and realistic assessment of the situation and fix the targets wisely in order to optimize the resources and enhance their reach. The Committee further, desire that the Ministry/OMCs should not rest on their laurels and recommend that entire funds should be utilized for providing further LPG connections during the current financial year.

The Committee while noting the efforts made by OMCs urge upon the Government to broaden the scheme to cover poor families residing in urban/semi-urban areas within the ambit of PMUY scheme. The Committee therefore, recommend that the Ministry should now endeavour to provide LPG connections to all eligible households.

Recommendation No.3

Need to incentivize PMUY beneficiaries to increase refills of LPG cylinders

The Committee note that the Ministry/PSUs have increased the LPG coverage in the country to over 90 percent with the implementation of PMUY scheme. The Committee further note that the national average refill of domestic LPG cylinders by consumers is 6.25 cylinders per year. However, it is observed that the average refill of LPG cylinders by PMUY beneficiaries is 3.08 cylinders during the last one year. The Committee have been informed that the low refill average by PMUY beneficiaries could be due to adjustment of behavioural changes and less demand. Considering the economic background of PMUY beneficiaries, the Committee opine that higher pay out of cash of Rs. 650/- for a 14.2kg cylinder could also be a reason for lower refill average. In order to fulfill the intention of the scheme and to increase the use of LPG, the Committee recommend that the Ministry should consider a separate scheme with higher subsidy so that the LPG cylinders become affordable to PMUY beneficiaries. The

Committee also desire that the Government/PSUs should introduce smaller sizes of LPG cylinders like 3kg and 5kg to encourage PMUY beneficiaries to increase the use of LPG cylinders and achieve the purpose of the scheme in letter and spirit. Furthermore, the Government should ensure that the pricing of these packages is in consonance with the 14.2kg cylinder at the rate of Rs. 650.

Recommendation No. 4

Pradhan Mantri Urja Ganga Yojna (PMUG)

The Committee note that the Ministry had prepared a plan to implement 15000 km of pipeline as part of gas grid to transport natural gas in the country. Three pipelines of 2520 km length were envisaged for implementation through PPP mode by Viability Gap Funding (VGF). The Committee, however, are constrained to note that the estimated budget allocation for the financial year 2019-20 for these projects is Rs. 3550 crore, out of which actual utilization so far is Rs. only 1322 crore. The Committee would like to point out that under Phulpur-Dhamra-Haldia Pipeline Project, the actual capital expenditure during 2018-19 was Rs. 1206.60 crore as against the allocation of Rs. 2413.2 crore in the budget.

The Committee note that GAIL is executing the Jagdishpur-Haldia and Bokaro-Dhamra Pipeline Project (JHBDPL) and Barauni-Guwahati Pipeline (BGPL) and the target dates for JHBDPL and BGPL pipeline projects under PMUG are December 2020 and February 2021 respectively and these projects will supply gas to various sectors such as fertilizers, steel, refineries, small industries and city gas distribution.

The Committee therefore, recommend that the physical targets and the financial expenditure proposed to be incurred under the PMUG project during the current financial year should be achieved without fail. Further, any extraneous factors which hamper the completion process should be taken up with appropriate authorities so that the project is completed as per the schedule without any time and cost overruns.

Recommendation No. 5

Indian Strategic Petroleum Reserves Ltd. (ISPRL)

The Committee note that Indian Strategic Petroleum Reserves Ltd. (ISPRL) has three Strategic Petroleum Reserves (SPR) under phase-I at Visakhapatnam, Mangalore and Padur. The Committee observe that the crude oil filling has been completed at Visakhapatnam and Mangalore SPR facilities. As far as Padur is concerned, ISPRL and ADNOC has signed an MoU to explore possibility of crude filling as per the ADNOC model. The Committee note that an amount of Rs. 2200 crore was projected for the year BE 2019-20 for purchase of crude oil to fill the Padur SPR. However, only a token amount of Rs.1 crore has been allocated against the demand. Further, the Committee note that Rs. 700 crore was allocated for procurement of crude during the year 2018-19 and out of which only Rs. 535 crore (that is only 76%) was utilised to fill up the SPR facility at Mangalore.

The Committee are of the opinion that the SPRs are important components of energy security for the country and therefore, strongly recommend that the Ministry should take up with the Ministry of Finance to allocate adequate funds for the purpose. Furthermore, the Committee emphasize upon the Ministry to fully utilize the funds allocated so that next year also the allocations are not cut down.

The Committee note that under phase-II of ISPRL, two locations namely Chandikhol in Odisha and Padur in Karnataka have been selected for establishing 6.5 MMT Strategic Petroleum Reserves. The process of land acquisition in both the locations is currently under process. The Committee note that due to agitation by local people, the field survey was stopped in Padur. The Committee, therefore, urge upon the Ministry that the issue may be resolved by taking up the matter with the stake holders including State Governments at the highest level and the work should be restarted at the earliest.

Recommendation No.6

Indian Institute of Petroleum Energy (IPE)

The Committee note that in accordance with the Andhra Pradesh Reorganisation Act, 2014, an Indian Institute of Petroleum Energy is being

established at Visakhapatnam to provide high quality education and research in the entire energy sector including conventional hydrocarbons, LNG, biofuels and renewable energy. The Committee note that the current status of allocation of the land related to the construction of permanent campus of Indian Institute of Petroleum and Energy (IIPe) at Visakhapatnam is that land measuring 175.74 acres has been allotted to IIPe out of a total land of 201.80 acres allocated by Government of Andhra Pradesh. Currently, the remaining land measuring 26.06 acres is under litigation and yet to be allotted to IIPe. The Committee have been further informed that IIPe is constantly in touch with the District Collector for the resolution of the issue at the earliest and the district administration seems to have assured to resolve the matter by consulting the stakeholders in order to handover the remaining land of 26.06 acres. The Committee note that an amount of Rs. 31.82 crore has been allocated for IIPe during the year 2019-20 out of which Rs. 14.32 crore has been released till 30 September, 2019. The Committee also note that the entire allocation of Rs. 24 crore under BE 2018-19 was fully utilized during the previous year.

The Committee impress upon the Ministry to follow-up with the State Government at the highest level and with other stake holders to find a solution to the pending land issue so that an important institute like IIPe can function from its own campus with full fledged infrastructure and achieve the objective of nurturing and promoting quality and excellence in education and research in petroleum and energy sector. The Committee also recommend that the funds allocated for the current financial year 2019-20 should be fully utilized.

Recommendation No. 7

National Seismic Programme

The Committee note that the Government had formulated a National Seismic Programme (NSP) in October, 2016 to appraise the unappraised areas in all sedimentary basins of India by conducting 2D seismic survey of 48,243 Line Kilo Metres (LKM) at an estimated cost of Rs. 2932.99 crore and the project is proposed to be completed by 2020-21. The Committee understand that the data acquired in the present process would help in identifying the prospective area,

carving out the blocks, generate interest of bidders in Open Acreage Licensing Program (OALP) etc. The Committee note that against a physical target of 11561 LKM for 2019-20, 4242.74 LKM has been achieved as on 15 October, 2019. Further, against the budgetary allocation of Rs. 1623.26 crore, the actual expenditure as on 15 October, 2019 is Rs. 166.35 crore only.

The Committee express their displeasure over the present progress of work as hardly 37 per cent of the physical target has been achieved and only 10 per cent of the actual expenditure has been incurred till now during the current financial year 2019-20. The Committee feel that since the basic idea of this programme is to ensure authentic scientific information about all sedimentary basins in India, it will certainly help in identifying the resourceful areas/fields and also attract foreign direct investment in the country. The generated data would provide basic inputs for exploration activities in future. The slow progress would deter identification of new/unexplored hydrocarbon areas through generation of new geo-scientific data, thereby affecting the domestic oil and gas production. In view of this, it becomes really significant that the pace of achieving physical targets should be enhanced and utilization of funds should be maximized.

The Committee therefore, recommend that the Ministry should review the progress of the programme continuously and take necessary corrective action so that the physical and financial targets for the current financial year are achieved in the remaining period.

Recommendation No.8

National Biofuel Fund

The Committee observe that the National Policy on Biofuels was notified by the Government in 2018 to provide a fillip to the Bio Fuels Programme in the country and the main objective of this programme has been to facilitate appropriate financial and fiscal incentives to both first generation (1G) bio-ethanol and biodiesel fuels and second generation (2G) ethanol and bio-CNG fuels. The Committee have noted that National Bio Fuel Fund has been allotted a token amount of Rs.1.00 crore budgetary allocation during the current financial

year to provide Viability Gap Funding, subsidies and other financial grants for promotion of bio fuels in the country.

The Committee while appreciating the objectives of this National Biofuel Programme expect the Government to find solutions to various practical constraints such as lack of adequate supply of ethanol in the Ethanol Blended Programme. They desire that the Government must take advantage of availability of multiple crops in the country for producing various kinds of biofuels from different sources and expedite production of second generation biofuels in order to benefit the farming community in the country. The Committee further desire that production of bio fuels in large quantities would certainly go a long way in supplementing the existing conventional hydrocarbons and recommend the Ministry to finalize the modalities of the implementation of the programme and keep the programme funded properly so that it can be taken up in mission mode.

Recommendation No.9

Safety of Oil and Natural Gas Installations

The Committee note that the recent fire incident on 3rd September, 2019 at oil processing unit of ONGC at Uran, Mumbai with four fatalities is a grave reminder to the inadequate safety measures and the lackadaisical implementation of safety standards at oil and gas installations in the country. The Committee observe that M.B. Lal Committee constituted in the aftermath of a fire incident in October 2009 at IOCL terminal at Jaipur had recommended comprehensive recommendations with regard to safety guidelines to be followed by oil companies at their installations. However, the Committee are constrained to note that in spite of such recommendations in place, fire incidents such as blasts at GAIL pipeline at Nagaram in East Godavari of Andhra Pradesh on 27th June, 2014 and BPCL tank farm at Butcher Island near Mumbai on 06.10.2017 and the recent fire incident at Uran had occurred at oil installations at regular intervals.

The Committee expect the Ministry/PSUs to enforce the safety standards devised by OISD for the overall safety and security of oil installations in the country. Further, safety awareness campaigns and sensitization of work force

with regard to standard operating procedures (SoPs) must be undertaken periodically by all oil PSUs and any deviation of SoPs must be dealt with stringent punishment. Mock drills should be conducted every three months to ensure that the safety gadgets are in working condition and the crew/staff/officers are conditioned adequately for reaction time/practice. The Committee, therefore, recommend that the Ministry should conduct review of safety measures in place in all oil installations and ensure that third-party safety audits are also conducted at periodic intervals to identify weak spots for taking corrective measures.

Recommendation No.10

Research and Development Activities of Oil PSUs

The Committee note that research and development activities to invent world class technologies has become imperative to find solutions to both current and future challenges in the oil industry. The Committee also note that rapid depletion of conventional hydrocarbon resources and concerns of climate change have necessitated development of new technologies to enhance energy efficiency, process and technology improvements, use of various non conventional alternative fuels like hydrogen fuel, bio-fuels and other renewable energy forms. With regard to the budgetary allocations, the Committee observe that allocation for R&D by PSUs has been declining during the last three years from Rs. 650 crore in 2017-18 to Rs. 455 crore in 2018-19. However, the actual expenditure during the year 2017-18 was Rs. 586 crore and during the year 2018-19 was Rs. 583 crore.

The Committee feel that expenditure on R&D in any sector is indicative of the level of development in that sector and also reveal the zeal for introduction of new technologies to meet the challenges and the way forward. The Committee are convinced that R&D will not only enable the Indian petroleum sector to address the domain specific challenges apparent on the surface but also strengthen its roots with continuous incremental and novel innovations by allowing the new trends to flow from the upstream sector to midstream infrastructure, refinery operations and more importantly in alternative fuel and energy technologies.

The Committee firmly believe that the Government must strengthen R&D spending by oil PSUs by according it the top priority. The Committee strongly recommend that the Government should emphasize on the importance of R&D and the expenditure may be enhanced and also the budgeted expenditure must be spent as per the allocation.

Recommendation No.11

Diversification of Crude Oil Sources

The Committee note that oil and gas industry as one of the core sectors of the economy plays a dominant role in the country's overall economic development. Currently, the country is dependent on imports for about 83 percent of its crude oil requirements and around 47 percent in case of natural gas. The Committee while observing the economic growth of the country, expect that its growing requirements of domestic energy consumption must be obtained through diversified means of energy options and move beyond traditional oil exporting countries and look for opportunities for oil and gas in various hydrocarbon rich countries.

The Committee observe that the country's crude oil is being imported from Middle East and other regions like Africa, South America, North America, Europe, Eurasia and Australia. The Committee while being satisfied with the present efforts of the Government in diversification of crude sourcing from different regions, are concerned to note that despite this diversification, the country is still dependent on Middle East region for more than two-thirds of its crude oil imports. The Committee, therefore, recommend the Government to reduce its dependence on one single region and be more proactive in diversification of its crude sourcing by encouraging national oil companies to import from other regions as well for overall energy security of the country in the long run.

Recommendation No.12

LPG Distributorships

The Committee note that the number of LPG consumers in the country has seen tremendous increase and it is currently about 26.5 crore consumers due to

successful implementation of Pradhan Mantri Ujjwala Yojana by providing 8 crore LPG connections during the last five years of which and more than 4.51 crore connections were given during the year 2018-19. This has necessitated that adequate number of LPG distributorships are opened so that the consumers can avail the facilities for refilling of their cylinders in time and without much difficulty. The Committee note that as on 1.10.2019 there are 24127 LPG distributors in the country and OMCs have advertised 6380 LPG distributorships under unified guidelines for selection of LPG distributorship out of which 4152 LPG distributorships have been commissioned during the last three years and current year.

Since commissioning of such distributorships in far-flung areas help in uninterrupted distribution and supply of LPG, the Committee would like to impress upon the Government to give suitable directions to OMCs to complete the process of commissioning of the remaining distributorships at an early date. The Committee note that allotment of LPG distributorships gets affected due to various reasons and therefore, recommend that the procedure in regard to distributorships of LPG be simplified and made easy so as to accomplish the targets in a timely manner and avoid undue delay.

Recommendation No.13

Pradhan Mantri JI-VAN Yojana

The Committee note that Pradhan Mantri JI-VAN Yojana is another scheme for which provision of Rs. 37.87 crore has been made in BE 2019-20. The scheme provides financial support for setting up integrated bio-ethanol projects using lignocellulosic biomass and other renewable feedstock as a tool to create 2G Ethanol capacity in the country and attract investments in this new sector. The Committee further note that under the scheme, approval for 12 commercial projects at the cost of Rs. 1800 crores and 10 demonstration projects at a cost of Rs. 150 crores and Rs. 19.50 crore for CHT as administrative charge totalling Rs. 1969.50 crore for the period 2018-19 to 2023-24 has been granted.

The Committee note that the objectives of the scheme are to establish commercially viable 2G ethanol production projects, providing remunerative income to farmers for their otherwise wasteful agricultural residues, addressing concerns of environmental pollution caused by burning of biomass/ agriculture residues and contributing to 'Swachh Bharat Mission' by supporting the aggregation of non-food biofuel feedstocks such as, waste biomass and urban waste, indigenisation of second generation biomass to ethanol technologies etc.

The Committee recommend that the Ministry should review the implementation and progress of the commercial and demonstration projects under this scheme periodically and ensure that the different milestones of the scheme are implemented as per the schedule without any time and cost overruns.

Recommendation No.14

Placements under Skill India

The Committee note that the initiative called Skill India was launched in 2015 to create convergence across sectors and states in terms of skill training activities. Hydrocarbon Sector Skill Council (HSSC), under Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is executing the scheme in three trades for certifying large number of uncertified manpower engaged with the dealers, distributors and contractors under IOCL, HPCL and BPCL. The Committee note that assessment of 50065 personnel has been completed in the current financial year 2019-20.

The Committee note that Six Skill Development Institutes (SDIs) at Bhubaneswar, Vizag, Kochi, Ahmedabad, Guwahati and Rae Bareli have been started by IOCL, HPCL, BPCL, ONGC, OIL and GAIL respectively. In the financial year 2018-19, training programme to 833 candidates was imparted on HSSC's 12 approved trades, of which 762 candidates were certified and 701 candidates were placed. The Committee note that placement from Skill Development Institutes has been offered to more than 80 percent trained candidates. Considering the capabilities of oil PSUs, the Committee feel that there is more scope for skill training and placements and therefore, recommend that more number of

candidates may be imparted training and more opportunities for placements may be provided to them in these skill development institutes and desire that more skill development institutes may be opened.

**New Delhi;
9 December, 2019
18 Agrahayana, 1941 (Saka)**

**RAMESH BIDHURI,
Chairperson,
Standing Committee on
Petroleum & Natural Gas.**

ANNEXURE I

The mandate of the Ministry of Petroleum and Natural Gas is given below:

1. Exploration for, and exploitation of petroleum resources, including natural gas and Coal Bed Methane, gas hydrates and shale gas.
2. Production, supply, distribution, marketing and pricing of petroleum, including natural gas, Coal Bed Methane and petroleum products.
3. Oil refineries, including Lube Plants.
4. Additives for petroleum and petroleum products.
 - (i) Overall coordination concerning bio-fuels;
 - (ii) National Policy on Bio-fuels;
 - (iii) Marketing, distribution and retailing of bio-fuels and its blended products;
 - (iv) Policy/Scheme for supporting manufacturing of bio-fuels;
 - (v) Blending and blending prescriptions for bio-fuels including laying down the standards for such blending;
 - (vi) Setting up of a National Bio-fuel Development Board and strengthening the existing institutional mechanism; and
 - (vii) Research, development and demonstration on transport, stationary and other applications of bio-fuels.
5. Blending and blending prescriptions for bio-fuels including laying down the standards for such blending.
6. Marketing, distribution and retailing of bio-fuels and its blended products.
7. Tube Blending and greases.
8. Conservation of Petroleum products.
9. Planning, development, control and assistance to all industries dealt with by the Ministry.
10. Strengthening energy security by acquiring oil and gas equity abroad and participation in transnational oil and gas pipeline projects.
11. Creation and administration of strategic petroleum reserve through Indian Strategic Petroleum Reserves Limited (ISPRL).
12. Petroleum Planning and Analysis Cell (PPAC).
13. All attached or subordinate offices or other organization concerned with any of the subjects specified in the list, including Directorate General of Hydrocarbons (DGH), Centre for High Technology (CHT), Oil Industry Development Board (OIDB), Petroleum Conservation Research Association (PCRA), etc.
14. Planning, development and regulation of oilfield services.
15. Administration of Engineers India Limited, including their subsidiaries and joint ventures.

16. Public sector project falling under the subject included in this list except such projects which are specifically allotted to any other Ministry / Department.
17. The Oil Fields (Regulation and Development) Act, 1948 (53 of 1948).
18. The Oil and Natural Gas Commission (Transfer of undertaking and Repeal) Act, 1993 (65 of 1993).
19. The Petroleum Pipelines (Acquisition of right of User in Land) Act, 1962 (50 of 1962).
20. The ESSO (Acquisition of Undertaking in India) Act, 1974 (4 of 1974).
21. The Oil Industry (Development) Act, 1974 (47 of 1974).
22. The Burmah – Shell (Acquisition of Undertaking in India) Act, 1976 (2 of 1976).
23. The Caltex (Acquisition of Shares of Caltex Oil Refining (India) Limited and of the Undertaking in India of Caltex (India) Limited Act, 1977.
24. Administration of the Petroleum Act, 1934 (30 of 1934) and the rules made thereunder.
25. Administration of Balmer Lawrie Investment Limited and Balmer Lawrie and Company Limited.
26. Petroleum & Natural Gas Regulatory Act, 2006.
27. Matter pertaining to M/s Biecco Lawrie Limited
28. Matters pertaining to Gas Authority of India Limited (GAIL).
29. Matter pertaining to natural gas pipelines.
30. Matter pertaining to LNG terminals.
31. The Rajiv Gandhi Institute of Petroleum Technology (RGIPT) Act, 2007
32. Matter pertaining to Indian Institute of Petroleum & Energy (IIPe), Act 2017 (3 of 2018)
33. Liquefied Petroleum Gas (Regulation of Supply and Distribution) Order, 2000.
34. Matter pertaining to Direct Benefit Transfer of LPG (DBTL) PAHAL.
35. Matter pertaining to Direct Benefit Transfer in Kerosene (DBTK).
36. Matter pertaining to Pradhan Mantri Ujjwala Yojana (PMUY).

ANNEXURE II

List of Public Sector Undertakings and other organizations under the administrative control of the Ministry of Petroleum & Natural Gas

I. Oil Companies in which Government of India has shareholding

1. Oil & Natural Gas Corporation Limited
2. Indian Oil Corporation Limited
3. Bharat Petroleum Corporation Limited
4. Gail (India) Limited
5. Engineers India Limited
6. Oil India Limited
7. Biecco Lowrie & Co Limited
8. Balmer Lawrie & Co Limited

II. Subsidiaries and other Companies

1. Hindustan Petroleum Corporation Limited
2. ONGC Videsh Limited -Wholly owned by ONGC
3. Mangalore Refinery & Petrochemicals Limited - Subsidiary of ONGC
4. Bharat Petro Resources Limited -Subsidiary of BPCL
5. Chennai Petroleum Corporation Limited -Subsidiary of IOCL
6. Numaligarh Refineries Limited -Subsidiary of BPCL
7. Certification Engineers International Limited -wholly owned by EIL
8. EIL Asia Pacific Sdn BHD -wholly owned by EIL
9. GAIL Gas Limited -wholly owned by GAIL

III. Other Organisations

1. Oil Industry Development Board
2. Petroleum Conservation Research Association
3. Oil Industry Safety Directorate
4. Centre for High Technology
5. Petroleum Planning & Analysis Cell
6. Directorate General of Hydrocarbons
7. Rajiv Gandhi Institute of Petroleum & Technology

8. Petroleum and Natural Gas Regulatory Board
9. Indian Strategic Petroleum Reserves Limited
10. Indian Institute of Petroleum Energy
11. Society for Petroleum Laboratory

MINUTES**STANDING COMMITTEE ON PETROLEUM AND NATURAL GAS
(2019-20)****SECOND SITTING
(05.11.2019)**

The Committee sat on Tuesday, the 05 November, 2019 from 1100 hrs. to 1415 hrs. in Committee Room 'E', PHA, New Delhi.

PRESENT

Shri Ramesh Bidhuri - Chairperson

MEMBERS**LOK SABHA**

2. Shri Dibyendu Adhikari
3. Smt. Chinta Anuradha
4. Shri Ramesh Bind
5. Shri Pradyut Bordoloi
6. Shri Topon Kumar Gogoi
7. Shri Santosh Kumar
8. Shri Rodmal Nagar
9. Shri Unmesh Bhaiyyasaheb Patil
10. Shri M.K. Raghavan
11. Shri Dilip Saikia
12. Shri Janardan Singh Sigriwal
13. Shri Vinod Kumar Sonkar
14. Shri Rajan Baburao Vichare

RAJYA SABHA

15. Shri Narain Dass Gupta
16. Smt. Kanta Kardam
17. Shri Kanakamedala Ravindra Kumar
18. Shri Narayan Lal Panchariya
19. Shri K.K. Ragesh
20. Shri A. Vijayakumar
21. Ch. Sukhram Singh Yadav

SECRETARIAT

1. Smt. Abha Singh Yaduvanshi - Joint Secretary
2. Shri H. Ram Prakash - Director
3. Shri Tirthankar Das - Additional Director
4. Shri Vinay Pradeep Barwa - Deputy Secretary

Representatives of the Ministry of Petroleum & Natural Gas

1	Dr. M.M. Kutty	-	Secretary
2	Shri Rajiv Bansal	-	AS&FA
3	Shri Amar Nath	-	Joint Secretary (Exploration)
4	Shri Ashish Chatterjee	-	Joint Secretary (Gas Pricing) & (Incharge of Marketing)
5	Shri B.N. Reddy	-	OSD (International Cooperation)
6	Shri Sunil Kumar	-	Joint Secretary (Refinery)
7	Smt. Indrani Kaushal	-	Economic Advisor

Representatives of Public Sector Undertakings and other organizations

1	Dr. V.P. Joy	-	DG, DGH
2	Shri Rajiv Bansal	-	Secretary, OIBD
3	Shri Sanjiv Singh	-	Chairman, IOCL
4	Shri D. Raj Kumar	-	CMD, BPCL
5	Shri Shashi Shanker	-	CMD, ONGC and Chairman, OVL
6	Shri Sushil Chandra Mishra	-	CMD, OIL
7	Shri Mukesh Kumar Surana	-	CMD, HPCL
8	Shri J.C. Nakra	-	CMD, EIL
9	Shri M. Venkatesh	-	MD, MRPL
10	Shri S.N. Pandey	-	MD, CPCL
11	Shri S.K. Barua	-	MD, NRL
12	Shri Prabal Basu	-	CMD, Balmer-Lawrie & Co. Ltd.
13	Ms. Indrani Kaushal	-	EA looking after – PPAC
14	Smt. Vandana Sharma	-	Secretary, PNGRB
15	Shri Ranjan Mehrotra	-	Acting ED, OISD
16	Shri R.K. Ahuja	-	ED, PCRA
17	Shri H.P.S. Ahuja	-	CEO, ISPRL
18	Shri C. Shankar	-	ED, SFPL
19	Shri A.S.K. Sinha	-	Director, RGIPT

2. At the outset, the Hon'ble Chairperson of the Committee welcomed Members of the Committee, heads of regulatory bodies and representatives of the Ministry of Petroleum and Natural Gas/PSUs to the sitting of the Committee and gave a brief on the agenda. Thereafter, the Secretary, Ministry of P&NG introduced his colleagues to the Committee and sought the permission of the Chairperson for presentation. Subsequently, with the approval of Chairperson, a representative of the Ministry made a presentation on the subject "Demands for Grants (2019-20)".

3. Members of the Committee deliberated on a wide gamut of issues related to the subject such as availability of ethanol blended petrol and its resource mapping and blending targets and also production of second generation ethanol, growth of private sector oil companies vis-à-vis public sector oil PSUs, pricing of petrol and diesel, success story of Pradhan Mantri Ujjwala Yojana, its further expansion and low availability of LPG connections under Ujjwala scheme in Kerala in comparison to other states in the country, unaffordability of Ujjwala beneficiaries to purchase refill cylinders, use of 5 kg LPG cylinders in remote areas etc.

4. Further, various other issues such as expansion of natural gas pipeline and gas discovery in Rajasthan, steps taken to reduce dependence on import of crude oil, current legal status of Indian Institute of Petroleum Energy at Visakhapatnam, role of BS-VI auto fuel in curbing air pollution in Delhi, coverage of tribal districts of Kerala under PDS kerosene scheme, Jagdishpur Haldia gas pipeline under Pradhan Mantri Urja Ganga scheme, capacity expansion of refineries in Assam by OMCs, production of oil and gas in ONGC oil fields, allocation and the amount of funds spent under CSR, variations in allocation of funds by the Ministry under some heads of accounts also came up for discussion.

5. Besides, other issues like fire incident at processing plant of ONGC at Uran, Maharashtra, availability of fire safety and detection systems with oil PSUs, performance rating analysis of upstream oil companies vis-à-vis global players in E&P sector, introduction of BS-VI auto fuel and its impact on automobile industry, MoU signed between ISPRL and ADNOC company over storage of crude oil at Padur, Karnataka, advertisement and status of allotment of LPG distributorships by Indian Oil, allotment policy and criteria of Retail Outlets and LPG distributorships were also deliberated at length by Members of the Committee. The Members also raised the cost incurred in idle time of oil rigs. The officials of the Ministry/PSUs replied to most of the queries raised by the Members of the Committee.

6. The Chairperson then thanked the witnesses for expressing their views and answering the queries raised by the Members. Further, to the queries where replies

were not readily available, the Ministry was instructed to furnish the same to this Secretariat within ten days.

7. A verbatim record of the proceedings of the sitting has been kept.

The Committee then adjourned.

MINUTES**STANDING COMMITTEE ON PETROLEUM AND NATURAL GAS
(2019-20)****THIRD SITTING
(09.12.2019)**

The Committee sat on Monday, the 9 December, 2019 from 1500 hrs. to 1530 hrs. in Committee Room 'D', PHA, New Delhi.

PRESENT

Shri Ramesh Bidhuri - Chairperson

MEMBERS**LOK SABHA**

2. Smt. Chinta Anuradha
3. Shri Girish Chandra
4. Shri Topon Kumar Gogoi
5. Shri Naranbhai Kachhadiya
6. Shri Rodmal Nagar
7. Shri Unmesh Bhaiyyasaheb Patil
8. Shri Gautham Sigamani Pon
9. Shri Dilip Saikia
10. Dr. Bharatiben Dhirubhai Shyal
11. Shri Janardan Singh Sigriwal
12. Shri Lallu Singh
13. Shri Vinod Kumar Sonkar
14. Shri Ajay Tamta
15. Shri Rajan Baburao Vichare

RAJYA SABHA

16. Shri Ripun Bora
17. Shri Narain Dass Gupta
18. Smt. Kanta Kardam
19. Shri Kanakamedala Ravindra Kumar
20. Shri Narayan Lal Panchariya
21. Shri K.K. Ragesh
22. Shri A. Vijayakumar
23. Ch. Sukhram Singh Yadav

SECRETARIAT

1. Smt. Abha Singh Yaduvanshi - Joint Secretary
2. Shri H. Ram Prakash - Director
3. Shri Tirthankar Das - Additional Director
4. Shri Vinay Pradeep Barwa - Deputy Secretary

2. At the outset, the Hon'ble Chairperson welcomed the Members of the Committee to the sitting. Thereafter, the Committee took up the draft report on 'Demands for Grants (2019-20)' of the Ministry of Petroleum and Natural Gas for consideration and adopted the same without any modifications.
3. The Committee, thereafter, authorised the Chairperson to present/lay the Report in both the Houses of Parliament.

The Committee then adjourned.
