



**STANDING COMMITTEE ON  
PETROLEUM & NATURAL GAS  
(2024-25)**

**EIGHTEENTH LOK SABHA**

**MINISTRY OF PETROLEUM & NATURAL GAS**

**DEMANDS FOR GRANTS  
(2025-26)**

**SECOND REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

*March, 2025 /Phalguna, 1946 (Saka)*

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**MINISTRY OF PETROLEUM & NATURAL GAS**

**DEMANDS FOR GRANTS  
(2025-26)**

*Presented to Lok Sabha on 21.03.2025*

*Laid in Rajya Sabha on 20.03.2025*



**LOK SABHA SECRETARIAT  
NEW DELHI**

*March, 2025 /Phalguna, 1946 (Saka)*

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Sl. No.	Names of Members
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**Shri Sunil Dattatrey Tatkar - Chairperson**

## RAJYA SABHA

**SECRETARIAT**

(iv)

## **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 (2025-26) of the Ministry of Petroleum and Natural Gas'.

2. The Committee examined the Demands for Grants (2025-26) pertaining to the Ministry of Petroleum & Natural Gas which were laid on the Table of the House on 13.02.2025.

3. The Committee took evidence of the representatives of the Ministry of Petroleum & Natural Gas at their sitting held on 24.02.2025. The Report was considered and adopted by the Standing Committee on Petroleum and Natural Gas on 18.03.2025.

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 (2025-26) 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;  
18 March, 2025  
27 Phalguna, 1946 (Saka)**

**Sunil Dattatrey Tatkare,  
Chairperson,  
Standing Committee on  
Petroleum & Natural Gas.**

# REPORT

## PART I

### Introductory

Energy is the mainstay of socio-economic growth and development for a nation like India which is currently the third largest primary energy consumer while its per-capita energy consumption is only a third of the global average. The Oil & Gas sector is among the eight core industries in India and plays a major role in influencing decision making for all the other important sections of the economy. It has been assessed by various entities that the major factors contributing towards India's increasing consumption of energy include sustained economic growth over the last few years resulting in industrialization, urbanization, transportation needs, infrastructure development, rising income, improved standard of living, increased access to modern energy coupled with increase in private consumption and gross fixed capital formation, etc.

In this backdrop, the mandate of the Ministry and the initiatives undertaken by it towards achieving the priorities in the context of the examination of Demands for Grants (2024-25) have been analysed in the subsequent paragraphs.

### **A Mandate of the Ministry**

1.2 Exploration and exploitation of petroleum resources, including natural gas and Coal Bed Methane, gas hydrates and shale gas and Production, supply, distribution, marketing and pricing of petroleum, including natural gas, Coal Bed Methane and petroleum products are major mandates of the Ministry of Petroleum and Natural Gas. The detailed mandate of the Ministry given in the Government of India (Allocation of business) Rules, 1961 is enclosed at *Annexure – II* of this Report. Besides, details of PSUs/Organizations/Agencies/Boards that are functioning under the administrative control of the Ministry of P&NG along with their main functions are enclosed at Annexure-III

1.3 The above mandate of the Ministry is carried out through following divisions:-

- i. Exploration Division
- ii. Refinery Division
- iii. Marketing Division
- iv. Gas Projects Division
- v. International Cooperation Division
- vi. Economic & Statistics Division
- vii. General Coordination and Administrative Division

Each of the above division is headed by Joint Secretary Level Officer. Besides, there is Finance Division headed by AS&FA.

1.4 When the Committee asked the Ministry about the inclusion of any new item to the mandate of the Ministry during the last three years, the Ministry in its written reply has submitted as under:

“No new mandate has been included during the last three years”.

1.5 When asked about new initiatives that have been taken by the Ministry to enhance morale and motivation as well as efficiency and effectiveness of the staff during the last three years, the Ministry in its written reply has submitted as under:

“The Ministry of Petroleum and Natural Gas has taken following initiatives to enhance morale and motivation as well as efficiency and effectiveness of the staff in the Ministry in the last three years:

- i. Capacity Building and Training Programmes;
- ii. Improvements in workplace infrastructure to create a more conducive and employee-friendly environment;
- iii. Adoption of digital platforms for seamless file movement, reducing paperwork and enhancing efficiency;
- iv. Implementation of e-office for better workflow management, transparency and mobility;
- v. Conducting periodic review meetings with the leadership of senior officers to foster open communication”.

1.6 When asked about the present regulatory framework governing the oil sector in the Country and any changes in the regulatory framework environment effected in the last five years, the Ministry in its written reply has submitted as under:

“The rules or regulations governing authorization Exploration and Production of Oil and Gas products are primarily the Oilfields (Regulation and Development) Act, 1948 and its applicable rules viz. the Petroleum & Natural Gas Rules, 1959 as amended from time to time. Besides the said Act and Rules, various notifications issued by the MoP&NG from time to time and the contractual provisions agreed between the Parties under oil and gas exploration and production contracts are applicable for Exploration and Production of Oil and Gas Products.

Till the end of 1970s, oil and gas blocks were awarded to National Oil Companies (ONGC & OIL) on nomination basis. Subsequently, the blocks were awarded under Production Sharing contract (PSC) mechanism under Pre-NEL Prouds. In 1999, Government introduced the New Exploration Licensing Mechanism (NELP), a competitive bidding system for exploration blocks. Subsequently, as part of major initiative to boost the upstream hydrocarbon sector, the Government of India notified the Hydrocarbon Exploration Licensing Policy (HELP) in March, 2016 for the award of exploration acreages. Open Acreage Licensing Policy (OALP) mechanism is a part of the HELP. The HELP was a paradigm shift from Production Sharing Contracts (PSC) to Revenue Sharing Contract (RSC) mechanism and a giant step towards improving the ‘Ease of Doing Business’ in the Indian Exploration and Production (E&P) sector. This strategic shift aims to achieve greater transparency, operational flexibility, risk sharing and increased investor appeal. It also helped reduce bureaucratic complexities thereby enhancing efficiency and create a conducive environment for oil and gas exploration. HELP also offered liberal terms viz. reduced royalty rates, abolition of oil cess, marketing and pricing freedom, round the year bidding etc.

Recently, the Government has introduced Oilfields (Regulation and Development) Amendment Bill, 2024, with a view to increasing domestic production of oil & gas and reducing import dependence of the country. The objectives and targets of the

Bill include, inter-alia, attracting investment in Exploration and Production sector to infuse necessary capital and technology, creating an investor friendly environment, promoting ease of doing business, ensuring stability, addressing energy transition issues, providing robust enforcement mechanism for ensuring compliance with provisions of the Act, aid in development and production of all types of hydrocarbons, etc”.

## **B Budgetary Allocations and Expenditure**

1.7 The Ministry of Petroleum and Natural Gas furnished following data pertaining to BE, RE and actual expenditure for the years 2021-22, 2022-23, 2023-24, 2024-25 and BE 2025-26:-

Sl. No	Name of Scheme/Item	BE 2021-22	RE 2021-22	Actual 2021-22	BE 2022-23	RE 2022-23	Actual 2022-23	BE 2023-24	RE 2023-24	Actual 2023-24	BE 2024-25	RE 2024-25	Actual 2024-25 till 31.01.2025	BE 2025-26
1	Secretariat - Economic Services	45.41	47.15	36.86	49.16	49.16	46.07	51.90	50.00	44.59	61.29	59.08	39.96	63.49
2	DBT for LPG	12480.00	3400.00	177.06	4000.00	180.00	180.00	180.00	1460.00	1460.00	1500.00	500.00	231.40	1500.00
3	Other subsidy payable including NE Region (Domesti Natural Gas)	450.00	391.00	391.00	811.00	811.00	811.00	1633.02	1633.00	1633.00	1200.00	1200.00	790.01	1200.00
4	Project Management Expenditure	65.00	65.00	241.65	64.00	32.00	32.00	52.00	84.00	84.00	0.01	0.01	0.00	0.01
5	DBT for Kerosene	0.00	0.00	1.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Feedstock Subsidy to BPCL/Assam Gas Cracker Complex	1078.35	1042.92	1042.92	137.50	137.50	131.00	392.06	563.00	563.00	131.00	300.00	93.88	300.00
8	Scheme for LPG Connection to Poor Households (PMUY)	0.00	1618.00	1568.44	800.00	8010.00	5663.37	0.01	8500.00	8500.00	9094.00	12700.00	5861.34	9100.00
	Transfer to Oil Industry Development Fund (OIDF) (-)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2000.00	0.00	500.03
	Additional transfers to reserve fund, OIDF (-)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1000.00	0.00	0.00
9	Payment to Indian Strategic Petroleum Reserve Limited (O&M)	186.34	163.54	129.49	210.58	178.87	123.27	202.81	190.56	152.93	220.04	100.00	89.39	179.00



10	Gas Authority of India-PhulpurDhamra Haldia Pipeline Project	250.00	499.7 1	589.55	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Indradhanush Gas Grid Limited (IGGL) - Part of the North East Natural Gas Pipeline Grid	500.00	850.0 0	850.00	1798.27	1798.2 7	1528.5 0	1800.0 0	1300.0 0	104 3.38	1000.0 0	611.92	0.00	700.00
12	Pradhan Mantri JI-VAN Yojna	233.31	189.3 8	151.50	314.36	83.34	37.88	227.26	151.99	75.7 5	117.41	30.00	0.00	117.41
13	National Bio-Fuel Fund	1.00	1.00	0.00	1.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	Petroleum and Natural Gas Regulatory Board	23.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15	Society for Petroleum Laboratory	2.84	2.84	1.69	2.88	1.66	0.22	1.24	0.62	0.00	0.01	0.00	0.00	0.00
16	Setting up of Indian Institute of Petroleum Energy (IIPE) Vishakhapatnam	95.00	95.00	23.75	150.00	100.00	29.25	168.00	90.00	90.0 0	168.00	88.08	0.00	0.00
17	Establishment of Rajiv Gandhi Institute of Petroleum and Technology (RGIPT), Assam	32.00	32.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18	Establishment of Centre of Excellence for Energy, Bangalore	50.00	50.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
19	One time grant to PSU OMCs for under recoveries in Domestic LPG	0.00	0.00	0.00	0.00	22000.00	22000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20	Payment of Differential Royalty to State Governments	24.00	0.93	0.88	1.11	1.11	1.11	0.00	20.31	20.3 1	0.01	25.00	0.00	16.36
21	Numaligarh Refinery Expansion Project	0.00	0.00	0.00	0.00	245.00	245.00	500.00	475.50	475.50	275.00	275.00	82.50	24.50
	Transfer to Oil Industry Development Fund (OIDF) (-)											100.00	0.00	179.00
22	Scheme for flagging of merchant ships	0.00	0.00	0.00	0.00	215.62	84.04	290.44	130.00	87.7 5	387.26	87.75	65.64	100.00

23	Global Biofuel Alliance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	60.00	60.00	0.01	0.00	0.00	0.00
24	providing support for biomass	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.00	0.00	150.00	20.00	0.00	150.00
25	Development of pipeline infrastructure for injection of Compressed Bio Gas in City Gas Distribution Network	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	497.25	30.00	0.00	250.00
	TOTAL REVENUE SECTION	15516.78	8448.47	5406.32	8339.86	33843.54	30912.71	5498.74	14716.98	14290.21	14801.29	19126.84	7254.12	14379.80

Sl. No.	Name of Scheme/Item	BE2022-23	BE2023-24	BE2024-25	RE 2024-25	Actual 2024-25 till 31.01.2025	BE 2025-26
	<b>Capital Section</b>						
1	Secretariat –Economic Services	0	0.98	0.95	160.86	0.26	2.13
2	Payment to Indian Strategic Petroleum Reserve Limited (IRPRL)	0	5000	0	0.00	0.00	5597.00
3	Payment to ISPRL for construction of caverns Phase-II	600	508	408	30.00	17.25	100.00
4	Payment to ISPRL for purchasing of land	0	0	0.01	50.00	50.00	235.00
5	National Seismic Programme			0.00	0.00	0.00	0.00
6	Capital Support to OMC	0	30000	0.01	0.00	0.00	0.00
7	Mission Anveshan	0	0	332	50.00	0.00	592.00
8	Appraisal of areas of India's Extended Continental Shelf	0	0	388	50.00	0.00	100.00
	Issue of Bonus Share (-)				807.91		
	Transfer to OI DF				30.00		5697.00
	<b>TOTAL CAPITAL SECTION</b>	<b>600</b>	<b>35508.98</b>	<b>1128.97</b>	<b>1178.77</b>	<b>67.51</b>	<b>12323.13</b>
	<b>TOTAL REVENUE + CAPITAL</b>	<b>8939.86</b>	<b>41007.72</b>	<b>15930.26</b>	<b>20305.61</b>	<b>7321.63</b>	<b>26702.93</b>

1.7 Apprising the Committee about the need for providing budgetary support to the Ministry for undertaking R&D activities and other initiatives, the representative of the Ministry during oral evidence held on 24.02.2025 submitted as under:

“हम आर एंड डी व बाकी के लिए बजट सपोर्ट मांगते रहें। उसमें हमारी कमेटी से रिक्वेस्ट है कि वह हमें सपोर्ट करे। अमूमन हमसे कहा जाता है कि आपको पैसे की क्या जरूरत है? अतः हमारी रिक्वेस्ट है कमेटी सपोर्ट करे। जीबीएस, कुछ एक्टिविटीज के लिए जरूरी है, जहां पर वायेबिलिटी कम होती है या खर्च ज्यादा होता है। इसी तरह कंस्ट्रक्शन हेतु हमें पूरा पैसा नहीं चाहिए। किस साल कितना पैसा चाहिए, उस तरह से बजट एस्टिमेट किया गया है”।

1.8 When asked as to whether the Ministry has any institutional framework to receive inputs on the global developments in the oil and gas sector, the Ministry has submitted the following information:

“In tune with Government’s policy of “Minimum Government –Maximum Governance”, various institutional reforms have been introduced in the Oil and Gas sector *inter alia*

a) Hydrocarbon Exploration and Licensing Policy (HELP): Introduced in 2016, itenables in increasing domestic oil & gas production, bring substantial investment in the sector and generate sizable employment. The policy is also aimed at enhancing transparency and reducing administrative discretion. The uniform licence will enable the contractor to explore conventional as well as unconventional oil and gas resources including CBM, shale gas/oil, tight gas and gas hydrates under a single license. the government launched the Open Acreage Licensing Program (OALP) as a part of the Hydrocarbon Exploration Licensing Policy (HELP) in March 2016. The new exploration policy provides for a paradigm shift from Production Sharing Contract (PSC) regime to Revenue Sharing Contract (RSC) regime.

b) National Data Repository: In July 2017, Government of India has set up an E&P data bank, National Data Repository (NDR), with state-of-the-art facilities and infrastructure for preservation, upkeep and dissemination of data to enable its systematic use for future exploration and development. Having an NDR for India has helped in enhancing prospects of petroleum exploration and facilitating the Bidding Rounds by improving the availability of quality data. National Data Repository (NDR) is being upgraded to a cloud based NDR, which will enable instant dissemination of seismic, well and production data.

c) National Seismic Program: Government formulated National Seismic Programme (NSP) in October, 2016 to appraise the unappraised areas in all sedimentary basins of India where no/scanty data was available. Under the programme, Government approved the proposal for conducting 2D seismic survey for data Acquisition, Processing and Interpretation (API)

d) A Committee headed by Vice-chairman, NITI Aayog and comprising of Cabinet Secretary, Chief Executive Officer, NITI Aayog, Secretary, Ministry of Petroleum and Natural Gas, Secretary, Department of Economic Affairs and Chairman & Managing Director of Oil and Natural Gas Corporation was constituted in October, 2018 for suggesting reforms in Exploration & Production (E&P) Sector to enhance domestic Oil & Gas Exploration and Production. The Committee, in its report *inter-alia* recommended constitution of an Empowered Coordination Committee (ECC) under the chairmanship of Cabinet Secretary for streamlining and expediting grant of approval/clearances.

e) Empowered Coordination Committee (ECC) was constituted in May, 2019 under the Chairmanship of Cabinet Secretary, for considering matters relating to delay in granting various clearances, approvals etc. Three meetings of the committee have been held so far and issues related to delay/non-grant of Petroleum Exploration Licenses, environmental clearance issues and defence clearance issues have been taken up with other Ministries/departments and State Governments for expeditious resolution of the pending issues

f) Memorandum of Understanding (MoU) was signed between the Ministry of Coal (MoC) and the MoPNG, to act in a cooperative manner for the development of CBM. As per the policy, the MoPNG became the Administrative Ministry and Directorate General of Hydrocarbons (DGH) was made the nodal agency for the development of CBM in the country. MoPNG in consultation with the Ministry of Coal (MoC) identified and offered CBM Blocks located in coal-bearing areas.

g) National Policy on Biofuels-2018 has been notified, which inter alia envisages a crucial role for Village Panchayats and communities in augmenting indigenous feedstock supplies for biofuel production. The Policy has also envisioned plantation of non edible oil seeds bearing trees and crops for feedstock generation from wasteland through local communities under Gram Panchayats and Talukas. Farmers are encouraged to grow variety of different biomass as well as oil seeds on their marginal lands, as inter crop and as second crop wherever only one crop is raised by them under rain fed conditions.

h) As per National Policy on Biofuels-2018, a National Biofuel Coordination Committee (NBCC), under the Chairmanship of Minister, Petroleum & Natural Gas (P&NG) to provide overall coordination, effective end-to-end implementation and monitoring of biofuel programme. In addition, a Working Group has also been set up by this Ministry consisting eminent and technical experts in the field of biofuels to monitor the implementation of biofuel programme.

i) SATAT initiative was launched on 1st October 2018, to promote an ecosystem for production and utilization of Compressed Bio Gas (CBG).The Ministry has also issued guidelines for synchronization of CBG with CNG in CGD Network;

j) A scheme for the development of pipeline infrastructure (DPI) for injection of CBG into the City Gas Distribution (CGD) network has been launched to provide financial support for extending pipeline connectivity from CBG plant to the city gas distribution grid online portal for receiving application under DPI Scheme has been activated w.e.f. 1st September, 2024.

Ministry has also issued detailed guidelines for procurement of Biomass Aggregation Machinery (BAM) on 2nd February 2024. The Scheme envisages financial support to the CBG producers for procuring Biomass Aggregation Machineries.

k)The Petroleum and Natural Gas Regulatory Board ("PNGRB") has amended PNGRB (Determination of Natural Gas Pipeline Tariff) Regulations to incorporate the regulations pertaining to Unified Tariff for natural gas pipelines with a mission of "One Nation, One Grid and One tariff".

l) To cater the growing demand of CGD sector and to protect the common people from price volatility, the Government has released new CGD sector Gas allocation Guidelines wherein the allocation of PNG (Domestic) segment was increased (i.e.

105% of PNGD consumption in the previous quarter) and balance available volume to be supplied to CNG (T) segment on prorata basis.

m) Revised guidelines have been issued in April 2023 for gas produced from nomination fields of ONGC/OIL, New Exploration Licensing Policy (NELP) blocks and pre-NELP blocks, where Production Sharing Contract (PSC) provides for Government's approval of prices. The price of such natural gas shall be 10% of the monthly average of Indian Crude Basket and shall be notified on a monthly basis and shall have a floor and a ceiling. The reduced gas price shall positively impact the domestic, Fertilizer and power consumers.

n) Global Biofuels Alliance (GBA) a multi-stake holder alliance of Governments, International Organizations and Industries, an initiative by India as the G20 Chair, bring together the biggest consumers and producers of biofuels to drive development and deployment of biofuels. The initiative aims to position biofuels as a key to energy transition and contribute to jobs and economic growth.

o) PSU OMCs have also carried out intra-state freight rationalisation. This has benefitted consumers located at remote areas, far from Petroleum Oil & Lubricants (POL) Depots in form of reduced Petrol and Diesel prices in remote parts within the states. This initiative has also reduced the difference between the maximum and minimum retail prices of Petrol or Diesel within a state.

p) The Government has introduced the Oilfields (Regulation and Development) Amendment Bill, 2024, with the aim of increasing domestic production of oil and gas and thereby reducing the country's import dependence. The bill targets various objectives, including attracting investments in the Exploration and Production sector to bring in necessary capital and technology for expediting petroleum operations in the country. It seeks to create an investor-friendly environment that promotes ease of doing business, fosters prospects for exploration, development, and production of all types of hydrocarbons, ensures stability, and provides adequate opportunities for risk mitigation.

## **C Acquisition of Geo Scientific Data in India's Sedimentary Basins**

1.9 As regards the efforts of the Government to acquire Geo Scientific Data in India's Sedimentary Basins, the Ministry has provided the following information in its Annual Report as under:

### **i. National Seismic Programme (NSP) project, (completed):**

National Seismic programme (NSP) was launched on 12th October 2016 with an objective to appraise the unappraised onland basinal areas of the country. 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). Acquisition, Processing and Interpretation of 46,960 LKM (~97%) 2D seismic data could be acquired out of the total target of 48,243 LKM. Gujarat Energy Research and Management Institute (GERMI), Gandhinagar carried out a Third-Party evaluation study of NSP data and submitted a report to NDR. To cover the inaccessible and hostile geographical areas (where seismic data could not be acquired due to inaccessible

terrain and hostile environment) under NSP project, a volume of 40,000 flight LKM Airborne Geophysical Survey had also been planned with approximate cost of INR 80 crores. On behalf of Ministry, Oil India Ltd (OIL) carried out Airborne Gravity Gradiometry and Gravity Magnetic (AGG & GM) data survey and completed the API (Acquisition, Processing and Interpretation) of 42,944 Flight LKM of AGG & GM Survey. The sector wise/state-wise break-up of AGG & GM targets and achievements.

**ii. Deep Andaman offshore Project:**

Andaman Basin is a potential petroleum prolific basin located in the southeastern part of the Bay of Bengal in the proximity of the most prolific petroleum provinces of Southeast Asia. Andaman Basin measures 2,25,918 sq. km. and comprises a major chunk of the unappraised area of the offshore sedimentary basins of India. The basin had been appraised to the extent of 36% with 71,290 LKM of 2D seismic and 13,710 sq. km. of 3D seismic data and 22 exploratory wells, in the eastern part of the basin. The 2D/3D seismic or well data acquired in the basin was scanty and the data coverage was moderate to sparse. The area surrounding the Andaman & Nicobar (A&N) islands has significant potential for oil and gas, but the exploratory activities could not be taken up there because most of the area was designated as a "No-Go" Zone (0.37 million sq. km. of the "No-Go" zone area falls in the Andaman Basin). For comprehensive appraisal of Andaman offshore, DGH formulated a plan to acquire 22,500 LKM 2D Broadband seismic data acquisition, processing, and interpretation thereof covering basinal area of approx. 2,81,613 sq. km. and Accordingly, Deep Andaman offshore survey was launched by GoI. The project has been implemented through M/s Oil India Limited. A total of 22,500 LKM seismic data was acquired in deep Andaman offshore. The acquisition and processing was completed in October 2022 and interpretation of the entire dataset has been completed in month of March 2023 data is uploaded on NDR portal.

**iii. Reduced No-Go Areas:**

The Government has been successful in reducing 'No-Go' areas by almost 99% in April 2022, hitherto not available for E&P activities. This made around 1 million sq. km. area of India's EEZ available for exploration.

**iv. Exclusive Economic Zones (EEZ) survey (Ongoing):**

Approximately 1.13 Million sq. km. area of offshore Basinal Areas of Indian sedimentary basins up to EEZ was lying unappraised. In order to assess the entirety of the offshore basin area extending up to the Exclusive Economic Zone (EEZ) of the nation, efforts were undertaken to conduct a 2D broadband seismic survey covering an area of approximately 80,000 LKM (implementing agency: ONGC). As a result, a total of approximately 79,540 LKM of 2D seismic data acquisition was successfully accomplished during the month of June 2023 2D seismic data processing and interpretation was started from 22.07.2023 and completed in June, 2024.

**v. Mission Anveshan (Upcoming):**

To comprehensive appraisal of the Indian sedimentary basins, closed 2D seismic profiles have been planned in 07 onland sedimentary basins under proposed Mission Anveshan. The objective of this project is to infer comprehensive appraisal of the basins and bring out the hydrocarbon prospectivity. The proposal for closed grid 2D seismic API (Acquisition, Processing & Interpretation) 20,275 LKM in 07 on-land sedimentary basins has been formulated.

**vi. Appraisal of India's Extended Continental Shelf (Upcoming):**

A good quality high resolution seismic data with close spacing in Continental shelf in Western and Eastern offshore beyond EEZ boundary will provide valuable

inputs regarding the presence of sediments and help to ascertain hydrocarbons potential in the Continental Shelf area. All these inputs will be useful for formulating the long-term energy policy in offshore areas in the context of the blue economy. This work will help in supporting the claim of extended continental shelf boundary in East and West coast by MoES beyond the EEZ boundary. The proposed seismic reflection profiles with extended streamers and high-power seismic sources are expected to provide details of sub-basement reflections for determining the nature of the crust within the Laxmi Ridge. 2D seismic API is proposed to be carried out for 30,000 LKM in Eastern & western Offshore (Quantum: 15,500 LKM in Western Sector by ONGC & 14,500 LKM In Eastern Sector by OIL).

1.10 When the Committee asked the Ministry about the details of Mission Anveshan Scheme and nature of budgetary support and exploration under it, the Ministry in its written reply have submitted as under:

“Mission Anveshan has been launched in continuity with the National Seismic Program (NSP) aiming at the hydrocarbon resources in India’s onshore Basin. Mission Anveshan is a scheme of 2D Seismic Data Acquisition, Processing and Interpretation (API) of 20275 LKM spread over seven onland Indian sedimentary basins namely Rajasthan, Ganga-Punjab, Chhattisgarh, Cuddapah, Krishna-Godavari, Deccan Syncline and Saurashtra with an outlay of INR 792 crores. The objective of Mission Anveshan is comprehensive appraisal of the Identified sedimentary basins on the basis of leads generated during the Interpretation of National Seismic Program (NSP) data. Under Mission Anveshan, seismic data acquisition started from 29th November 2024 (Rajasthan and Ganga-Punjab Basin) and till January, 2025 a total of 1032 Line Kilo Meter (LKM) data has been acquired. The project is expected to be completed by FY 2025-26. It is expected that out of allocated INR 792 crores approximately INR ~103 Crores will be utilized in FY 2024-2025 and remaining amount INR ~690 Crores will be utilized in FY 2025 – 2026.

Project	Project Sanctioned Amount	Operator	Quantum (LKM)	Revised Expenditure in FY: 2024 - 2025 (Crores)	Expenditure for FY: 2025 - 2026 (Crores)
Mission Anveshan	792 Crores	<b>ONGC</b>	10875	45.00	380.00
		<b>OIL</b>	9400	57.95	309.05
		<b>Total</b>	<b>20275</b>	<b>102.95</b>	<b>689.05</b>

1.11 When asked about the current status of Mission Anveshan and reasons behind reduction in allocation of Rs. 332 cr. allocated at BE 2024-25 to just Rs 50 cr at RE stage and the rationale for allocating Rs.592 cr. for the coming FY 2025-26, the Ministry in its written reply have submitted as under:

“Mission Anveshan has been launched in continuity with the National Seismic Program (NSP) for a thorough evaluation of hydrocarbon resources in India’s onland basins. The objective of Mission Anveshan is comprehensive appraisal of the identified sedimentary basins based on leads generated during the interpretation of National Seismic Program (NSP) data. It involves 2D Seismic Data Acquisition, Processing, and Interpretation (API) of 20275 LKM spread over



seven onland sedimentary basins namely Rajasthan, Ganga-Punjab, Chhattisgarh, Cuddapah, Krishna-Godavari, Deccan Syneclise and Saurashtra. The scheme is being executed through ONGC and OIL and has an Outlay of INR 792 crores to be utilized in FY 2024-25 and 2025-26.

OIL commenced seismic data acquisition under the scheme on 29 November 2024 in the Rajasthan and Ganga-Punjab Basins. Till 23rd February 2025 a total of approx. 1683.0 LKM of 2D seismic data has been acquired by OIL. Commencement of work by ONGC was delayed due to litigation regarding finalisation of contract. Currently ONGC has started Experimental Survey in Cuddapah area and the seismic data acquisition is expected to commence shortly.

Due to the delay in commencement of work and expected reduction in seismic data acquisition, the estimate of INR 332 cr. for FY 2024-25 at BE stage was reduced to INR 50.0 Cr. in RE. The remaining budget will be utilised in F.Y. 2025-26”.

1.12 When asked about the targets set for 2025-26 for upstream oil companies in respect of seismic survey, exploratory and developmental drilling activities during the last three years along with year-wise funds ear-marked and actual utilization for this purpose, the Ministry in its written reply have submitted as under:

**OIL:**

Drilling Performance	2021-22	2022-23	2023-24	2024-25		2025-26
	Actual	Actual	Actual	BE Target	Actual (up to 31.01.2025)	Target
Exploratory Wells Nos	7	16	17	34	19	27
Development Wells Nos	31	29	44	44	27	57
<b>Total Wells (Nos)</b>	<b>38</b>	<b>45</b>	<b>61u</b>	<b>78</b>	<b>46</b>	<b>84</b>

Rs. In Crore

Seismic Survey	2021-22	2022-23	2023-24	2024-25		2025-26
	Actual	Actual	Actual	BE Target	Actual (up to 31.01.2025)	Target
<b>2D (GKLM)</b>	<b>2105</b>	<b>1333</b>	<b>380</b>	<b>269</b>	<b>244.46</b>	<b>1200</b>
<b>3D (SQKM)</b>	<b>1098</b>	<b>680</b>	<b>249</b>	<b>234</b>	<b>611.95</b>	<b>1642</b>

CAPEX for seismic survey, exploratory and developmental drilling activities during the last three years is appended below:

Rs. Crore

	2024-25	2023-24	2022-23	2021-22
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	BE	Actual as on 31.01.2025 (prov)	BE	Actual	BE	Actual	BE	Actual
Surveys (G&G)	658	586.87	612.00	595.88	574.00	652.75	586.00	628.96
Exploratory Drilling	2040	1495.60	1127.00	1,145.15	1,015.00	883.08	1,288.00	600.42
Development Drilling	1424	909.04	950.00	1,255.56	782.00	1,384.08	779.00	947.19
<b>TOTAL</b>	<b>4,122</b>	<b>2,991.51</b>	<b>2,689.00</b>	<b>2,996.59</b>	<b>2,371.00</b>	<b>2,919.91</b>	<b>2,653.00</b>	<b>2,176.57</b>

#### ONGC:

The target versus achievement of seismic survey, exploratory drilling activities during the last three years and current year are tabulated below:

Year	Seismic Survey				Exploratory drilling	
	2D (LKM)		3D (SKM)			
	BE Plan	Actual	BE Plan	Actual	BE Plan	Actual
2022-23	2589	809.58	7415	13696.49	108	85
2023-24	977	971.81	8300	8588.0	118	103
2024-25	3034	536.09*	13411	5319.2*	124	74
2025-26	6264	--	18726	--	111	--

\* For FY 2024-25, the actual data is up to **01.02.2025**.

Year-wise Development drilling target and actual wells drilled for the last three years from 2021-22 to 2023-24 are as follows:

Year	Development drilling including side-track Wells (No.)	
	Target	Actual
2021-22	407	356
2022-23	373	376
2023-24	423	438
2024-25	425	392*
2025-26	434	-

\* For FY 2024-25, the actual data is up to **01.02.2025**.

The details of funds earmarked and actual utilisation for survey, exploratory and developmental drilling activities by ONGC during the last three years are as under:

(Rs. Crore)

Particulars	2022-23		2023-24		2024-25		2025-26
	BE	Actual	BE	Actual	BE	Actual up to 31.12.2024 (provisional)	BE
Survey (Exploration)	3,124	3,925	1,375	1,872	2,165	1,344	2,201
Survey (Development)			1,550	1,788	1,110	1,475	753
Exploratory Drilling	5,655	4,310	6,158	6,254	6,580	5,460	7,249

<b>Development Drilling</b>	6,899	9,642	7,627	11,154	7,929	8,033	10,794
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**Note:-**From FY 2023-24 onwards, OBN Survey has been re-classified under development activities due to change in accounting policies, whereas in earlier years it was included in survey”.

1.13 Further, when asked as to whether 3D seismic survey has been commenced for offshore hydrocarbon areas in the country, the Ministry in its written reply have submitted as under:

“No GOI funded 3D seismic survey has commenced or planned in near future in the offshore areas. However, E&P companies as operator of their offshore blocks carry out 3D seismic survey for exploration of hydrocarbons as an operational activity”.

## **D Oil Industry Development Board (OIDB)**

1.14 Giving details about the corpus amount in OIDB account along with interest earned during the last three years, the Ministry in its written reply have submitted the following information:

“OIDB is a Statutory Body and has not received any Budgetary Support/ OIDB cess from the Government after 1991-92. The expenditure of OIDB is met out of its internal resources.

2. The details of OIDB Corpus and interest earned during last three years are as under:

Rs. In Crore			
<b>Particulars</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
Corpus (including equity of Rs. 3790.05 cr invested in ISPRL)	11,937.70	11,886.85	12,040.50
Interest Earn	442.16	430.27	525.14

1.15 Further when asked about the details of the total budget allocation made by OIDB to various agencies during the last three years, the Ministry in its written reply have submitted as under:

“The details of the total budgeted allocation made by OIDB to various agencies (Annexure) during the last three years along with the actual utilization are given below:

Rs. In crore						
<b>Head of Accounts</b>	<b>2022-23 RE</b>	<b>Actuals 2022-23</b>	<b>2023-24 RE</b>	<b>Actuals 2023-24</b>	<b>2024-25 BE</b>	<b>Actuals till (31.01.25)*</b>
Loan to Oil PSUs	200.00	200.00	1411.38	1411.38	5018.59	320.00
Advance	415.00	311.73	565.27	565.27	200.00	121.48
Grants	411.78	391.51	269.07	257.87	403.52	202.13
Admn. & Other Exp.	21.99	21.07	62.20	67.49	71.80	15.33
<b>Total</b>	<b>1048.77</b>	<b>924.31</b>	<b>2307.92</b>	<b>2302.01</b>	<b>5693.91</b>	<b>658.94</b>

<b>Grants</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
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	RE	Actuals	RE	Actuals	BE	Actuals till (31.01.2025) *
DGH	301.15	289.36	170.00	162.74	305.26	136.33
PCRA	35.00	35.00	7.49	7.49	0.00	0.00
CHT	18.59	14.90	25.00	21.33	30.00	12.63
OISD	26.34	26.17	33.81	33.81	37.43	29.26
PPAC	27.00	25.88	29.00	28.93	30.00	23.53
ISPRIL Phase-II pre-project activities	3.50	0.00	3.70	3.50	0.80	0.38
IIT ISM Dhanbad	0.20	0.20	0.07	0.07	0.03	0.0
<b>Total</b>	<b>411.78</b>	<b>391.51</b>	<b>269.07</b>	<b>257.87</b>	<b>403.52</b>	<b>202.13</b>
<b>Loan to Oil PSU</b>						
GAIL	0.00	0.00	700.00	700.00	0.00	0.00
IOCL	0.00	0.00	0.00	0.00	0.00	0.00
HPCL	0.00	0.00	0.00	0.00	250.00	0.00
BPCL	0.00	0.00	0.00	0.00	0.00	0.00
GAIL Gas	0.00	0.00	0.00	0.00	130.00	0.00
BCPL	100.00	100.00	151.38	151.38	0.00	0.00
CPCL	0.00	0.00	0.00	0.00	0.00	0.00
MRPL	0.00	0.00	0.00	0.00	0.00	0.00
IGGL	100.00	100.00	560.00	560.00	1200.00	320.00
<b>Total</b>	<b>200.00</b>	<b>200.00</b>	<b>1411.38</b>	<b>1411.38</b>	<b>1580.00</b>	<b>320.00</b>
<b>Equity in ISPRIL</b>	0	0.00	0.00	0.00		0.00
<b>Advance</b>	415.00	311.73	565.27	565.27	200.00	121.48
<b>Admn. &amp; Other Exp.</b>	21.99	21.07	62.20	67.48	71.80	15.33
<b>Total</b>	<b>1048.77</b>	<b>924.31</b>	<b>2307.92</b>	<b>2302.00</b>	<b>2255.32</b>	<b>658.94</b>

\*Provisional figures

## **E Oil Industry Development Fund (OIDF)**

1.16 When asked about the objectives of creation of OID Fund including funding source of the Fund and the purposes for which the fund will be used and the method of administering the Fund, the Ministry in its written reply have submitted as under:

"Section 15 of OID Act, 1974 provides for levy of "Cess on Crude Oil" as part of the excise duty on the items specified therein. While Section 16 of the Act provides for crediting of proceeds of duty to Consolidated Fund of India, Section 17 provides that the Central Government may, after due appropriation made by Parliament by law in this behalf, transfer such sums of money as the Central Government may consider necessary for the purpose of the Act. The receipts from Oil Industry Development Cess' are classified under the Minor Head 117--Cess on Crude Oil' below Major Head '0038-Union Excise Duties'. Section 18 of the Act further provides for the creation of Oil Industry Development Fund (OIDF) wherein the money collected under section 16 or section 17 shall be credited and applied for the purposes defined therein. Vide OM dated 18.12.2024, Department of Economic Affairs has stated that a reserve fund has been constituted in the non-interest-bearing section of the Public Account for the purpose of reflection of receipts and utilization from the Cess on Crude Oil and to operationalise the said fund from the current fiscal viz. 2024-25. Department of Economic Affairs, vide their O.M. dated 10.01.2025 has identified 2 schemes each of MoPNG and D/o Fertilizer and one scheme of D/o Chemicals and Fertilizers which have been finalized to be financed through the OIDF. As per para No.4 of O.M. dated

10.01.2025, it is stated that in order to ensure operational flexibility for re-directing the resources to new Schemes/ Ministries, Budget Division under Department of Economic Affairs has been vested with the powers to amend the operational guideline (within the overall purposes of the cess). This includes addition/ deletion of schemes financed from the Fund; and alteration in the inter-se allocation of Ministries/Departments (including addition of new Ministries/ Departments) with time. An amount of Rs. 3,130 crore has been transferred to the OI DF in the supplementary demand for grant of MoPNG and Rs. 6,376 crore proposed to be transferred and spent out of OI DF in BE 2025-26.

1.17 When asked as to how much money has been collected as Oil Industry Development Cess so far and whether all the money collected under this cess has been transferred to the OI DF, the Ministry in its written reply have submitted as under:

“Based on the data/inputs received by OI DB from DGH, ONGC & OIL, the Central Government, since inception has collected a cumulative cess of Rs.2,94,851/- crore (approx.) upto 31st March,2024. Out of which OI DB had been paid an amount Rs.902.40 crore till 1991-92. Thereafter, no sum of money has been paid to OI DB from such proceeds by the Central Government. The details of Cumulative amount of Cess Collected by the Central Government upto 31st March,2024 and the amount of cess paid to OI DB till 1991-92 are attached at **(Annexure-I)**.

Vide OM dated 18.12.2024, Department of Economic Affairs has stated that a reserve fund has been constituted in the non-interest-bearing section of the Public Account for the purpose of reflection of receipts and utilization from the Cess on Crude Oil and to operationalise the said fund from the current fiscal viz. 2024-25. An amount of Rs. 3,130 crore has been transferred to the OI DF in the supplementary demand for grant of MoPNG and Rs. 6,376 crore proposed to be transferred and spent out of OI DF in BE 2025-26”.

1.18 When asked about the proposed areas where OI D Cess is likely to be utilised during the current year. The Ministry in its written reply have submitted as under:

“Department of Economic Affairs, vide their O.M. dated 10.01.2025 has identified 2 Schemes, each of MoPNG (Pradhan Mantri Ujjwala Yojana and Strategic petroleum Reserve) and D/o Fertilizer and one scheme of D/o Chemicals and Fertilizers which have been finalized to be financed through the OI DFund. As per para No.4 of O.M. dated 10.01.2025, it is stated that in order to ensure operational flexibility for re-directing the resources to new Schemes/ Ministries, Budget Division under Department of Economic Affairs has been vested with the powers to amend the operational guideline (within the overall purposes of the cess). This includes addition/ deletion of schemes financed from the Fund; and alteration in the inter-se allocation of Ministries/Departments (including addition of new Ministries/Departments) with time”.

**F LPG connections to BPL families (Pradhan Mantri Ujjwala Yojana)**

1.19 PMUY was launched on 1st May, 2016 with an initial target of providing 5 crore deposit free LPG connections to an adult women of poor households to ensure women empowerment, especially in rural India. Under the scheme, a financial assistance of Rs. 1600 per connection was given and total 8 crore LPG connections were given. After successful completion of Ujjawala Yojana, Ujjawala 2.0 was launched on 10th August, 2021 on PAN India basis to provide additional one crore LPG connections

along with free first refill and stove. A provision of Rs. 9100.00/- crore has been made in BE 2025-26 for implementing PMUY Scheme.

1.20 In this regard, when asked about as to how many connections under the scheme have been released to households under this scheme during the current financial year and the targets under the FY 2025-26, the Ministry in its written reply have submitted as under:

“As of 01.01.2025, there are 10.33 Crore PMUY connections across the country. The target to release 75 lac connections under PMUY has been achieved in July 2024 and no fresh targets have been set for PMUY connections for 2025-26”.

#### **G DBTL (LPG and Kerosene)**

1.21 When asked about the subsidy on petroleum products that is presently in vogue, and details of the subsidy being provided for LPG and Kerosene, the Ministry in its written reply have stated as under:

**“Petrol:** Prices of petrol and diesel are market determined and Public Sector Oil Marketing Companies (OMCs) take appropriate decision on pricing of petrol and diesel in line with their international product prices, exchange rate, tax structure, inland freight and other cost elements. There is no subsidy on petrol.

**LPG:** In order to insulate the common man from the impact of rise in international oil prices, the Government continues to modulate the effective price to consumer of Domestic LPG.

The retail selling price of a 14.2 Kg domestic LPG cylinder is currently Rs 803 in Delhi. After a targeted subsidy of Rs 300/cylinder to PMUY consumers, Government of India is providing 14.2 Kg LPG cylinders at an effective price of Rs.503 per cylinder (in Delhi). This is available to more than 10.33 crore Ujjwala beneficiaries, across the country. Apart from the direct subsidy to consumers, the OMCs have also been compensated Rs 22,000 crore in FY 2022-23 by Government of India to cover the under-recoveries suffered by them in not passing on the high international LPG prices to the domestic LPG consumers. The details of subsidy on domestic LPG since 2022-23 are given below:

Financial Year	Subsidy^ (Rs. in Crore)
2022-23	6965@
2023-24	11444

Note:

^ This includes expenditure on connections given under Pradhan Mantri Ujjwala Yojana (PMUY)

@ In addition, Government paid a one-time compensation of Rs.22000 crore to OMCs for under-recoveries on the sale of domestic LPG.

Source: Petroleum Planning and Analysis Cell (PPAC)

**PDS Kerosene:** Effective 1<sup>st</sup> March, 2020, the retail selling price of PDS Kerosene is being maintained at NIL under-recovery level on pan India basis.

The details of budget allocation / utilization for LPG and Kerosene subsidy are given below:

(Rs. in Crore)

Scheme	2022-23			2023-24			2024-25 (as on 01.01.2025)			2025-26
	BE	RE	Actuals	BE	RE	Actuals	BE	RE	Actuals	BE
DBTL	4000	180	180	180	1460	1460	1500	500	231.39	1500
PMUY	800	8010	5663.38	0.01	8500	8500	9094	12700	5864.73	9100
DBTK	0	0	0	0	0	0	0	0	0	0
One time grant to OMCs for LPG under-recoveries	0	22000	22000	0	0	0	0	0	0	0

## H Indian Strategic Petroleum Reserves Limited (ISPRL)

1.22 To ensure energy security, the Government of India had decided on 07.01.2004 to set up 5 million metric tonnes (MMT) of strategic crude oil storages at three locations namely, Visakhapatnam, Mangalore and Padur (Udupi) as well as a Special Purpose Vehicle (SPV) to build and operate the strategic crude reserve. These strategic storages would be in addition to the existing storages of crude oil and petroleum products with the oil companies and would serve as a cushion during supply disruptions. The construction and management of strategic crude oil storages is being done by Indian Strategic Petroleum Reserve Limited (ISPRL), a special purpose vehicle.

The budget to ISPRL is provided under different heads of revenue and capital sections. Under Revenue section, the budget is provided for Office and Maintenance (O&M). Under capital section, the budget is provided to ISPRL for filling up of strategic storages, constructions of caverns and related infrastructure and purchase of land.

In BE 2025-26, an amount of Rs. 179 crore has been earmarked for ISPRL under revenue section for Office and Maintenance as against Rs 220.04 crore at BE 2024-25. Under Capital section, an amount of Rs. 100 crore has been earmarked in BE 2025-26 as against Rs.408 crore at BE 2024-25 for construction of caverns under Phase-II of the project. Further, an amount of Rs. 235 crore has been earmarked for purchase of land in BE 2025-26.

1.23 When asked about details w.r.t. the quantum of funds allocated for Vishakhapatnam, Mangalore and Padur projects during the last three and the current financial year, the Ministry in its written reply have submitted as under:

Financial Year	2022-23			2023-24			2024-25(as on 01.01.2025)			2025-26
BudgetReference	BE	RE	Actuals*	BE	RE	Actuals*	BE	RE\$	Actuals*	BE\$
SchemeNumber-1943(O&M)										
MangaloreLocation	67.43	44.65	37.95	48.42	63.28	44.78	70.90	0.00	28.27	0.00
PadurLocation	77.14	64.61	60.38	81.87	61.83	54.44	79.62	0.00	23.65	0.00
VizagLocation	66.01	62.61	58.35	54.52	47.45	42.16	59.52	0.00	23.87	0.00
PFR/DFRfornewprojects		7.00		18.00	18.00	2.03	10.00	0.00	3.20	0.00

<b>Total</b>	<b>210.58</b>	<b>178.87</b>	<b>156.68</b>	<b>202.81</b>	<b>190.56</b>	<b>143.41</b>	<b>220.04</b>	<b>100.00</b>	<b>78.99</b>	<b>179.00</b>
<b>SchemeNumber-1964(Construction of Cavern in Phase II)</b>	600.00	40.01	0.04	508.00	40.00	98.90	408.00	30.00	12.84	100.00
<b>SchemeNumber-3372(CrudeOilPurchase)</b>	0.00	0.00	0.00	5000.00	0.01	0.00	0.00	0.00	0.00	5597.00
<b>SchemeNumber-4253 (Purchase of Land – I Extension)</b>	Schemewasnot opened			0.00	0.00	0.00	0.01	50.00	90.00	235.00

\* Figures actual expenditures for respective years (as per Utilisation Certificate) and for FY 2024-25, figures are upto 31.12.2024.

1.24 When asked about the current status of phase II of ISPRL projects, the Ministry in its written reply have submitted as under:

“In July 2021, Government had also approved the establishment of two additional commercial-cum-strategic petroleum reserve facilities with total storage capacity of 6.5 MMT at Chandikhol (4 MMT) in Odisha and Padur (2.5 MMT) in Karnataka, on a Public Private Partnership mode. Land is yet to be allocated for both the locations by the respective State Governments”.

#### **I Caverns for LPG storage**

1.25 When asked about any proposal for constructing **caverns for LPG storage**, the Ministry in its written reply have submitted as under:

LPG storage in caverns is manufactured by LPG importing companies including OMCs as per operational requirements. In this regard, OMCs have informed as under:

1. OMCs are utilizing LPG CAVERN storage in Visakhapatnam for import of Propane and Butane and meet LPG demand in the Country. The CAVERN at Visakhapatnam has storage capacity of 60 thousand Metric Ton (TMT).
2. HPCL is in the process of constructing another CAVERN having 80 TMT storage capacity at Mangalore. The facility is expected to be operational during mid of 2025.
3. There is no proposal for constructing additional caverns for LPG storage as on today.

#### **J Indian Institute of Petroleum & Energy (IPE), Visakhapatnam**



1.26 On being asked about the details regarding total budgetary allocations during the last three financial years with regard to setting up of Indian Institute of Petroleum & Energy (IIPE), Visakhapatnam, the Ministry in its written reply have submitted as under:

“Details of budgetary allocations by this Ministry in respect of Indian Institute of Petroleum & Energy (IIPE), Visakhapatnam is given below:

2022-23			2023-24			2024-25 (as on 01.01.2025)			2025-26
BE	RE	Actuals	BE	RE	Actuals	BE	RE	Actuals	BE
150	100	29.25	168	90	90	168	88.08	-	0.00

1.27 When asked about the present status of IIPE in Andhra Pradesh and details regarding the work done during the year 2024-25 along with original time-lines and cost estimates and revised time lines and cost estimates, the Ministry in its written reply have submitted as under:

“As per provisions made under the Andhra Pradesh Re- organization Act, 2014, the Government of India established the Indian Institute of Petroleum and Energy (IIPE), in the year 2016 at Visakhapatnam under the aegis of the Ministry of Petroleum and Natural Gas. The Indian Institute of Petroleum and Energy Act, 2017; enacted by the Parliament declared it as an ‘Institution of National Importance’.

Since its inception, the institute is operating from temporary campus situated at 2<sup>nd</sup> Floor, Main Building, Andhra University College of Engineering, Visakhapatnam, Andhra Pradesh. Presently, the Institute is offering 4-year B.Tech courses in Petroleum Engineering, Chemical Engineering and Mechanical Engineering in addition to Web based M.Tech in Data Science and Machine Learning, M.Sc.in Applied Geology and Ph.D. in the relevant fields.

The Government of Andhra Pradesh had allotted 201.80 acres of land free of cost for construction of the permanent campus of IIPE at Vangali Village, Sabbavaram Mandal, Anapalli District (erstwhile Visakhapatnam District). However, due to prolonged legal dispute, the land could be handed over to IIPE only in March, 2023 after the decision of Hon’ble High Court of Andhra Pradesh.

The construction activities of the permanent campus of the Institute are under progress. The construction of the boundary wall around the land has been completed in April, 2024. The Institute has entrusted the activities for construction of buildings in the permanent campus to the CPWD. As on date, 46% of the construction work has been completed. During the Financial Year 2024-25 (till 31.01.2025), 24% of the construction work has been done.

**Original Time lines and Cost Estimates:** As per the Cabinet approval, the infrastructure development of the Institute was proposed to be completed in 2

phases [Phase1: FY2016-17 to FY2019-20 and Phase2: FY2020-21 to FY2022-23] with outlay of Rs.655.46 Crores.

**Revised Time lines and Cost Estimates:** The construction activities were delayed due to prolonged legal dispute in handing over of the land to the Institute. The estimates in original Detailed Project Report (DPR) were prepared on the basis of Plinth Area Rates of 10 years old which will not match with the latest construction cost due to time lag, inflation and introduction of GST. Therefore, IPE has entrusted the work of preparation of revised DPR to EdCIL on 30.08.2024”.

## K PM JI-VAN Yojana

1.28The Government of India launched Pradhan Mantri JI-VAN (Jaiv Indhan – Vatavaran Anukool fasal awashesh Nivaran) Yojana in March, 2019 .It aims to provide financial support to integrated bio-ethanol projects for setting up Second Generation (2G) ethanol projects in the country using lingo cellulosic biomass and other renewable feedstocks. The total financial outlay for the scheme is Rs. 1969.50 crore for the period 2018-19 to 2023-24. To keep pace with the latest developments in the field of bio-fuels and to attract more investment, the yojana has been amended in 2024. The amended yojana extends timeline for implementation of the scheme by five years i.e. till 2029 and encourages the innovative technologies and diversified feedstocks. It also includes “bolt-on” plants and “brown field projects” to leverage experience and improve viability. The aim of the scheme has also been enlarged to providing remunerative income to farmers for their agriculture residue, address environmental pollution, create local employment opportunities, and contribute to India’s energy security and self-reliance.

1.29On being enquired about the budgetary allocations made in respect of PM-JivanYojana during the last three financial years and the current year,the Ministry in its written reply have submitted as under:

BE/RE and actual expenditure of PM JI-VAN is as follows:

(Rs. in crore)

2022-2023			2023-2024			2024-2025			2025-2026
BE	RE	Actuals	BE	RE	Actuals	BE	RE	Actuals	BE
314.36	83.34	37.88	227.26	151.99	75.75	117.41	45.45 (Proposed)	0 (as on date)	255.29 (Proposed)

1.30Whenasked about the current status of progress in implementing the Scheme, the Ministry in its written reply have submitted as under:

“The details of timeline for completion of approved bio-ethanol project under PM JI-VAN Yojana are as under:

S. No.	Projects Developer	Project Type	Timeline of Completion
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1	Indian Oil Corporation Limited, Haryana	Commercial	Commissioned
2	Bharat Oil Corporation Limited, Odisha	Commercial	Mechanically Completed
3	Hindustan Oil Corporation Limited, Punjab	Commercial	Mechanical completion by June, 2026
4	Numaligarh Refineries Limited, Assam	Commercial	Mechanically Completed
5	Mangalore Refinery Petrochemical Limited, Karnataka	Commercial	Pre-project activities under progress
6	Rice Cellulose Private Limited, Andhra Pradesh	Commercial	Pre-project activities under progress
7	Indian Oil Corporation Limited, Haryana	Demonstration	Mechanically Completed
8	Hindustan Oil Corporation Limited, Bihar	Demonstration	Pre-project activities under progress
9	LignopuraAgrotechPvt Ltd, Maharashtra	Demonstration	Pre-project activities under progress
10	Godavari Biorefineries Ltd, Karnataka	Demonstration	Pre-project activities under progress

## L Exploration & Production

1.31 On being enquired about the current demand of crude oil and natural gas in the country and percentage of the demand that is being made through domestic production, the Ministry in its written reply have furnished the following information:

“Details regarding current crude oil processing, domestic crude oil and gas production and outlook for the next five years are given below:

	Actual Crude Oil Processing(Figures in MMT)					
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 Apr-Dec(P)
Total Crude Oil Processing in India (MMT)	254.4	221.8	241.7	255.2	261.5	199.7
Indigenous Crude Oil Processing (MMT)	29.3	28.0	27.0	26.5	26.8	20.5
Percentage of Indigenous Crude Processed	11.5%	12.6%	11.2%	10.4%	10.3%	10.3%

Source: PPAC (P): Provisional

Estimated Crude Oil Processing (Fig in MMT)					
	2024-25 (P)	2025-26 (P)	2026-27 (P)	2027-28(P)	2028-29(P)

Total Crude Oil Processing in India (MMT)	258.1	277.5	293.3	305.5	309.5
Indigenous Crude Oil Processing (MMT)	29.4	31.0	31.1	31.5	29.03
Percentage of Indigenous Crude Processed	11.4%	11.2%	10.6%	10.3%	9.4%

Source: PPAC (P): Provisional

#### Natural Gas Production in the country during last 3 Years (BCM)

FY	2023-2024	2022-2023	2021-2022
Gas (BCM)	36.44	34.45	34.02

1.32 When asked about the performance of upstream oil companies with respect to crude oil and natural gas production during the last three years as against the targets set thereof, the Ministry in its written reply have submitted as under:

#### OIL:

Crude Oil Production (MMT)	2022-23		2023-24		2024-25	
	MoU Target	Actual	MoU Target	Actual	MoU Target	Actual (up to Q3)
OIL Total	3.3690	3.1554	3.7820	3.3437	3.984	2.603
OIL's share of JV's	0.024	0.020	0.029	0.015	0.015	0.011
Total with OIL+ OIL's share of JV's	3.393	3.176	3.811	3.359	3.999	2.614

NG Production (MMSCM)	2022-23		2023-24		2024-25	
	MoU Target	Actual	MoU Target	Actual	MoU Target	Actual (up to Q3)
OIL Total	3245	3041	3641	3090	3797	2383
OIL's share of JV's	153	139	175	91	92	63
Total with OIL + OIL's share of JV's	3398	3180	3816	3182	3889	2446

1.33 Elaborating further reasons for shortfall in domestic crude oil and gas production by OIL and ONGC, the Ministry in its written reply have submitted as under:

“Reasons for the shortfall:

As far as Oil India Limited is concerned, fields of OIL's Main Producing Area (MPA) in Assam are highly matured and there has been a natural decline in production of crude oil and natural gas. There were not many significant discovery of hydrocarbon for quantum jump of production in those old fields. Apart from these, the main reasons for shortfall in production of crude oil and natural gas are as under:

**Crude Oil:**

- Natural decline in the old wells is more than expected.
- Rise in water cut in the wells and decline in total liquid production.
- Less than planned contribution from work-over wells.
- Less than planned contribution from new drilling wells.
- Consequential loss of production from sudden closure and opening of the producing wells due to local issues.
- Consequential loss of production due to low offtake of Gas.

**Natural Gas:**

- Natural decline in the old wells is more than expected.
- Loss of potential due to increase presence of CO<sub>2</sub> in production stream.
- Loss of production potential due to problems like sand ingress.
- Low offtake by major consumers of Natural Gas
- Impact of Environmental loss due to Bandh and miscreant activities in MPA areas.

The details of ONGC's standalone actual crude oil (including condensate) and natural gas production during the last three years i.e. from 2021-22 to 2023-24 against MoU target are as under:

Year	Crude Oil Production (MMT)		Natural Gas Production (BCM)	
	Target	Actual	Target	Actual
2021-22	22.727	19.545	24.246	20.907
2022-23	23.181	19.584	25.077	20.628
2023-24	22.803	19.471	23.747	19.974

ONGC's crude oil and natural gas production has marginally declined due to following reasons:-

- Most of the producing fields are old and presently major producing fields of ONGC have crossed their plateau period of production and entered the natural decline phase.
- Execution of some of the projects got affected due to local and global supply chain disruptions due to COVID-19 lock down resulting in delay in availability of inputs.
- Closure of wells due to less offtake by consumers and restriction of movements for field operations due to Covid-19 Lockdown, resulting in less Oil/condensate production and consequential losses.
- Further, production and development activities during 2021-22 got severely impacted due to cyclone "Tauktae" which passed through Western Offshore/ Onshore fields which led to less than desired production from fields of ONGC.
- Less gas off-take by consumers at Rajahmundry, Cauvery, Jorhat, RKOEJ-Jodhpur and AAFBEA-Silchar, resulting in less gas production.

1.34 When asked about the steps being taken by upstream oil companies to improve crude oil and natural gas production by way of discovering new oil fields and rejuvenating existing oilfields and as to how much increase in crude oil and natural gas production can be expected in the next five years, the Ministry in its written reply have submitted as under:

**OIL:**

“One of OIL’s major visions for the coming years is to increase production from the current level of 3 MMT to over 4 MMT. To drive future growth and enhance production, OIL’s key endeavors can be broadly summarized as follows:

- **Enhancing Production Targets:** One of OIL’s major visions for the coming years is to increase production from the current level of 3 MMT to over 4 MMT. To achieve this, OIL has planned extensive field development activities in its nominated blocks, 27 active Open Acreage Licensing Policy (OALP) blocks covering 49,716 sq. km, and three Discovered Small Fields (DSF) spanning 208 sq. km. These efforts aim to intensify exploration and development programs across the country.
- **Accelerated Exploration and Redevelopment:** OIL is fast-tracking exploration and redevelopment activities, including fields in Arunachal Pradesh. Recently, the company successfully acquired 51,555 sq. km of exploration acreage, including 10,965 sq. km in collaboration with ONGC. Additionally, OIL achieved a significant milestone by drilling a record 61 wells in FY 2023-24, the highest number in its history.
- **Focused Development Areas:** The company has identified several key areas for fast-track development, which are expected to substantially enhance production levels in the near future.
- **Advanced Recovery Techniques:** To maximize recovery from its mature fields in the Upper Assam Basin, OIL continues to implement water injection techniques and other IOR (Improved Oil Recovery) and EOR (Enhanced Oil Recovery) technologies.
- **Adopting Innovative Technologies:** OIL is actively deploying fit-for-purpose technologies to improve production efficiency and optimize operations.

**Collaborative Efforts:** OIL is collaborating with national and international institutions and industry leaders to leverage expertise and resources for enhanced exploration and production activities.

Projected production from OIL’s Nominated fields are provided in the table below:

Parameters	UoM	2025-26	2026-27	2027-28	2028-29	2029-30
Crude oil	MMT	4.196	3.948	3.711	3.485	3.279
Natural Gas	BCM	3.556	4.306	4.682	5.034	5.086

**ONGC:**

ONGC is continuously undertaking various steps to enhance/ sustain the production of crude oil & natural gas from existing matured fields and new fields through:

- Development of small/marginal fields through integrated cluster development concept to make them viable.
- Fast-track Monetization of discoveries and development of fields. 19 discoveries have been monetized during the last three years (2021-22 to 2023-24) and in current year 2024-25.
- Focus on developing discoveries made in the Krishna Godavari basin in Eastern offshore. Gas production commenced on 5<sup>th</sup> March 2020 and oil production on 7<sup>th</sup> January 2024 from Cluster-II fields of NELP Block KG-DWN-98/2.
- In line with Cabinet decisions on Reforms in Exploration and Licensing Policy for enhancing domestic exploration and production of oil and gas, Production Enhancement Contracts (PEC) have been implemented.
- Exploitation of unconventional resources like CBM: CBM gas was discovered by ONGC in its four active blocks viz. Jharia, Bokaro, Raniganj and North Karanpura blocks. Development works are ongoing in all these four blocks. CBM Gas flow from Bokaro GCS to Urja Ganga pipeline network started on 16.07.2024.
- Expediting the commissioning of critical ongoing projects, conceptualization & execution of new projects. 25 major projects are under implementation with an estimated CAPEX of more than Rs. 74,000 Crore from which a life cycle hydrocarbon gain of 92.814 MMToE is envisaged.

**Year-wise production projections for next 5 years are as follows:**

Year	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
<b>Crude Oil Production (MMT) Standalone (Incl condensate)</b>	19.997	20.463	20.808	20.200	20.315	18.516
<b>Natural Gas (BCM) Standalone (Incl CBM)</b>	20.079	22.256	23.217	23.863	24.913	27.759

1.35 When asked about the new measures announced by the Ministry/DGH to incentivize IOR/EOR scheme to increase oil and gas production in the country, the Ministry in its written reply have submitted as under:

“In October 2018, the Government had notified a Policy applicable to all contractual regimes and Nomination fields which provides fiscal incentives for 120 months from the date of commencement of production from Enhanced Recovery (ER), Improved Recovery (IR) and Unconventional Hydrocarbon (UHC) production Methods/techniques to improve recovery factor of existing hydrocarbons reserves for augmenting domestic production of oil and gas. The incentives have been made available in the form of 50% waiver on cess for crude oil and 75% waiver on royalty for natural gas. The Policy is to facilitate induction of new, innovative and cutting-edge technology and forging technological collaboration to improve productivity of existing fields. Policy provides a platform for an industry-academia interface by way of engagement and involvement of academic institutions throughout the implementation process. Preliminary assessment of ER potential of more than 200 oil and gas fields were carried out. ER Screening Reports of 19 projects (field-wise; ER method-wise) approved for commencement of ER Pilot Phase. Four pilot project have been approved and operators submitted commercial implementation plan for the field(s) for approval

to ER committee to decide upon the quantum of fiscal incentives for two project under the ER policy.

Based on the feedback from the stakeholders, an Expert Committee (ER Policy Review Committee, ERPRC) was constituted to review the extant Policy and to formulate the modified Policy considering the best global incentivising practices. ERPRC after extensive discussions held with the stakeholders had suggested a modified ER Policy. The Draft Modified ER Policy 2023 is under examination.

### **Salient features of the Draft Modified ER Policy 2023**

- Requirement of mandatory pilot before commercial EOR scheme has been excluded.
- For IR Projects, graded incentives have been introduced in which incremental production is incentivised below benchmark recovery factor and total production is incentivised above benchmark recovery factor.
- Enhancement Projects have been introduced for incentivization for enhancing the production.
- Coal Bed Methane (CBM)/Coal Seam Gas (CSG) and High Pressure (HP)/High Temperature (HT)/HP-HT reservoirs have been included under the UHC category,
- Under UHC category, production from existing fields has also been considered for incentivisation.
- Single slab incentive scheme for all category in ER Policy 2018 has been replaced by multi slab incentive scheme depending on the complexity and uncertainty of the category
- Target Area and Calculation for Incremental Oil gain have been defined clearly in the proposed draft modified ER Policy to avoid ambiguity in interpretation.
- 50% of incremental OPEX investment to be considered under the overall upper Incentive limit along with CAPEX in projects implemented post ER Policy 2018 notification date.
- For projects (ER & UHC) where waiver of 100% OID CESS does not support the Operator's economic analysis for carrying out the ER & UHC projects, additional waiver on Royalty, up to 50%, is being proposed for consideration by the ER Committee for approval on recommendation of DGH to facilitate implementation of such projects.
- Upper limit of crude oil reference price (\$80/bbl) has been removed.
- ER Committee to be the Apex authority in case of any disagreement between the Operator & DGH
- Carbon Capture, Utilization and Storage (CCUS) has been included as one of the ER techniques. ER Committee is empowered to take requisite action in respect to CCUS projects.

1.36 On being required about the details of overseas oil and gas assets which have been acquired by oil PSUs during the last three years along with the revenues generated from such overseas oil assets, the Ministry in its written reply have submitted as under:



“**OIL:** OIL has not acquired any overseas assets in the last three years. The dividends received from OIL’s overseas assets, in the last three years (Jan 2022 to Dec 2024), corresponding to its stake in these assets is apprx US\$ 359 Mn.

ONGC Videsh Limited (OVL) (a fully owned subsidiary of ONGC) has made the following acquisition during the last three years:

1. **ACG Field, Azerbaijan:** OVL acquired an additional 0.615% participating interest in the offshore Azeri Chirag Gunashli (ACG) oilfield in Azerbaijan from Equinor. The acquisition also included a 0.737% share in the Baku-Tbilisi-Ceyhan (BTC) pipeline company. The effective date of acquisition is 01.01.2023 and the deal was concluded on 29.11.2024. The field has a contract term till 31<sup>st</sup> December 2049.

The additional oil production along with revenue generation through this new acquisition, year wise, are as follows:

Financial Year	01.01.23 to 31.03.23	01.01.24 to 31.03.2024	01.04. 2024 to 31.01.2025
Oil Production (in bbls)	213,472	791,331	734,290
Sales Revenue (in USD Million)	7.43 MM	27.31 MM	19.72 MM

Further more, on 21<sup>st</sup> September 2024, ONGC Videsh with all Partners signed an addendum to the existing PSA of ACG which enables the parties to progress the exploration, appraisal, development and production from the **Non-Associated Natural Gas (NAG) reservoirs of the ACG field** and is effective till the end of the existing PSA life i.e. till December 2049.

The company’s revenue generation from overseas assets during the past three FY is as follows:

(in INR Crore)			
Financial Year	FY 21-22	FY 22-23	FY 23-24
Revenue	17,322	11,676	9,553

## M Future Readiness of Existing Oil Refineries

1.37 When asked as to whether the oil PSUs have undertaken any detailed study to recalibrate the utilisation of their huge infrastructural assets including refineries, etc in the event of energy transition pace accelerating in future, specially in the event of rapid acceleration in EV adoption and if not, the reasons for not making their assets future-ready, the Ministry in its written reply have submitted as under:

“Even though India’s energy intensity per GDP has been falling, its energy demand has been on rise for sustaining growth and higher economic activities.

As a result, the demand for auto fuels and refining capacity is expected to remain robust in near future. The refining capacity will be further increased from current 258.1 MMT to 309.5 MMT by 2028. This will help country to meet its demand of petroleum fuels.

New refining capacity is built after detailed study of product demand and recognizing the volatility in fuel demand due to shifts toward EVs and alternative energy sources. Refineries are focusing on building flexible production capabilities and strategic planning while keeping long-term objectives in mind and maintaining a balance between need for smooth transition, local energy resources and ultimate goal of decarbonized energy systems. The existing refineries are diversifying their operations to include the production of biofuels, petrochemicals, and other alternative fuels like Sustainable Aviation Fuels. The newer refineries are being built as integrated complex with petrochemicals. This will help them adapt to changing market demands and reduce their reliance on traditional petroleum products”.

## **N Petroleum and Natural Gas Regulatory Board (PNGRB)**

1.38When asked about the details of funds provided to PNGRB during the year 2024-25 and 2025-26,the Ministry in its written reply have submitted as under:

“No grants-in-aid have been provided to PNGRB in FY 2024-25 and 2025-26”.

1.39On being enquired about the progress of city Gas Distribution Projects being rolled out in the entire country by PNGRB during the year along with the targets and achievements made so far, the Ministry in its written reply have submitted as under:

“To create a vibrant energy market with rapid growth and to develop the infrastructure for efficient transportation and distribution of petroleum, petroleum products and natural gas at minimum cost, PNGRB authorises Natural Gas Pipelines (NGPLs), Petroleum and Petroleum Products Pipelines (PPPLs) and City Gas Distribution (CGD) Networks across the country.

2. In order to expand the coverage of CGD Networks, PNGRB has authorised 307 Geographical Areas (GAs) across the country covering almost 100% of the mainland. The total minimum work program target for the entities authorised by PNGRB is to provide 12.63 Crore Piped Natural Gas (PNG) connections, establish 18,336 CNG stations and lay 5.46 Lakh Inch-Km pipeline network by 2034. As on 31.12.2024, the authorised entities have provided 1.42 Crore Domestic PNG connections, established 7,513 CNG Stations and laid 5.64 Lakh Inch-Km pipeline across the country.

## **O Compressed Natural Gas(CNG)/Piped Natural Gas(PNG) Network**

1.40When asked about the progress made to develop City Gas Distribution (CGD) network in new geographical areas during the year 2024-25 year and details w.r.t. the scheduled completion of the CGD in the new Gas, the Ministry in its written reply have submitted as under:

“The progress of PNG (Domestic), CNG Stations and Pipeline (inch-Km) for New Geographical areas from 9<sup>th</sup> Round onwards (9, 10, 11 & 11A, 12 & 12A) upto December, 2024 is as follows:

Particular	Pro-rata Targets	Achievements
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PNG(Domestic)	1,66,69,126	19,64,601
CNG Station	4,207	3,830
Pipeline (inch-km)	1,13,550	2,10,957

(Source – PNGRB)

1.41 Elaborating further on the progress made in the implementation of CNG projects in the country along with the expansion targets vis-a-vis actual achievements in this regard during the last three years, the Ministry in its written reply have submitted as under:

“As on 31.12.2024, the authorised entities have established 7,513 CNG Stations across the country. The details of targets vis-à-vis actual achievement during the last three years for CNG station is as follows:

As on Mar'22		As on Mar'23		As on Mar'24		As on Dec'24	
Pro-rata Target*	Achievements	Pro-rata Target*	Achievements	Pro-rata Target*	Achievements	Pro-rata Target*	Achievements
1,831	4,433	844	5,665	2,773	6,861	4,237	7,513

(Source – PNGRB)

\*Pro-rata targets have been revised on account of Covid, delay in Commissioning of Natural Gas Pipeline (NGPL), etc.

1.42 When asked about the increase in number of cities and consumers covered by piped natural gas (PNG) during the last three financial years along with the targets for the same, the Ministry in its written reply have submitted as under:

“In order to expand the coverage of CGD Networks, PNGRB has authorised 307 Geographical Areas (GAs) across the country covering almost 100% of the mainland with a minimum work program of 12.63 Crore Piped Natural Gas (PNG) connections, establish 18,336 CNG stations and lay 5.46 Lakh Inch-Km pipeline networks by 2034.

The details of MWP target regarding PNG (D) vis-a-vis Achievement are as follows: -

As on Mar'22		As on Mar'23		As on Mar'24		As on Dec'24		Pro-rata Target as on Mar'26
Pro-rata Target*	Achieved	Pro-rata Target*	Achieved	Pro-rata Target*	Achieved	Pro-rata Target*	Achieved	
1,55,30,500	93,02,667	1,20,20,013	1,10,29,228	2,10,99,433	1,29,22,516	2,74,65,187	1,41,91,736	4,79,38,258

(Source – PNGRB)

## **P Development of Pipeline Infrastructure for inject of Compressed Bio-as in CGD Network**

1.43 When asked to furnish a note on the Scheme Development of Pipeline Infrastructure for inject of Compressed Bio-as in CGD Network and the reasons for allocating Rs. 250 cr in the Budget 2025-26 as compared to Rs. 30 cr at RE-2024-25, the Ministry in its written reply have submitted as under:

“The Government has approved “Scheme for Development of Pipeline infrastructure for injection of Compressed Bio Gas (CBG) in City Gas Distribution (CGD) network on 15th March 2024. Scheme guidelines have been issued on 26th June, 2024. The primary objective of the scheme is to facilitate offtake of CBG through cost-effective pipeline transportation of CBG from production facilities to consumption centres.

Salient features of the scheme are as under:

- To assist initial 100 CBG Projects: Total financial outlay of Rs. 994.50 crore for the period of FY 2024-25 to FY 2025-26.

#### Funding Pattern

- Financial Assistance (FA) for laying of pipeline (Steel/MDPE) up to 50 Km would be provided @ 50% of the project cost or Rs. 0.5 crore per km whichever is less.
- FA for Pipelines above 50 km would be provided @ 50% of the additional cost of laying pipeline between 50-75 km or Rs. 0.15 crore per km whichever is less.
- FA would be allowed for pipelines up to 75 Km. (Steel/ MDPE) and upper ceiling for FA for pipeline would be Rs. 28.75 crore per project.
- FA will be released after confirmation of utilization of the pipeline capacity (percentage utilization- at least 50 % of the quantity committed in commercial agreement for a period of three months).

#### Scheme Execution

- Steering Committee: The scheme will be supervised by a Steering Committee (SC) chaired by Secretary, PNG.
- Project Approval Board: Project Approval Board (PAB) for considering the projects recommended by Project Appraisal Committee (PAC).
- Project Appraisal Committee: The scheme shall have a Project Appraisal Committee (PAC) for appraisal of proposals and recommending projects under the scheme and for effective planning and implementation of the scheme.
- Center for High Technology (CHT) has been nominated as PMA and Central Nodal Agency for the scheme.

#### Progress so far:

- CHT has launched a portal <https://dpi.eil.co.in/Login> for submission of applications to avail financial assistance under the scheme.
- Based on the representations received from the stakeholders, the scheme has been recently amended for inclusion of OGMCS under the eligibility criteria to avail financial assistance under the scheme. So far 8 applications have been received on the portal.
- Since it is a new scheme, no fund has been released. After sanction of proposal and successful demonstration of pipeline utilization, financial assistance would be released.

BE 2024-25 Rs. 497.25 Cr

RE 2025-26 Rs. 30 Cr

BE 2025-26 Rs. 250 Cr

Reasons for allocating Rs. 250 cr in this years Budget as compared to Rs. 30 cr (RE-2024-25):

Since this is a new scheme, applications for availing financial assistance have been received in Q4, FY 2024-25, which are under evaluation. Disbursement of fund would be done after laying of pipelines and submission of relevant documents. Therefore, no fund is expected to be released in the current FY. Many CBG producers and CGD entities have shown interest in the scheme. It is expected that more applications would be received in the next FY. After the laying of pipelines and completion of subsequent procedural formalities, financial assistance would be released to the eligible beneficiaries in the next FY. Therefore, more funds have been allocated under the scheme for the FY 2025-26.

1.44 When asked about the current energy mix in the country and outlook for future and about changes that have taken place in country energy mix in the last ten years, Ministry in its written reply have furnished the following information:

“India is the world's third-largest energy consumer and with its growing economy, energy demand is expected to rise further. As per the report of Energy Institute Statistical Review of World Energy, 2024, around 90% of India's primary energy comes from fossil fuels, with coal accounting for about 56.84%, oil and gas combined accounts for ~32.88% and other sources making up the remainder. This heavy reliance on fossil fuels underscores the importance of the energy sector in India's economic growth.

India relies on a diverse mix of energy sources, including coal, oil, natural gas, renewables, Hydrogen and nuclear energy. Coal still accounts for a significant portion of electricity generation, but there is a strong push to reduce dependence on fossil fuels and increase the share of renewable energy.

The global shift towards a low-carbon economy, driven by the dominant climate narrative, has significant implications for India's energy sector and other sectors. This transition aims to mitigate climate change by reducing greenhouse gas emissions and promoting sustainable energy practices.

The adoption of renewable energy sources, such as solar, wind, and hydro, is crucial for reducing carbon emissions. This transition requires substantial investments in renewable energy infrastructure and technology. Reducing reliance on coal, oil and other fossil fuels will have economic and social implications, including job losses in traditional energy sectors and the need for retraining workers.

**Present State: India's primary energy mix**

	<i>Oil</i>	<i>Natural Gas</i>	<i>Coal</i>	<i>Nuclear energy</i>	<i>Hydroelectric</i>	<i>Renewables</i>	<i>Total</i>
<i>Total Energy (in Exajoules)</i>	10.57	2.25	21.98	0.43	1.39	2.38	39.02
<i>%</i>	27.1	5.8	56.3	1.1	3.6	6.1	100

Source: Energy Institute Statistical Review of World Energy 2023

India's energy security is a critical component of its economic growth and sustainability goals. The government has launched various schemes aimed at promoting renewable energy, enhancing grid stability, and reducing carbon emissions. Key initiatives such as the National Bio Energy Mission, National Green Hydrogen Mission, PM-KUSUM, and PM Surya Ghar Muft Bijli Yojana, reflect the nation's commitment to a cleaner and self-reliant energy future. As of January 2025, India's total non-fossil fuel-based energy capacity has reached 217.62 GW”.

**Q Indradhanush Gas Grid Limited**

1.45 When asked about the present status of implementation of Indradhanush Gas Grid Limited – Part of the North-East Natural Gas Pipeline Grid and the expected date of completion of the Grid, Ministry in its written reply have furnished the following information:

“Construction activities of the North East Gas Grid (NEGG) project are in progress with the achievement of a physical progress of 84.08% as on 16.02.2025. Total 1064 Km of welding and 967 Km of lowering have been completed out of total

1670 Km of NEGG as on 20.02.2025. As on 20.02.2024, total 121 Km of pipeline lowering is completed since March, 2024.

The expected date of completion of the NEGG project is as given below:

Section	Expected Date
<b>Phase I (553 Km)</b> <b>Sections with plain agricultural terrain</b>  Guwahati-Numaligarh (24" X 392 Km), Gohpur-Itanagar (8"X27 Km), Dergaon-Dimapur (12"X123 Km) & ONGC FL (11 Km)	July 2025
<b>Phase II (723 Km)</b> <b>Sections in hilly terrain</b>  Guwahati-Silchar (18" X 199 Km), Shillong CGD (8" X 12 Km), Silchar-Panisagar (18" X 112 Km), Panisagar-Agartala (12" X 118 Km) & Panisagar-Aizawl (12" X 127 Km), Khubal FL (12" X 3 Km), Banaskandi FL cum Silchar CGD (12" x 60 Km), Agartala-Tulamura (12" x 86 Km) & Agartala-NEEPCO (12" x 6 Km)	PNGRB has extended the completion schedule for laying, building, operating or expanding of North East Gas Grid up to 31 <sup>st</sup> July 2025. However, according to IGGL, the construction activities may go beyond July, 2025.

<b>Phase-III (394 Km)</b> <b>Sections in hilly terrain and feasibility of laying of pipeline linked to highway width widening</b>  Siliguri-Gangtok (12" X 199 Km), Dimapur-Imphal (12" X 195 Km)	PNGRB has extended the completion schedule for laying, building, operating or expanding of North East Gas Grid up to 31 <sup>st</sup> July 2025. However, according to IGGL, the construction activities may go beyond July, 2025.
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1.46 During the oral evidence held on 24.02.2025, the representative of the Ministry further elaborated on the IGGL project as under:

"But we continue to face some challenges. In a lot of areas of Northeast, we are producing gas but we are not able to evacuate the gas. We have to close the well or we have to burn that gas. The reason is we need long pipelines to carry the gas to where the market is. The market in Northeast is limited. There is a market for that gas at outside the Northeast. So, somebody has to find a way to meet the cost of those additional pipelines and build them quickly. The Indra Dhanush Pipeline is helpful. But it will not be enough. So, we have looked at various ways by which natural gas can be liquefied, and can be brought in to somewhere where it can be used. We have looked at ways of expanding the pipeline network to such isolated fields so that the gas is not flared, and the gas can actually be used by some customer outside the Northeast."

1.47 When asked about the steps taken by the Ministry to address the issue of land acquisition so as to expedite the completion of ongoing pipeline projects, the representative of the Ministry during the oral evidence held on 24.02.2025 submitted as under:

"यहां पाइपलाइन कम्पेनसेशन की बात आई है। हां, यह एक ही बार दिया जाता है। कानून कहता है जब पाइप लाइन का कम्पेनसेशन होगा, उसका रेट उसमें लिखा हुआ है हम कितना देते हैं।

हम जमीन का मुआवजा सौ परसेंट नहीं देते हैं, इसकी एक परसेंटेज दी जाती है। हम कानून के तहत देते हैं, उस जमीन पर जहां पाइपलाइन लगाई है, उस पर दोबारा खेती होती है।”

1.48 When asked about the current status of GAIL PDH-PP project at Usar, Raigad, Maharashtra, the representative of the Ministry elaborated as under:

“Sir, Usar Plant की कमीशनिंग अक्टूबर, 25 शेड्युल्ड था। जैसा कि आप लोगों ने कहा कि पाइपलाइन उरान से उसार तक टर्मिनल से प्रोपेन को कैरी किया जाएगा, वह बहुत महत्वपूर्ण है। हम उसमें ऐक्शन ले रहे हैं और हमें उम्मीद है कि दोनों को सिंक्रोनाइज करके, definitely by next financial year, we will commission this project.”

**R Global Bio Fuel Alliance**

1.49 When asked to furnish reasons behind no allocation for Global Bio Fuel Alliance for the last two years and the activities undertaken so far under this alliance, the Ministry in its written reply have submitted as under:

“Towards the establishment of GBA, INR.60 crores as one-time budgetary grant from Govt of India towards initial seed capital was provided to Global Biofuels Alliance in FY. 2023-24. Further, GBA can utilize the accrued interest on the one-time budgetary grant for operational purposes. To strengthen global cooperation towards rapid adoption and development of biofuels, the Global Biofuels Alliance (GBA) was launched by Hon’ble Prime Minister of India along with the leaders of USA, Brazil, Italy, Argentina, Singapore, Bangladesh, Mauritius and UAE on 9th September 2023, on the sidelines of the G20 Summit in New Delhi, as Chair’s initiative.

Since launch, GBA has garnered enormous support globally as its current membership has expanded to 28 member countries and 12 International Organizations with a trajectory of on-going growth. Till date, four meetings of the Temporary Executive Committee (TEC) have been held so far. GBA member countries have also approved the establishment of GBA Secretariat in New Delhi through Host Country Agreement (HCA) between GBA & Government of India. The Host Country Agreement (HCA) has been signed between Govt. of India & GBA in October 2024. GBA official website has also been launched at COP29 in attendance of 50+ attendees, now accessible at [biofuelsalliance.com](http://biofuelsalliance.com). Since launch, the website has received users from 30+ countries. Also, the World Bank, Italy & Brazil have seconded manpower in the GBA Secretariat. In addition, Interim Director General, GBA, chaired an industry roundtable on ‘Setting up a Common Definition for Sustainable Biofuels to Accelerate Adoption’ at COP29 event at Azerbaijan”.





## **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 (2025-26) in respect of different Ministries/Departments stand referred to concerned Departmentally related Standing Committees. This report of the Standing Committee on Petroleum and Natural Gas (2024-25) has examined the Demands for Grants (2025-26) of the Ministry of Petroleum and Natural Gas under its jurisdiction. The observations/recommendations of the Committee are in succeeding paragraphs:-

#### **Recommendation No. 1**

##### **Analysis of Budgetary Allocations: Need to provide budgetary support for Capital expenditure**

The Committee note that the total allocation of the Ministry of Petroleum and Natural Gas for BE 2025-26 has been Rs. 26702.93 cr as against Rs. 15930.26 cr in the BE 2024-25 and of Rs. 20305.61 cr in the RE 2024-25 with actual expenditure of Rs. 7321.63 (as on 31.01.2025) during FY 2024-25.

The Committee observe that the budgetary allocations of the Ministry of Petroleum & Natural Gas during the last three financial years have been Rs. 41007.72 cr for BE 2023-24, which got reduced to Rs. 14757.014 at RE stage, Rs. 15930.26 cr for BE 2024-25 which got upwardly revised to 20305.61 cr at RE stage and allocation of Rs. 26702.93 cr has been made in BE 2025-26 with around 30 percent increase in budget allocations thereby revealing substantial variations. The Committee understand that it may not be possible for the Ministry to accurately anticipate the movement of international price of crude oil and gas which is the core reason for such a wide variation in estimates of the Ministry. However, it may be appropriate to enhance the efficiency in forecasting the estimates which do not have substantial linkage with international prices of crude oil and gas. The Ministry may also exercise proper monitoring and supervision in order to ensure that the funds earmarked for specific projects are properly utilized.

**The Committee also note that the trend of capital expenditure budget of the Ministry has not been satisfactory. In the year 2023-24, the actual expenditure in capital account was Rs. 40.77 crore whereas in the year 2024-25, the BE on capital account was Rs. 1128.97 crore and Rs. 340.86 crore at the RE stage. The budget estimate for the year 2025-26 is Rs 6626.13 crore which appears to be substantially high from the previous years. This allocation appears to be mostly for exploration purposes. The Committee would urge upon the Ministry to ensure that the allocation is properly spent for the purpose it is allocated during the year.**

**The Committee understand that most of the expenditure on capital account are undertaken by the Oil PSUs from their own internal resources. But it may be desirable that some support for capital expenditure is provided by the Government from its Budget to supplement the efforts of the PSUs. Accordingly, the Committee recommend that the Ministry may approach the Government for funding the specific projects required to be funded through government budgetary support. The Committee may be informed of the steps taken in this direction.**

**The Committee, while analysing the trend of allocation and utilization of budgetary outlays, also recommend that the Ministry fully utilize the funds allocated for the different programmes and schemes in a time-bound manner by having regular monitoring of fund utilization pattern. In case the need for additional funds arises, they may approach the Government in time so that the necessary funds are allocated during Revised Estimate stage. The Committee also desire the Ministry to make all out efforts to raise awareness about the new schemes and prepare a road map for implementing these schemes so that intended benefits reach the targeted beneficiaries.**

## **Recommendation No. 2**

### **Deep Sea Exploration/Exploration of Country's Extended Continental Shelf**

The Committee note that there has not been any significant increase in the crude oil or gas production in the recent years. As a result of this the import dependency of petroleum products is increasing. The Committee also note that even after significant increase in exploration efforts over the years, no new important oil field has been discovered. The Committee feel that the exploration efforts need to be increased substantially, specially in those areas which have been little explored. The Committee find that the Government has taken a number of steps to make it possible for the exploration entities to go in non-conventional areas for exploration. For example, Andaman basin in the Bay of Bengal is a potential petroleum prolific basin. The basin measures 2,25,918 sq km area most of which is unappraised as it was declared a no-go area by the Government. However, exploration has now been allowed in the area with the Government launching Deep Andaman Offshore Survey to collect seismic data through OIL.

Similarly appraisal of India's extended Continental Shelf in eastern and western offshore beyond EEZ boundary is being undertaken. The Committee note that 2D seismic API is proposed to be carried out in 30000 LKM in western sector by the ONGC 14500 LKM in eastern sector by the OIL. The Committee feel that these exploration efforts were long overdue and bode well for the future energy production in the country. The Committee recommend that the proposed exploration exercises are undertaken in the right earnest and adequate funds should be allotted for the purpose.

### **Recommendation No. 3**

#### **Oil Industry Development Fund**

The Committee are happy to note that the Government has agreed to set up the Oil Industry Development Fund (OIDF) with the main objective of ensuring the development of oil and gas sector. The Committee understand that the fund outlay is Rs 19,300 crore for the FY 2025-26. The OIDF will be financed through collections from the existing oil cess. The establishment of this Fund has filled a significant gap as there was no specific fund created for development of oil and gas sector, even though the OID cess is being collected for a number of years. This will also bring transparency in budgeting for Oil sector. The Committee have also been informed that the fund will be utilized funding the subsidies under the PMUY and also for the subsidies being offered by the Department of Chemicals and Fertilizers. A part of the fund will also be used for strategic petroleum reserves. While the Government may have good reason to use the OIDF proceeds in this manner, the Committee feel that the basic objective of OID cess was for using the proceeds for the development of oil sector. The use of OID Cess proceeds for non-developmental activities is not desirable in the long run. The Committee, accordingly, recommend that the proceeds of the Fund may be utilized for the purpose of development of oil gas sector, i.e, for the formation of capital assets. Petroleum sector is capital heavy sector and huge investments are required to boost our exploration and production efforts. The OIDF funds can be used to give a boost in this direction. The Ministry is advised to actively pursue the matter with the Government. The Committee would like to be informed of the action in the matter and the results thereof.

#### **Recommendation No. 4**

##### **LPG Connections to Poor Households (Pradhan Mantri Ujjwala Yojana)**

The Committee note that in BE 2025-26, a provision of Rs. 9100 cr has been made for implementing Pradhan Mantri Ujjwala Yojana (PMUY) which was started in May, 2016 with an objective to provide access to clean cooking fuel to poor households across the country. Under PMUY, deposit free LPG connections are provided to adult women from poor households. As of 01.01.2025, 10.33 Crore PMUY connections have been stated to be issued across the country. The Committee have been apprised that the target to release additional 75 lakh connections under PMUY has been achieved in July 2024 and no fresh targets have been set for PMUY connections for 2025-26. The Committee also note that the Government increased the targeted subsidy by Rs. 100 per 14.2 kg Domestic LPG refill taken by PMUY beneficiaries with effect from 5th October 2023, taking the subsidy to Rs. 300/ per 14.2 Kg refill from Rs. 200/ per cylinder.

The Committee appreciate the efforts of the Ministry and OMCs for the successful implementation of the scheme. However, the Committee feel that Ministry and OMCs need not be complacent about the achievement of targets under the scheme as there are many poor households in the Country which are still not able to avail of benefits under the PMUY scheme due to varied reasons. The Committee, therefore, recommend that the Ministry and the OMCs work in a coordinated manner to identify beneficiaries that are still outside the purview of PMUY and devise the required modalities at the earliest so that the benefits under the scheme is available to the new beneficiaries within the stipulated timeframe. The Committee also recommend that adequate arrangements are put in place by the Government to ensure that all eligible beneficiaries including those living in remote areas with low mobile network coverage are covered under the PMUY. The Ministry may, if required, seek additional funds for the same. The Committee further recommend that in order to enhance the per-capita consumption of LPG among the PMUY beneficiaries, issuance of 5kg and 10kg gas cylinders should also be encouraged.

#### **Recommendation No. 5**

**Pradhan Mantri Jaiv Indhan Vatavaran Anukool Fasal Awashesh (PM-JI-VAN) Yojana.**

The Committee note that “Pradhan Mantri JI-VAN (Jaiv Indhan- Vatavaran Anukool fasal awashesh Nivaran) Yojana” was launched in 2019 with a total outlay of Rs. 1969.50 crore to provide financial support for integrated bio-ethanol projects for setting up Advanced Biofuels projects in the country using lingo cellulosic biomass and other renewable feedstock. The Committee have been apprised that under this scheme, a total of 14 commercial scale proposals and 8 demonstration scale proposals were received for approval, of which 8 commercial scale proposals including one from Karnataka and 4 demonstration scale proposals including one from Karnataka have been approved so far. The Committee further note that the Ministry have floated Request for Selection (RFS) Document four times to invite bids from prospective project developers. However, the responses received against issued RFS’s were found to be not satisfactory by the Ministry. Accordingly, the Scheme was amended in August 2024 which provides for extension of the scheme's timeline up to FY 2028-29, inclusion of advanced biofuels in place of 2G ethanol and eligibility for bolt-on and brown field projects. The Ministry also plan to issue fresh Request for Selection (RFS) for new projects under the PM JI-VAN Yojana.

As regards budgetary allocations, in BE 2024-25, allocation of Rs. 117.41 cr was made which was reduced to Rs. 30 cr in RE 2024-25. The actual expenditure as on 31.01.2025 is shown to be nil. In BE 2025-26, a provision of Rs. 117.41 cr has been made for implementing projects under PM Ji-van Yojana.

The Committee acknowledge the decision of the Government to extend the timeline for implementing PM-JI-VAN Yojana by five years i.e. upto 2028-29. However, the Committee are constrained to point out that despite the efforts made by the Ministry very little progress has been made under the Scheme and only one commercial plant located at Panipat Haryana has been commissioned. One commercial plant located at Odisha has been stated to be physically completed. As regards Demonstration scale projects, only one project at Haryana has been stated to be mechanically completed whereas in respect of other projects only pre-project activities are being undertaken. This is probably the reason for non-utilisation of fund allocation for BE 2024-25. The Committee feel

that developing bio-fuels and other alternate fuels are vital for ensuring energy security and reducing import dependency on crude oil and natural gas. Taking note of the fact that technologies of advanced biofuels (including 2G technologies) are relatively new and complex, and are still in their nascent stages worldwide and also the technological challenges being faced by the project developers in implementing the PM-JIVAN Yojana projects, the Committee are of the view that there is need to address specific technical issues in collaboration with the respective technology providers to fast-track the completion of on-going projects. The Committee, therefore, recommend the Ministry to devise robust monitoring and co-ordination mechanism to closely review the progress of the ongoing commercial and demonstration projects and strive towards sorting out bottlenecks affecting timely completion of projects by taking up the matter with all the stakeholders including the concerned authorities at Central/State and local Government levels so that funds are gainfully utilized.

### **Recommendation No. 6**

#### **Indian Institute of Petroleum Energy (IIPE), Visakhapatnam**

The Committee note that as per provisions under the Andhra Pradesh Re-organization Act, 2014, the Government of India established the Indian Institute of Petroleum and Energy (IIPE), in the year 2016 at Visakhapatnam. Since its inception, the Institute is operating from temporary campus situated at Andhra University College of Engineering, Visakhapatnam as the land allocated for the construction of a permanent campus of IIPE at Vangali Village, Sabbavaram Mandal, Anakapalli District (erstwhile Visakhapatnam District) could be handed over to IIPE only in March 2023 consequent upon the order passed by Hon'ble High Court of Andhra Pradesh after a prolonged legal dispute.

Apprising the Committee about the current status of construction work at permanent campus of IIPE, it has been stated that as on date 46% of the construction work has been completed and IIPE has entrusted the work of preparation of revised Detailed Project Report (DPR) to EdCIL on 30.08.2024.

As far as budgetary allocations for IIPE are concerned, the Committee note that the Government has not made any budgetary allocation in respect of IIPE during the FY 2025-26 due to pending extension of project's timelines. In BE 2024-25a provision of Rs. 168 cr was made which got reduced to Rs. 88 cr in RE 2024-25 and even this reduced amount could not be utilized during the FY 2024-25.

The Committee while taking note of the progress of the construction activities being undertaken at the IIPE campus, observe that the project has faced considerable time and cost over-run due to land acquisition related issues. The Committee, therefore, recommend the Ministry to fast track the completion of the construction activities on the allocated land for IIPE campus and to undertake proper coordination with implementing agencies like M/s EdCIL and CPWD so that a full fledged permanent campus of IIPE becomes a reality without any avoidable delay. The Committee may be kept abreast about the progress of the construction activities at the campus.



### **Recommendation No. 7**

#### **Indian Strategic Petroleum Reserves Limited (ISPRL)**

The Committee have been apprised that Government, through a Special Purpose Vehicle called Indian Strategic Petroleum Reserves Limited (ISPRL), has established Strategic Petroleum Reserves (SPR) facilities with total capacity of 5.33 Million Metric Tonnes (MMT) of crude oil at 3 locations, namely, Vishakhapatnam, Mangaluru and Padur. Once completed and at full capacity, the crude oil stored in the caverns will be adequate for about 9.5 days of crude oil requirement of the country. The Committee further note that an allocation of Rs. 5876 crore has been made in the BE 2025-26 towards payment to ISPRL for filling up of crude oil caverns. In BE 2024-25, Rs 628.04 crore was allocated for ISPRL while at RE stage it was reduced to Rs 130 crore. The Committee were informed that the allocation will be used for filling ISPRL during the current year depending on price of crude oil prevailing at the time of purchase.

The Committee, feel that the basic objective behind setting up of SPRs was to ensure energy security in the country in case of supply chain disruptions. A substantial amount has already been invested in construction of strategic oil caverns and filling them with oil. The Committee would urge the Government to ensure that the caverns are filled with oil as early as possible so that the energy supply security is ensured at the earliest. The Committee while appreciating the intention of the Government to wait for the right time and the right price point to procure oil for the purpose of filling caverns in order to avoid overpaying for the crude oil, also recommend the Ministry to remain proactive towards exploring the possibilities of arranging cheaper crude oil for strategic storage particularly keeping in view the current geo-political considerations. The Committee would also urge upon the Government to strive to achieve global standard of maintaining 90 days of crude oil storage in the country as a long term measure.

## **Recommendation No. 8**

### **Indradhanush Gas Grid Limited (IGGL) - Part of the North East Natural Gas Pipeline Grid**

The Committee note that the North East Gas Grid (NEGG) natural gas pipeline project is being implemented by Indradhanush Gas Grid Limited (IGGL), a Joint Venture of IOCL, ONGC, GAIL, NRL & OIL, at an estimated cost of Rs. 9,265 crores in line with the Hydrocarbon Vision 2030 for the Northeast region. As regards budgetary allocations, a provision of Rs. 700.00 crores has been made in BE 2025-26, whereas in BE 2024-25, allocation of Rs. 1000 cr was made which was reduced to Rs. 611.92 crore at RE 2024-25 and even this reduced allocation could not be utilized in the current financial year.

The Committee have been apprised that construction activities pertaining to this project are in progress with the achievement of physical progress of 84.08% as on 16.02.2025. The Committee have been further apprised that phase I of the project covering 553 km of pipeline of NEGG is expected to be completed by July 2025 whereas in respect of phase II and phase III covering 723 km and 394 km, respectively, falling in hilly terrain, PNGRB has extended the completion schedule and the construction activities may go beyond the stipulated timeframe. Although the PNGRB has given 31<sup>st</sup> July as the completion schedule for laying, building, operating or expanding of North East Gas Grid, as per IGGL, even that completion schedule is unlikely to be met.

Given the importance of the NEGG project, which aims at integrating the northeastern states of India with the National Gas Grid and facilitating the region's long standing gas evacuation challenges, the Committee are concerned that such an important infrastructural project is lagging behind its completion schedule. The Committee feel that it is important that various gas pipeline projects across the country particularly NEGG-IGGL project are completed without undue delay. Completing crucial infrastructure projects on time should be a national priority as the gas produced in the area has to be flared in the absence of sufficient evacuation mechanism. This project of IGGL, therefore, needs to be completed at the earliest. For this clear accountability

has to be fixed with implementing agencies. The Committee, therefore, recommend the Ministry to urgently work towards removing the bottlenecks hampering the completion of the projects and take up the issue at the highest level with appropriate authorities in coordination with all the stakeholders and ensure availability of sufficient budgetary allocation for the scheme.

## **Recommendation No. 9**

### **City Gas Distribution Network (CGD)**

The Committee note that PNGRB has authorised 307 Geographical Areas (GAs) across the country covering almost entire mainland in order to expand the coverage of CGD Networks. As per the total minimum work program, the target for the entities authorised by PNGRB is to provide 12.63 Crore Piped Natural Gas (PNG) connections, establish 18,336 CNG stations and lay 5.46 Lakh Inch-Km pipeline network by 2033. The Committee further note from the information provided by the Ministry that as on 31<sup>ST</sup> December, 2024, CGD entities have provided 1.42 crore domestic PNG connections, established 7,513 CNG stations and laid 5.64 lakh inch-km pipeline across the country. In this regard, the Committee observe that the implementation of City Gas Distribution Network Projects has been relatively slow and pro-rata targets regarding Minimum Work Programme (MWP) have been revised on account of Covid, delay in commissioning of Natural Gas Pipeline (NGPL) etc.

The Committee, while appreciating the efforts made by the Government in expanding CGD network across length and breadth of the country, feel that a lot still needs to be done for CGD expansion to reach more households that have been still left out particularly in rural and semi-urban areas. In this regard, the Committee are concerned to point out that even in metro-cities, there are significant gaps. The number of households covered under CGD network does not seem to be adequate and there is issue of long queues at some CNG stations and also long waiting period to get PNG connection in certain areas.

The Committee, therefore, recommend that the Ministry/PNGRB should make all out efforts to enhance the usage of CNG/PNG in cities by focusing on expanding coverage and actual availability so that the objective of the Government to increase the share of natural gas from the current level of 6% to 15% by 2030 in the overall energy mix of the country is achieved at the earliest. The Committee also desire that the Ministry/PNGRB should facilitate CGD entities in overcoming the difficulties facing the CGD sector like the issue of

**obtaining permissions, land, bidding criteria as well as NOC requirements from local authorities. Adequate funds should be made available to fulfill the objectives.**

## **Recommendation No. 10**

### **Timely completion of Pipeline projects :Need for Adequate Compensation for Land Acquisition**

The Committee note that various on-going projects of Oil PSUs are facing time and cost over-run mainly due to delay in land acquisition/RoU issues, delay in receipt of environment and forest clearances, statutory approvals, local body/municipal permissions, contractual issues, etc. This scenario is especially true in case of pipeline projects. As regards gas pipeline projects, the Committee note that many pipeline construction projects in various states are facing inordinate delay on account of resistance by local farmers/landowners. One such example is in Uran-Usar gas pipeline project connected with GAIL PDH-PP plant in Usar, Raigad, Maharashtra. The pipeline construction project is considerably delayed reportedly due to protest/resistance by local farmers and land-owners on the issue of compensation.

The Committee feel that this problem is of universal nature and similar issues are being faced or are likely to be faced elsewhere in the country. The use of land in the areas where pipelines are being constructed has become contentious because of the ambiguity in legal provisions. The Committee feel that legal provisions governing the RoU in pipeline areas are obsolete and it needs to be amended as early as possible. The method of distributing compensation for RoU for laying pipelines under the existing Petroleum and Minerals Pipelines (P&MP) Act, 1962 is no longer acceptable to farmers/landowners in the current perspective. The Committee feel that it is important to find a suitable way out so that farmers whose land fall under pipeline construction/expansion areas are compensated appropriately and judiciously as in the case of the farmers whose lands are acquired under relevant land acquisition laws.

The Committee also feel that it may not be in the interest of the plant operations that the local people feel alienated. The Committee also understand that extensive pipeline network for transportation of crude oil, natural gas, petroleum products, etc. is vital not only for strengthening country's energy security and energy accessibility to the people but also for the sake of

operational safety, reliability and environmental benefits for reduction in carbon emissions.

The Committee, therefore, recommend that the Ministry make all out efforts to suggest suitable amendments to existing Acts/Rules/Guidelines etc. related to land acquisition by taking up the issue at the highest level in coordination with other Central and State authorities to provide fair and acceptable compensation to pipeline project affected persons in order to make land acquisition/RoU a smooth process. The Committee also recommend that subject to fulfillment of eligibility conditions, local people whose lands have been affected by the pipeline projects, may be given preference in employment by the Oil PSUs. The Committee may be informed about the steps taken in the matter.

#### **Recommendation No. 11**

##### **Generation of geo-scientific data under Mission Anveshan**

The Committee note that in order to further explore the Indian sedimentary basins and plug the gap areas in seismic coverage, the Government has approved “Mission Anveshan” with budgetary outlay of Rs. 792 cr for conducting 2D Seismic Survey (Acquisition, Processing & Interpretation) of 20,275 LKM (Line Kilometers) in seven on-land sedimentary basins i.e. Ganga-Punjab, Rajasthan, Saurashtra, Deccan Synclise, Cuddappah, Krishna-Godavari & Chhattisgarh. The scheme is being executed through ONGC and OIL and has an Outlay of Rs. 792 crore to be utilized in FY 2024-25 and 2025-26.

The Committee have been apprised that OIL has commenced seismic data acquisition under the scheme in the Rajasthan and Ganga-Punjab Basins and a total of approx. 1683.0 LKM of 2D seismic data has been acquired by OIL. Commencement of work by ONGC was delayed due to litigation regarding finalisation of contract. Currently ONGC has started Experimental Survey in Cuddapah area and the seismic data acquisition is expected to commence shortly.

The Committee while appreciating the initiatives made by the Government for generation of geo-scientific data in respect of unappraised areas, recommend the Ministry to closely monitor the progress under the scheme and make efforts

for completion of 2D seismic (API) surveys in a time bound manner so that availability and interpretation of geo-scientific data can be offered to attract global investors for more proactive participation in Indian E&P sector particularly for deep sea and ultra deep sea exploration of hydrocarbon resources. Funds should be released timely to ensure that work is not hampered. The Committee also expect upstream majors ONGC and OIL to make earnest efforts for time bound completion of the targets under the scheme by addressing the challenges being faced in their operations.



## **Recommendation No. 12**

### **Need to augment budgetary allocation for R&D projects in Petroleum Sector**

The Committee note that petroleum sector is technology intensive sector and R&D activities currently being undertaken focuses on improving the reliability, efficiency, and safety of oil and gas production facilities and pipelines. A robust R&D structure is crucial to ensure that production as well as emission targets are achieved. As regards budgetary allocations for R&D activities, the Committee have been apprised that since Public Sector Oil Companies are Board driven commercial companies, R&D expenditure by PSUs is primarily met through Internal Resources and generally there is no significant budgetary support from the Government for R&D activities. Taking note of the fact that various R&D initiatives are being taken to achieve net-zero emissions targets, to support enhancing the fuel efficiency, and developing sustainable alternatives in areas of biofuels, Green Hydrogen, waste utilization, petrochemicals, etc., the Committee feel that the expenditure on R&D need to be supplemented by the Government particularly in view of our ambitious energy transition goals. A minimum level of synergy in the R&D efforts of the PSUs is also necessary to ensure optimum use of resources.

The Committee, therefore, recommend that the Ministry may pursue for additional budgetary support from Government for funding R&D projects so as to augment the financial resources of the Oil PSUs. The Committee also desire the Ministry to explore establishing an umbrella research organization for the petroleum sector on the lines of CSIR or ICAR for ensuring better synchronization in R&D activities between Oil PSUs and to consider setting a norm for all Oil PSUs mandating spending a minimum percentage of their turnover on R&D activities.

### **Recommendation No. 13**

#### **Construction of caverns of LPG Storage**

The Committee note that the country is developing underground LPG storage caverns to increase storage capacity of LPG and also to enhance safety and security. The Committee note that the storage of LPG in caverns offer a secure and eco-friendly way to store large quantities of gas. Underground caverns are less susceptible to natural disasters or external threats in comparison to surface storage tanks. OMCs are exploring the use of rock caverns for LPG storage thereby augmenting India's energy infrastructure and enhancing logistical efficiency. The Committee have been apprised that OMCs are utilizing LPG cavern storage in Visakhapatnam for import of Propane and Butane and HPCL is in the process of constructing another LPG cavern having 80 TMT storage capacity at Mangalore which is expected to be operational this year. The Committee while appreciating the initiative of OMCs for construction of underground caverns for LPG storage, recommend the Ministry/OMCs to explore possibility of constructing more such cavern projects across the country wherever geological conditions are favourable keeping in view overall energy security of the country.

## **Recommendation No 14**

### **Need to ensure future-readiness of Existing Oil Refineries**

The Committee note that even though India's energy intensity per GDP has been falling, its energy demand has been on rise for sustaining growth and higher economic activities. As a result of this, the demand for refining capacity is expected to remain high in near future. This is the reason oil refining capacity of the country will increase from current 258.1 MMT to 309.5 MMT by 2028 to help Country meet its future demand of petroleum fuels.

The Committee understand that new refining capacity is built after detailed study of product demand and that Refineries are focusing on building flexible production capabilities and strategic planning while keeping long-term objectives in mind and maintaining a balance between need for smooth transition, local energy resources and ultimate goal of decarbonized energy systems. The Committee have been informed that the existing refineries are diversifying their operations to include the production of biofuels, petrochemicals, and other alternative fuels like Sustainable Aviation Fuels. The newer refineries are being built as integrated complex with petrochemicals. This will help them adapt to changing market demands and reduce their reliance on traditional petroleum products.

While appreciating the steps taken by the Oil PSUs to ensure that the refineries are kept future ready, the Committee feel that more efforts are needed to ensure that the huge refining infrastructure created in the Country are properly utilized even after the demand of petroleum products start falling as a result of energy transition and shift towards green energy. The Committee accordingly recommend that the Government may move towards establishing an institutional mechanism at appropriate time to ensure that proper guidance and advice are available to the PSUs to facilitate smooth transition of its refineries.

New Delhi;  
18 March, 2025  
27 Phalguna, 1946 (Saka)

Sunil Dattatrey Tatkare,  
Chairperson,  
Standing Committee on  
Petroleum & Natural Gas.

**Statement of cess collection by the Central Government and its allocation to OADB as on 31.03.2024**

**(Rs. in crore)**

<b>Year</b>	<b>Collection of cess on crude oil by Govt.</b>	<b>Payment made to OADB by Govt.</b>
1974-75	30.82	16.01
1975-76	50.05	62.27
1976-77	52.88	48.19
1977-78	63.72	50.10
1978-79	68.89	20.00
1979-80	69.70	140.00
1980-81	60.40	25.01
1981-82	138.97	142.92
1982-83	268.83	100.00
1983-84	812.80	-
1984-85	850.12	-
1985-86	897.66	-
1986-87	981.50	-
1987-88	1806.60	-
1988-89	2013.64	63.09
1989-90	2914.57	50.00
1990-91	2785.15	89.81
1991-92	2500.64	95.00
1992-93	2207.61	-
1993-94	2175.46	-
1994-95	2566.16	-
1995-96	2819.52	-
1996-97	2558.03	-
1997-98	2528.74	-
1998-99	2448.18	-
1999-00	2589.44	-
2000-01	2582.21	-
2001-02	2722.79	-
2002-03	4873.17	-
2003-04	4919.49	-
2004-05	5033.97	-
2005-06	4857.58	-
2006-07	6875.53	-
2007-08	6854.00	-
2008-09	6680.94	-

2009-10	6637.13	-
2010-11	7671.44	-
2011-12	8065.46	-
2012-13	14473.16	-
2013-14	14542.38	-
2014-15	14677.24	-
2015-16	14468.94	-
2016-17	12778.20	-
2017-18	14246.20	

(Rs. in crore)		
Year	Collection of cess on crude oil by Govt.	Payment made to OIDB by Govt.
2018-19	18556.09	
2019-20	15800.92	
2020-21	11474.15	
2021-22	19324.29	
2022-23	21629.22	
2023-24	18845.98	
<b>Total</b>	<b>294850.56</b>	<b>902.40</b>

\* Sources of information: ONGC, OIL & DGH

## ***Annexure- II***

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

1. Exploration 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 ESSSO (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 there under.
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).

**List of PSUs / Organisations / Agencies / Boards functioning under the administrative control of the Ministry**

<b>S. No.</b>	<b>Name of PSUs / Organisations/ Agencies/ Boards</b>	<b>Functions</b>
<b>PSUs</b>		
1	Indian Oil Corporation Limited (IOCL)	IndianOil is India's flagship Maharatna national oil company with business interests straddling the entire hydrocarbon value chain-from refining, pipeline transportation & marketing, to exploration & production of crude oil & gas, petrochemicals, gas marketing, alternative energy sources and globalisation of downstream operations. It is pursuing diverse business interests with the setting up of joint ventures with reputed business partners from India and abroad to explore global opportunities.
2	Bharat Petroleum Corporation Limited (BPCL)	BPCL is a Maharatna PSU engaged in Refining & Marketing of Petroleum products and Bharat Petro Resources Limited, a wholly owned subsidiary of Bharat Petroleum Corp. Ltd. is engaged in Upstream Activities (Exploration and Production) in Oil Sector.
3	Oil & Natural Gas Corporation Limited (ONGC)	ONGC is a Scheduled-A, listed Maharatna CPSE in E&P (Exploration & Production) sector under the administrative control of MoP&NG. ONGC is a global Energy company integrated in the entire energy value-chain. ONGC Videsh Ltd (OVL), a wholly owned subsidiary of ONGC.
4	GAIL (India) Limited (GAIL)	GAIL is a Maharatna CPSE under the Ministry of Petroleum & Natural Gas. GAIL business consist of transmission and marketing of Natural Gas and GAIL is also involved in transmission of LPG, manufacturing of Petrochemicals and Liquid Hydrocarbon. GAIL is a pioneer in city gas distribution (CGD) business in India.
5	Engineers India Limited (EIL)	EIL established in 1965 to provide engineering and related technical services for petroleum refineries and related projects. Over the years, it has augmented its span of services and excelled in various fields to emerge as a leading Project, Design, Engineering and Turnkey contracting company in the field of : <ul style="list-style-type: none"> <li>• petroleum refining</li> <li>• petrochemicals, Chemicals &amp; Fertilizers</li> <li>• Crude, Petroleum products &amp; Gas Pipelines</li> <li>• Offshore/Onshore Oil &amp; Gas</li> </ul>



		<ul style="list-style-type: none"> <li>• Terminals &amp; Storage</li> <li>• Sub Surface Strategic Storage</li> <li>• Mining &amp; Metallurgy</li> <li>• Infrastructure &amp; Urban Development</li> </ul>
6	Oil India Limited (OIL)	OIL is a leading upstream oil and gas company with over six decades of hydrocarbon exploration experience, accounting for approximately 9% of the country's total crude oil and natural gas production. The company has a strong presence across the entire hydrocarbon value chain, producing Liquefied Petroleum Gas (LPG) and transporting crude oil and refined products via cross-country pipelines. Additionally, OIL is expanding into new energy sectors, including renewable energy, biofuels, and Green Hydrogen, while maintaining its leadership in traditional hydrocarbon sectors.
7	Balmer Lawrie & Co Limited (BLC)	BLC is a Category-I Mini Ratna Central Public Sector Enterprises (CPSE) under MoP&NG. The company is engaged in manufacturing of Greases and Lubricants, Industrial Packaging and chemicals, providing logistic services (which includes freight forwarding, Container Freight Stations, Temperature Controlled Warehouses), Travel and Vacations, Refinery and Oil Field services.
8	Hindustan Petroleum Corporation Limited (HPCL)	HPCL is a Maharatna PSU engaged in Refining & Marketing of Petroleum products and a subsidiary of ONGC.
9	Mangalore Refinery & Petrochemicals Limited (MRPL)	<p>MRPL is a Schedule-A Miniratna company under the Ministry of Petroleum and Natural gas (MoPNG) and a subsidiary of ONGC. MRPL has about 6% Refining capacity share in India. The present installed refining capacity of MRPL is 15 MMTPA.</p> <p>The main functions of the company is Refining and Marketing. MRPL procures Crude oil domestically and Internationally and produces various Petroleum Fuels and Petrochemicals. The Petroleum products produced are viz. LPG, Naphtha, various grades of Petrol, Aviation turbine Fuel(ATF), MTO (Mineral Turpentine Oil), Diesel, Fuel Oil, Bitumen, Pet-coke, Sulphur and Petrochemicals viz. Polypropylene, Paraxylene, Benzene &amp; Toulene. Around 65% of the products are sold within the country. The balance products after meeting the domestic demand are exported.</p> <p>Apart from Refining MRPL is also focused on Research and Development with focus on</p> <p>1) Process Integration</p>

		2) Production of value added streams from Refinery streams 3) AI & ML for process improvements.
10	Chennai Petroleum Corporation Limited (CPCL) – subsidiary of IOCL	CPCL is to refine crude oil and produce petroleum products. CPCL is a subsidiary of IOCL.
11	Numaligarh Refineries Limited (NRL) – subsidiary of OIL	NRL is a subsidiary of OIL and operates a petroleum refinery at Numaligarh in Golaghat district of Assam.
12	Brahmaputra Cracker and Polymer Limited (BCPL) – subsidiary of GAIL	BCPL is the largest Petrochemical Complex in NER commissioned on 2nd January 2016. The plant at present is producing and transporting various grades of high-quality polymers across the country. Its products are widely accepted in the market. GAIL (India) Limited, its major shareholder is marketing the products of BCPL. GAIL is the main promoter of BCPL having 70% of equity participation and remaining 30% equity is equally shared by OIL, NRL and Government of Assam.
<b>Other Organisations</b>		
13	Oil Industry Development Board (OIDB)	OIDB was established on 13 <sup>th</sup> January, 1975 under the Oil Industry (Development) Act, 1974 to provide financial and other assistance for the development of Oil Industry. The functions of the Board, as defined in Section 6 of the Act, involve rendering financial assistance including loans and grants for the promotion of all such activities as are, in its opinion, conducive to the development of the Oil Industry.
14	Oil Industry Safety Directorate (OISD)	OISD the technical directorate under the MoP&NG has been entrusted with the responsibility of formulating standards, overseeing its implementation through safety audits to enhance safety levels and reduce risk inherent with this industry. OISD standards are implemented on self-regulatory basis by the Oil & Gas companies.
15	Centre for High Technology (CHT)	CHT acts as the Technical Wing of MoP&NG for implementation of scientific and technological programmes of Govt. of India. Major functions of CHT include: <ul style="list-style-type: none"> <li>• Performance Benchmarking of Refineries, Petrochemicals and Pipelines</li> <li>• Performance improvement in Refineries through Best Practices, Special Studies, Operational Improvement and Process Technology.</li> <li>• Energy Efficiency Improvement in Downstream Hydrocarbon Sector</li> <li>• Petroleum Product Quality Improvement</li> </ul>

		<ul style="list-style-type: none"> <li>• Integration with Alternative Energies and New Initiatives in Downstream Sector for Future Sustainability</li> <li>• Promotion innovations and R&amp;D in Downstream Hydrocarbon Sector including Hydrogen Research. Coordination of activities of Scientific Advisory Committee (SAC) on Hydrocarbons of MoP&amp;NG</li> <li>• Development of import substitute fuels, chemicals and catalysts</li> <li>• Nodal agency for implementation of PM JI-VAN Yojana and SIGHT-2B</li> <li>• Financial assistance to Compressed Bio Gas (CBG) producers for procurement of biomass aggregation machinery (BAM)</li> <li>• Sharing of Best Practices and Information &amp; Knowledge dissemination.</li> </ul>
16	Petroleum Planning & Analysis Cell (PPAC)	<p>PPAC was established as an attached office of MoP&amp;NGw.e.f. 1st April 2002 after dismantling the Administered Pricing Mechanism (APM) in the petroleum sector and abolition of the erstwhile Oil Coordination Committee (OCC). PPAC functions with the vision of being an authentic source for data and policy analysis in the hydrocarbon sector, which are:</p> <ul style="list-style-type: none"> <li>• Maintenance of an information data bank on oil and gas sector.</li> <li>• Analysing trends in the international oil market &amp; domestic prices</li> <li>• POL demand forecasting</li> <li>• Conducting studies in the Oil &amp; Gas and Energy Sector</li> <li>• Forecasting and evaluation of petroleum import and export trends</li> <li>• To provide inputs to Government particularly on pricing of petroleum products and administration of subsidy schemes including PMUY.</li> </ul>
17	Directorate General of Hydrocarbons (DGH)	<p>DGH was set up under the administrative control of the MoP&amp;NG. The objective of DGH is to promote sound management of the Indian petroleum and natural gas resources having a balanced regard for the environment, safety, technological and economic aspects of the petroleum activity.</p> <p>DGH has been entrusted with multifaceted functions and responsibilities which include:</p> <p>a) Providing technical expertise and advice to the</p>

		<p>Ministry of Petroleum and Natural Gas on pertinent issues related to the exploration and optimal exploitation of hydrocarbons in India and abroad by national oil companies.</p> <ul style="list-style-type: none"> <li>b) Scrutinizing and assessing the exploration programs of companies holding Petroleum Exploration Licenses (PELs) under the oilfields (Regulation and Development) Act, 1948 and the Petroleum and Natural Gas Rules, 1959, with a view to advising the Government on the adequacy of these programs.</li> <li>c) Re-evaluating the estimated and discovered hydrocarbon reserves in coordination with the operating companies.</li> <li>d) Advising the Government on the allocation of exploration acreages to companies and matters concerning the relinquishment of such acreages.</li> <li>e) Reviewing the development plans proposed by operating companies for commercial discoveries of hydrocarbon reserves, assessing the feasibility of these plans and the proposed exploitation rates, and making recommendations to the Government.</li> <li>f) Concurrently reviewing and monitoring the management of petroleum reservoirs by operating companies and advising on any corrective actions required to ensure optimal exploitation of reserves and conservation of petroleum resources.</li> <li>g) Regulating the storage, maintenance and preservation of data and samples related to petroleum exploration, drilling, and production, and preparing data packages for the allocation of exploration acreages to companies.</li> <li>h) Undertaking other incidental functions and any other responsibilities as assigned by the Government from time to time.</li> </ul>
18	Petroleum and Natural Gas Regulatory Board (PNGRB)	<p>PNGRB was constituted under the PNGRB Act, 2006. The Act provides for the establishment of PNGRB to protect the interests of consumers and entities engaged in specified activities relating to petroleum, petroleum products and natural gas and to promote competitive markets and for matters connected therewith or incidental thereto. The Board under the Act has to regulate the refining, processing, storage, transportation, distribution, marketing and sale of petroleum, petroleum products and natural gas excluding production of</p>

		crude oil and natural gas so as to ensure uninterrupted and adequate supply of petroleum, petroleum products and natural gas in all parts of the country.
19	Indian Strategic Petroleum Reserves Limited (ISPRL)	<p>In order to meet the strategic objective of India's energy security, the Government of India (GoI) decided on January 7, 2004, to construct Strategic Petroleum Reserves (SPRs). As India is heavily dependent on import of crude oil to support the economic activities and growth and to meet the energy needs of its citizens, these SPRs would serve as buffer to deal with any situation of supply chain disruptions, especially due to external reasons. Such emergency reserves would enable the country to keep its refineries fed with crude oil even in the face disruption of crude oil imports and ensure uninterrupted supplies of petroleum products across the country. In exceptional circumstances, the buffer stock of crude oil could be used to partially absorb an abnormal spike in the global oil prices.</p> <p>To implement the decision of GoI to construct SPR facilities, a Special Purpose Vehicle (SPV) Indian Strategic Petroleum Reserve Limited (ISPRL) was established which is a wholly owned subsidiary of Oil Industry Development Board (OIDB).</p>

## **MINUTES**

### **STANDING COMMITTEE ON PETROLEUM AND NATURAL GAS (2024-25)**

#### **EIGHTH SITTING (24.02.2025)**

The Committee sat on Monday, the 24<sup>th</sup> February, 2025 from 1100 hrs. to 1345 hrs  
in Committee Room 'G- 074', Parliament Library Building, New Delhi

#### **PRESENT**

**Shri Sunil Dattatrey Tatkare** - **Chairperson**

#### **MEMBERS**

##### **LOK SABHA**

- 2 Shri Gurjeet Singh Aujla
- 3 Shri Benny Behanan
- 4 Shri Maddila Gurumoorthy
- 5 Smt. Pratima Mondal
- 6 Shri Jai Prakash
- 7 Shri Janardan Singh Sigriwal
- 8 Shri Vivek Thakur
9. Shri Balashowry Vallabhaneni
10. Shri Parbhubhai Nagarbhai Vasava
11. Dr. Kalanidhi Veeraswamy
12. Shri Dharmendra Yadav

##### **RAJYA SABHA**

13. Shri Chunnilal Garasiya
14. Shri Narain Dass Gupta
15. Shri Chandrakant Handore
16. Shri Dorjee Tshering Lepcha
17. Shri Mayankbhai Jaydevbhai Nayak
18. Shri K.R.N. Rajeshkumar
19. Dr. V. Sivadasan

#### **SECRETARIAT**

1. Shri Rajesh Ranjan Kumar - Joint Secretary
2. Shri Sujay Kumar - Deputy Secretary
3. Shri Brajesh Kumar Singh - Deputy Secretary

## **Representatives of the Ministry of Petroleum and Natural Gas**

- |    |                           |   |
|----|---------------------------|---|
| 1  | Shri Pankaj Jain          | - Secretary                               |
| 2  | Shri Praveen Mal Khanooja | - Additional Secretary                    |
| 3  | Smt. Kamini Chauhan Ratan | - Additional Secretary& Financial Advisor |
| 4  | Smt. Sujata Sharma        | - Joint Secretary                         |
| 5  | Ms. Esha Srivastava       | - Joint Secretary                         |
| 6  | Shri Asheesh Joshi        | - Joint Secretary                         |
| 7  | Shri Vinod Seshan         | - Joint Secretary                         |
| 8  | Shri D.K. Ojha            | - DDG                                     |
| 9  | Shri Rajinder Kumar       | - Economic Advisor                        |
| 10 | Shri Deepak Srivastava    | - Director                                |

## **Representatives of ONGC**

- |    |                          |            |
|----|--------------------------|------------|
| 1. | Shri Arun Kumar singh    | - Chairman |
| 2. | Shri Vivek C. Tongaonkar | - Director |
| 3. | Smt. Sushma Rawat        | - Director |

## **Representatives of DGH**

- |    |                         |           |
|----|-------------------------|-----------|
| 1. | Smt. Pallavi Jain Govil | - DG, DGH |
| 2. | Dr. Kaustav Nag         | - ADG     |

## **Representatives of BPCL**

- |    |                      |            |
|----|----------------------|------------|
| 1. | Shri G. Krishnakumar | - CMD      |
| 2. | Shri V.R.K. Gupta    | - Director |

## **Representatives of OIL**

- |    |                          |            |
|----|--------------------------|------------|
| 1. | Shri Saloma Yamdo        | - Director |
| 2. | Shri Trailukya Borgohain | - Director |
| 3. | Shri Abhijit Majumder    | - Director |

## **Representatives of GAIL**

- |    |                          |       |
|----|--------------------------|-------|
| 1. | Shri Sandeep Kumar Gupta | - CMD |
|----|--------------------------|-------|

## **Representatives of EIL**

- |    |                    |            |
|----|--------------------|------------|
| 1. | Shri Rajiv Agarwal | - Director |
|----|--------------------|------------|

2. Shri R.P. Batra - ED

**Representatives of IOCL**

1. Dr. Alok Sharma - Director

**Representatives of HPCL**

1. Shri Rajneesh Narang - CMD

**Representatives of Balmer & Lawrie**

1. Shri Adhip Nath Palchaudhuri - CMD

**Representatives of CHT**

1. Shri Rajesh Agarwal - ED  
2. Shri Shekhar Kulkarni - Director

2. At the outset, the Hon'ble Chairperson welcomed the Members of the Committee and apprised them about the agenda of the sitting *i.e.* to have oral evidence of the representatives of the Ministry of Petroleum and Natural Gas/Oil PSUs on “**Demands for Grants (2025-26)**” of the Ministry.

3. Thereafter, the representatives of the Ministry of P&NG/Oil PSUs were called into the sitting of the Committee to brief the Committee on the subject. After customary introduction, representatives of the Ministry/PSUs made a power point presentation on the subject giving overview of mandate and functioning of the Ministry, Exploration, Refining and Marketing infrastructure of oil/PSUs.

4. Subsequently, Members of the Committee raised several issues related to the subject such as salient features of the budget 2025-26, allocations for various schemes and projects under capital and revenue heads, reasons for variations in budgetary allocations and actual expenditure, new initiatives and schemes related to petroleum sector announced in the budget. Further, members also raised queries regarding primary energy demand in the country, domestic production of crude oil and natural gas and other petroleum products, volume of imports to meet the energy requirement in the country and steps taken to reduce import dependency of the Country. Moreover, queries relating to export of petroleum products particularly in neighbouring countries, capital expenditure incurred by the Ministry over the last five years, details of major completed and ongoing projects, current status of implementation of Pradhan Mantri Ujjwala Yojana (PMUY), performance of oil PSUs under Ethanol Blended Petrol Programme (EBP), development of new and alternative fuels, CBG-SATAT, Green Hydrogen,



progress of National Gas Grid and City Gas Distribution projects in the country, current refining capacity and steps taken augment refining infrastructure in the country, Upstream sector reforms to boost domestic production etc were also raised. Some Members also raised queries regarding kerosene free states and current demand and supply of kerosene oil in the country, price built-up of petrol and diesel and impact of current pricing mechanism on consumers, impact of current global geo-political situation on oil and gas sector, demand/availability/viability of Sustainable Aviation Fuel (SAF), reforms in gas pricing sector segment, impact of allowing 100 percent FDI in the insurance on the petroleum sector in the country, present status of Global Bio-fuel alliance, international operations and investments of oil PSUs, Oil Industry Development (OID) cess.

5. The representatives of the Ministry/PSUs gave clarifications to the queries raised by the Members. The Chairperson requested the representatives of the Ministry to furnish written replies to the points raised during the sitting within seven days to the Lok Sabha Secretariat given the short time frame in which the report on the DFG is to prepared.

6. The Chairperson then thanked the representatives of the Ministry of Petroleum and Natural Gas/Oil PSUs for providing valuable information on the subject.

**(The witnesses then withdrew)**

8. A copy of the verbatim proceedings is kept in the Branch for record.

**The Committee then adjourned**

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## **MINUTES**

### **STANDING COMMITTEE ON PETROLEUM AND NATURAL GAS (2024-25)**

#### **ELEVENTH SITTING (18.03.2025)**

**The Committee sat on Tuesday, the 18<sup>th</sup> March, 2025 from 1630 hrs. to 1740 hrs in Committee Room 'B', Parliament House Annexe, New Delhi**

#### **PRESENT**

**Shri Sunil Dattatrey Tatkare      -      Chairperson**

#### **MEMBERS**

#### **LOK SABHA**

- |    |                                  |
|----|----------------------------------|
| 2  | Shri Gurjeet Singh Aujla         |
| 3  | Shri Benny Behanan               |
| 4  | Shri Maddila Gurumoorthy         |
| 5  | Shri Dileshwar Kamait            |
| 6  | Shri Putta Mahesh Kumar          |
| 7  | Shri Vinod Lakhamshi Chavda      |
| 8  | Smt. Joba Majhi                  |
| 9  | Smt. Pratima Mondal              |
| 10 | Shri Laxmikant Pappu Nishad      |
| 11 | Shri Jai Prakash                 |
| 12 | Shri Dilip Saikia                |
| 13 | Smt. Kamaljeet Sehrawat          |
| 14 | Shri Janardan Singh Sigriwal     |
| 15 | Dr. Amar Singh                   |
| 16 | Shri Ve Vaithilingam             |
| 17 | Shri Balashowry Vallabhaneni     |
| 18 | Shri Parbhubhai Nagarbhai Vasava |
| 19 | Dr. Kalanidhi Veeraswamy         |
| 20 | Shri Dharmendra Yadav            |

#### **RAJYA SABHA**

- |    |                             |
|----|-----------------------------|
| 21 | Shri Chunnilal Garasiya     |
| 22 | Shri Narain Dass Gupta      |
| 23 | Shri Chandrakant Handore    |
| 24 | Shri Mithlesh Kumar         |
| 25 | Shri K.R.N. Rajeshkumar     |
| 26 | Dr. V. Sivadasan            |
| 27 | Shri Ravi Chandra Vaddiraju |

## **SECRETARIAT**

1. Shri Rajesh Ranjan Kumar - Joint Secretary
2. Shri Sujay Kumar - Deputy Secretary

2. At the outset, the Hon'ble Chairperson welcomed the Members to the sitting of the Committee. The Committee then took up for consideration the draft report on 'Demands for Grants (2025-26)' of the Ministry of Petroleum and Natural Gas. Some hon. Members made certain suggestions to the draft recommendations of the Committee. The report was then adopted with slight modifications in the recommendations.

3. The Committee then authorized the Chairperson to finalize the Report and present/lay the Report in both the Houses of Parliament.

**The Committee then adjourned.**

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