



**STANDING COMMITTEE ON  
PETROLEUM & NATURAL GAS  
(2020-21)**

**SEVENTEENTH LOK SABHA**

**MINISTRY OF PETROLEUM & NATURAL GAS**

**DEMANDS FOR GRANTS  
(2021-22)**

**FIFTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

*March, 2021 / Phalguna, 1942 (Saka)*

# **FIFTH REPORT**

## **STANDING COMMITTEE ON PETROLEUM & NATURAL GAS (2020-21)**

**(SEVENTEENTH LOK SABHA)**

**MINISTRY OF PETROLEUM & NATURAL GAS**

## **DEMANDS FOR GRANTS (2021-22)**

*Presented to Lok Sabha on 10.03.2021*

*Laid in Rajya Sabha on 10.03.2021*



**LOK SABHA SECRETARIAT  
NEW DELHI**

*March, 2021 / Phalguna, 1942 (Saka)*

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(iii)  
**COMPOSITION OF THE STANDING COMMITTEE ON PETROLEUM & NATURAL GAS**  
**(2020-21)**

**Sl. No. Names of Members**

**LOK SABHA**

**Shri Ramesh Bidhuri - Chairperson**

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

**RAJYA SABHA**

22	Shri Ripun Bora
23	Shri Narain Dass Gupta
24	Smt. Kanta Kardam
25	Shri Kanakamedala Ravindra Kumar
26	Shri Om Prakash Mathur
27	Dr. Bhagwat Karad
28	Vacant <sup>1</sup>
29	Shri K.K. Ragesh
30	Shri A. Vijayakumar
31	Ch. Sukhram Singh Yadav

**SECRETARIAT**

1	Smt. Abha Singh Yaduvanshi	Additional Secretary
2	Shri H. Ram Prakash	Director
3	Shri Mohan Arumala	Under Secretary
4	Shri Deepak Kumar	Assistant Executive Officer

<sup>1</sup> Since Shri Ahmed Patel passed away on 25.11.2020.

## **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 fifth report on 'Demands for Grants (2021-22) of the Ministry of Petroleum & Natural Gas'.

2. The Committee examined the Demands for Grants (2021-22) pertaining to the Ministry of Petroleum & Natural Gas which were laid on the Table of the House on 08.02.2021.

3. The Committee took briefing and evidence of the representatives of the Ministry of Petroleum & Natural Gas at their sittings held on 13.02.2021 & 19.02.2021 respectively. The Report was considered and adopted by the Standing Committee on Petroleum and Natural Gas on 08.03.2021.

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 (2021-22) of the Ministry and for giving evidence before the Committee.

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

**New Delhi;**  
**9 March, 2021**  
**18 Phalguna, 1942 (Saka)**

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

**REPORT****PART – I****Introductory**

Energy security plays a pivotal role in the development of a nation. In order to ensure an uninterrupted economic growth, it becomes imperative for the Government of the day to strike an efficient balance between demand and supply of energy. Given an exponential growth of various sectors of the economy, ensuring smooth and continuous supply of energy has become a huge challenge for policy makers of the country.

India is one of the fastest growing economies in the world. In order to improve energy access, energy efficiency, energy sustainability and energy security in the country, various policy measures have been taken and are being taken in terms of exploration and production of crude oil and natural gas, refining, distribution, marketing, import, export along with conservation of various petroleum products.

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

**A. Mandate of the Ministry**

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

1.3 The details of PSUs, Organisations and Boards functioning under the administrative control of the Ministry is provided at **Appendix-II**.

**B. Budgetary Allocations**

1.4 With regard to the total budgetary allocations of the Ministry of Petroleum and Natural Gas during the financial year 2021-22 alongwith BE, RE and actuals for the years 2018-19, 2019-20 and expenditure made till 31 January, 2021 during the FY 2020-21, the Ministry has submitted the following information:

**REVENUE SECTION**

(Rs. in crore)

Name of the Scheme	Object Head	BE 2018-19	RE 2018-19	Actuals	BE 2019-20	RE 2019-20	Actuals 2019-20	BE 2020-21	RE 2020-21	Actuals (upto 31.01.21)	BE 2021-22
Phulpur Dhamra Haldia Pipeline Project	35	0.00	1206.60	1206.60	1552.11	1552.11	1552.11	728.03	728.03	475.61	250.00
Pradhan Mantri JI-VAN Yojana	35	0.00	0.00	0.00	37.87	0.01	0.00	53.00	31.80	0.00	233.31
Indradhanush Gas Grid Limited(IGGL)-part of the North East Nатура Gas Pipeline	35	..	..	..	..	..	..	..	180.00	0.00	500.00
DBT for LPG	33	16477.80	16477.80	16477.80	29500.00	29627.76	29627.76	35605.00	25520.79	16658.00	12480.00
Other Subsidies payable including NE Region (Domestic Natural Gas)	33	608.00	513.38	498.58	674.00	643.10	643.10	457.21	498.00	127.00	450.00
Project Management Expenditure	33	92.00	92.00	92.00	91.00	91.00	91.00	76.00	98.64	76.00	65.00
DBT for Kerosene	33	96.00	96.00	96.00	168.00	168.00	127.92	41.00	39.00	6.00	..
Other Subsidies payable including NE Region (Kerosene)	33	4200.00	4200.00	4200.00	4058.00	4058.00	4058.00	3176.00	2677.32	2677.32	..
Scheme for LPG connection to poor Households (PMUY)	33	3200.00	3200.00	3200.00	2724.00	3724.00	3724.00	1118.00	9690.00	9052.00	0.00
Feedstock Subsidy to BCPL/Assam Gas Cracker Complex	33	..	..	..	..	..	..	..	265.04	0.00	1078.35
Name of the Scheme	Object Head	BE 2018-19	RE 2018-19	Actuals	BE 2019-20	RE 2019-20	Actuals 2019-20	BE 2020-21	RE 2020-21	Actuals (upto 31.01.21)	BE 2021-22
Society for Petroleum Laboratory(SFPL)	31& 36	2.42	2.42	2.05	2.59	1.62	1.62	2.84	2.84	1.66	2.84
Petroleum and Natural Gas Regulatory Board (PNGRB)	31& 36	18.37	28.72	28.72	19.66	19.09	19.09	23.53	3.48	3.48	23.53

Payment to Indian Strategic Reserves Limited (O &M)	31	80.00	80.00	75.33	120.00	120.00	120.00	155.00	178.24	117.16	186.34
Setting up of Indian Institute of Petroleum Energy (IIPE), Vishakhapatnam	35	0.00	24.00	24.00	31.82	22.28	22.28	31.82	45.51	10.18	95.00
Establishment of Rajiv Gandhi Institute of Petroleum and Technology (RGIPT), Assam	35	0.00	0.01	0.00	1.00	0.01	0.00	1.00	0.01	0.00	32.00
Establishment of Centre of Excellence for Energy, Bangalore	35	0.00	0.01	0.00	1.00	0.01	0.00	1.00	0.01	0.00	50.00
Secretariat		32.45	33.80	34.01	35.13	36.12	34.42	38.37	40.07	28.79	45.41
National Bio-Fuel Fund	31				1.00	0.01	0.00	1.00	0.01	0.00	1.00
Establishment of institutional mechanism for direct transfer of subsidy in cash for PDS Kerosene beneficiaries	31	5.00	0.00	0.00	6.00	0.00	0.00	0.00	0.00	0.00	0.00
Payment of Differential Royalty to State Governments	31	2325.51	4255.00	4255.00	1954.00	1962.32	1962.31	43.20	23.20	12.11	24.00
Cash incentive to State Governments for Kerosene Distribution Reforms	31	254.00	254.00	272.57	257.00	257.00	257.00	442.00	266.00	259.83	0.00
<b>Grand Total-REVENUE</b>		<b>27391.55</b>	<b>30463.74</b>	<b>30462.67</b>	<b>41234.18</b>	<b>42282.44</b>	<b>42240.61</b>	<b>41994.00</b>	<b>40287.99</b>	<b>29505.14</b>	<b>15516.78</b>

### **CAPITAL SECTION**

Name of the Scheme	Object Head	BE 2018-19	RE 2018-19	Actuals	BE 2019-20	RE 2019-20	Actuals 2019-20	BE 2020-21	RE 2020-21	Actuals (upto 31.01.2021)	BE 2021-22
Phulpur Haldia Pipeline Project	53	1674.00	0.00	0.00	..	..	..	..	..	..	..
National Seismic Programme	60	1300.00	1300.00	1300.00	1623.26	575.00	529.54	207.00	63.00	0.00	217.00



Payment to Indian Strategic Petroleum Reserve Limited (ISPRL) for Crude Oil Reserve	60	700.00	700.00	608.14	1.00	1.00	0.00	690.00	2550.00	2550.00	0.00
Payment to ISPRL for construction of caverns Phase-II	53	1.00	1.00	0.00	1.00	1.00	0.00	10.00	0.01	0.00	210.00
Indian Institute of Petroleum Energy	53	32.00	0.00	0.00	..	..	..	..	..	..	..
Centre of Excellence for Energy, Assam	53	1.00	0.00	0.00	..	..	..	..	..	..	..
Centre of Excellence for Energy, Bengaluru	53	1.00	0.00	0.00	..	..	..	..	..	..	..
Issue of Bonus Shares by Oil India Limited (OIL)	54	0.00	250.18	250.18							
		..	-250.18	-250.18	..	..	..	..	..	..	..
<b>Total Major Head 4802</b>		<b>3709.00</b>	<b>2001.00</b>	<b>1908.14</b>	1625.26	577.00	529.54	907.00	2613.01	2550.00	427.00
Interest free loan to Biecco Lawrie	55	..	..	..	42.05	42.05	42.05	..	..	..	..
<b>Total Major Head 6802</b>		..	..	..	42.05	42.05	42.05	..	..	..	..
<b>Total Capital Section</b>		<b>3709.00</b>	<b>2001.00</b>	<b>1908.14</b>	<b>1667.31</b>	<b>619.05</b>	<b>571.59</b>	<b>907.00</b>	<b>2613.01</b>	<b>2550.00</b>	<b>427.00</b>
<b>Grand Total</b>		<b>31100.55</b>	<b>32464.74</b>	<b>32370.81</b>	<b>42901.49</b>	<b>42901.49</b>	<b>42812.20</b>	<b>42901.00</b>	<b>42901.00</b>	<b>32055.14</b>	<b>15943.78</b>

1.5 When enquired about the drastic reduction in budgetary allocation by almost two third as compared to the previous year during the oral evidence held on DFG on 19.02.2021, the representative of the Ministry has submitted as under:

“एक तो हमारा जो पहले अधिक बजट था, जो एलपीजी पर सब्सिडी थी, उसकी वजह से था। DBT के माध्यम से वह सब्सिडी जा रही थी। जब बीच में इंटरनेशनल प्राइस गिरे थे, तो उस सब्सिडी की आवश्यकता घट गई थी। पिछले साल के जो पेंडिंग बिल्स थे, क्योंकि पहले ऑयल मार्केटिंग कंपनीज़ इसमें सब्सिडी दे देती हैं, फिर वह सरकार से रिम्बर्समेंट मांगती हैं। जो सब्सिडी के बिल्स थे, पुराने भी पे किए गए हैं। जो पिछले साल का बजट था, हमें उससे काफी लाभ मिला है। हालांकि

प्राइस गिर गए हैं। सब्सिडी की आवश्यकता कम थी, लेकिन बजट उपलब्ध था, तो जो काफी पुराना बैकलॉग था, वह निकाल दिया है। अभी जैसे-जैसे प्राइस और बढ़ते हैं या सब्सिडी देनी पड़ती है, तो ऑयल मार्केटिंग कंपनीज़ अपने पास से दे देती हैं और उसके बाद रिम्बर्समेंट लेती हैं। फिर हम बजट की मांग कर सकते हैं। वित्त मंत्रालय उसी हिसाब से बजट देता है, जिसकी तुरंत आवश्यकता हो, क्योंकि उनको भी अपना बजट बँलेस करके, कंट्रोल करके चलना होता है। एक तो यह कारण है कि उन्होंने हमारे बजट को कम किया है। जो सबसे ज्यादा इम्पैक्ट है, वह उसी वजह से है। हालांकि हमारे जो भी ट्रेनिंग इंस्टिट्यूट्स हैं, जो भी नए इंस्टिट्यूट्स स्थापित हो रहे हैं, उन सभी का बजट बढ़ाया है। जहां-जहां हमें और बजट की आवश्यकता थी, उसमें भी बजट को बढ़ाया गया है। परंतु जहां पर मेजर बजट की आवश्यकता होती थी, वह इसी वजह से कम हुआ है”।

1.6 Further, Elaborating on the issue, the representative of the Ministry has stated as under:

“मैं यह भी स्पष्ट करना चाहता हूँ कि हमें यदि बजट कम लगता है तो आवश्यकतानुसार बजट बढ़ाया भी जा सकता है। हमारा यही प्रयास रहेगा कि हमारी जो योजनाएं हैं, उनमें धनराशि की कमी न हो। हमारे मंत्रालय का जो इन्वेस्टमेंट है, उसके तहत हमारी ऑयल मार्केटिंग कंपनीज़ बहुत सारे कार्य करती हैं। उन्हें स्वयं इंकम जनरेट करनी होती है और वे स्वयं इंकम भी जनरेट करते हैं और लोन भी ले सकते हैं। वे जो भी कार्य करते हैं, उनका प्रयास यही होता है कि वे ऐसे कार्य हों, जिनमें आगे और ज्यादा इंकम जनरेट हो सके, क्योंकि ये बिजनेस वैन्चर्स हैं। इसलिए सरकार के बजट से रिफ्लैक्ट नहीं हो पाता है। अगर हमारे मंत्रालय के इन्वेस्टमेंट को देखे तो वह आगे के वर्षों में बढ़ता जाएगा, क्योंकि कंपनीज़ से और पीएसयूज़ व सब्सिडीएरी के माध्यम से इन्वेस्टमेंट आएगा”।

### C. Budgetary Announcements

1.7 On being asked about the announcements made in the Budget speech for the petroleum sector during the current year, the Ministry in its written reply submitted the following information:

“Given below are the Budget Announcements in the Budget Speech 21-22:

1. **Para 47 (D)** - Other core infrastructure assets that will be rolled out under the Asset Monetization Programme are: (i) NHA Operational Toll Roads (ii) Transmission Assets of PGCIL (iii) Oil and Gas Pipelines of GAIL, IOCL and HPCL (iv) AAI Airports in Tier II and III cities, (v) Other Railway Infrastructure Assets (vi) Warehousing Assets of CPSEs such as Central Warehousing Corporation and NAFED among others and (vii) Sports Stadiums.
2. **Para 67** - Our government has kept fuel supplies running across the country without interruption during the COVID-19 lockdown period. Taking note of

the crucial nature of this sector in people's lives, the following key initiatives are being announced. Ujjwala Scheme which has benefited 8 crores households will be extended to cover 1 crores more beneficiaries.

3. **Para 67 (b)** - We will add 100 more districts in next 3 years to the City Gas Distribution network.
4. **Para 67 (c)** - A gas pipeline project will be taken up in Union Territory of Jammu & Kashmir.
5. **Para 67 (d)** - An independent Gas Transport System Operator will be set up for facilitation and coordination of booking of common carrier capacity in all-natural gas pipelines on a non-discriminatory open access basis".

### **Asset Monetization Programme**

1.8 Under the budget announcement (2021-22) it has been informed that core infrastructure assets will be rolled out under the Asset Monetization Programme with respect to oil and gas pipelines of GAIL, IOCL and HPCL.

1.9 When asked as to whether modalities and guidelines have been devised and timeline for completion along with How much revenue is expected to be raised through the programme, the Ministry in its written reply submitted as under:

"Department of Investment and Public Asset management (DIPAM) has notified a new Public Sector Enterprise policy for Aatmanirbhar Bharat on 04.02.2021. This policy provides for the guidelines in respect of asset monetization.

The asset monetization is estimated to be completed in a period of 12-18 months from the approval of competent authority. The 5th meeting of Core Group of Secretaries on Asset Monetization (CGAM) was held under the chairmanship of Cabinet Secretary on 8th February, 2021. During the meeting a target of Rs. 17,000 crore for FY 2022 was proposed for Ministry of Petroleum & Natural Gas comprising of pipelines assets of GAIL, IOCL and HPCL".

The exact details of the assets to be monetized are as below:

- (i) For GAIL – creation of SPV/Subsidiary and divestment of units of InvIT for two identified pipeline is being initiated.
- (ii) For IOCL – two Hydrogen Plants and a pipeline have been identified and;
- (iii) HPCL has initiated action to identify Assets for monetization.

### **Independent Gas Transport System Operator**

1.10 It has been stated that an independent Gas Transport System Operator will be set up for facilitation and coordination of booking of common carrier capacity in all-natural gas pipelines on a non-discriminatory and open access basis.

1.11 When asked as to whether any policy guidelines, nodal agency for monitoring the progress and by when this common gas transport operator is expected to be functional, the Ministry in its written reply stated as under:

“PNGRB Act, 2006 provides for declaration and operation of common carrier/contract carrier capacities in natural gas pipelines. PNGRB has issued various regulation in that respect. The Draft Note for Committee on Establishment Expenditure (CEE) for creation of an independent Transport System Operator (TSO), a CPSE under the Ministry of Petroleum and Natural Gas is under examination. PNGRB shall be the nodal agency for monitoring the progress of the same. Necessary regulation in that respect shall be framed by PNGRB. The establishment of TSO is likely to be completed in one year from approval of the competent authority”.

**D. Direct Benefit Transfer Kerosene (DBTK)**

1.12 When asked about the current status of the DBTK scheme along with an updated state-wise details indicating as to whether all the states have been covered under the scheme, the Ministry has submitted the following information:

“Ministry of Petroleum & Natural Gas launched DBTK Scheme with effect from 01.04.2016 to initiate reforms in Allocation and Distribution of Public Distribution System (PDS) Superior Kerosene Oil (SKO) distribution system, to stop pilferage of subsidy and to reduce the outflow of Central subsidy on kerosene to States / Union Territories (UTs) to a realistic level. The details of above mentioned reforms under DBTK are as under:

(i) **Allocation Reforms:** The States/UTs were given cash incentive of 75% of subsidy savings during the first two years (2016-17 & 2017-18), 50% in the third year (2018-19) and 25% in the fourth year (2019-20) in lieu of voluntary cut undertaken by them in their PDS SKO allocation under the head “Cash incentive to State/UT for Kerosene Distribution Reforms”. The said Scheme has been discontinued as the same was applicable for 4 years from the date of commencement i.e. till F.Y. 2019-20 only. So far, States/UTs of Karnataka, Telangana, Haryana, Nagaland, Bihar, Gujarat, Rajasthan, Maharashtra, Goa, Andhra Pradesh, Chandigarh, Puducherry and Uttar Pradesh have undertaken voluntary cut. Accordingly, kerosene allocation of these States has been rationalized/reduced. Further, States/UTs of Haryana, Punjab, Andhra Pradesh, Delhi, Chandigarh, Daman & Diu, Dadar & Nagar Haveli, Andaman & Nicobar Island and Puducherry have become ‘Kerosene Free’.

(ii) **Distribution Reforms:** PDS Kerosene is sold to the identified beneficiaries at non-subsidized rates and the applicable subsidy is directly transferred into the bank account of the beneficiaries.

DBTK Scheme is under implementation only in State Government of Jharkhand with effect from 1<sup>st</sup> July 2017”.

1.13 When the Committee desired to know as to whether there is any plan to discontinue the scheme, the representative of the Ministry during the oral evidence has stated as under:

“... मैं स्पष्ट करना चाहता हूं, कैरोसिन सप्लाई दो प्रकार की है – एक तो राशन कार्ड पर मिलता है और दूसरा ओपन मार्केट में भी मिलता है। जो कैरोसिन मिलता है, उसमें हिडन सब्सिडी होती है क्योंकि इसमें टैक्स कम होते हैं। यदि हम डीजल से मुकाबला करें तो अभी भी ओपन मार्केट में मिलने वाले कैरोसिन की कीमत कम है। राशन पर मिलने वाले में और सब्सिडी है। अब सरकार इस ओर प्रयास कर रही है और पहले ही एनाउंस हो चुका है कि कैरोसिन हटाना है, एलपीजी और नैचुरल गैस लानी है। इसका मतलब यह नहीं है कि कैरोसिन अवेलेबल नहीं होगा। कैरोसिन राशन पर होगा, उसका कुछ कोटा होगा, उसे धीरे-धीरे घटाएंगे, एक दम जीरो नहीं करेंगे। इसमें नैचुरल सब्सिडी है, टैक्स कम होने की वजह से वैसे ही कैरोसिन की कीमत कम है। कैरोसिन के बारे में एक क्रिटिसिज्म आता रहा है, कुछ राज्य डिमांड करते हैं कि कैरोसिन पेट्रोल या डीजल के एडलट्रेशन में डाइवर्ट हो जाता है। जैनुअन जिसे कैरोसिन चाहिए, उसे घरेलू इस्तेमाल के लिए मिलना चाहिए। जैसा कि मैंने बताया कि सब्सिडी टैक्स कम होने से मिल जाती है, वह तो है ही, लेकिन कैरोसिन की अवेलेबिलिटी में दिक्कत नहीं आएगी। हम आगे प्रयास कर रहे हैं कि सभी को घरेलू इस्तेमाल में गैस उपलब्ध हो जाए”।

#### **E. DBTL (LPG)**

1.14 When asked to furnish details on the current scheme of subsidy being provided to domestic LPG consumers and beneficiaries PDS Kerosene, the Ministry has submitted the following information:

##### **“Domestic LPG**

The Government continues to modulate the effective price to consumer of Subsidized Domestic LPG (upto 12 cylinders of 14.2 Kg per annum per household). However, the prices of non-subsidized Domestic LPG are determined by the Public Sector OMCs in line with changes in international markets.

Effective 1<sup>st</sup> January 2015, the PAHAL (DBTL) scheme, 2014 has been implemented in the entire country wherein the subsidy on Domestic LPG is being transferred to the eligible consumers directly to their bank accounts.

Since May, 2020, while there is NIL subsidy to LPG consumers on Domestic LPG in some markets like Delhi, For consumers in far-flung and remote areas, Government continues to provide some subsidy due to higher inland freight from port to bottling plant. The retail selling price of a 14.2 kg domestic LPG cylinder at Delhi effective 1<sup>st</sup> January, 2021 is Rs.694.

### **PDS Kerosene**

In order to insulate the common man from the impact of rise in international oil prices, the Government continues to modulate the retail selling prices of PDS Kerosene. However, since 1st March, 2020 the retail selling price of PDS Kerosene is being maintained at NIL under-recovery level on pan India basis. The retail selling price of PDS Kerosene at Mumbai effective 1<sup>st</sup> January, 2021 is Rs.30.12 per litre”.

1.15 When asked to furnish the current price of domestic/household cylinder and how it is fixed and what is the component of DBT in the price of domestic cylinder, the Ministry in its written reply submitted as under:

“The current retail selling price of a domestic LPG cylinder as of 26.02.2021 at Delhi is Rs.794 per 14.2 Kg cylinder. Price of LPG cylinder is fixed on Import Parity Price basis in line with the ‘PAHAL (DBTL) Scheme 2014. The difference between the Retail Selling Price of the domestic cylinder and Effective Cost to the customer under the scheme is transferred to the consumers bank account as DBT subsidy”.

### **F. LPG Connections to BPL Families (Pradhan Mantri Ujjwala Yojana)**

1.16 When asked to furnish the fund allocations made and utilised for PMUY in 2020-21 and 2021-22 along-with the targets set and actual number of beneficiaries since the launch of the scheme till date, the Ministry has submitted the following written reply:

“Rs. 1118 crore was allocated for Pradhan Mantri Ujjwala Yojana (PMUY) in 2020-21 and Rs. 960.34 crore has already been utilised till 21.01.2021. The target to release 8 crore LPG connections to poor households under PMUY has already been achieved in September 2019. No budget allocation has been sought for FY 2021-22.”

1.17 When asked about the arrangements made to ensure an uninterrupted and smooth supply of LPG cylinders to new consumers particularly in rural areas during the Covid-19 lockdown period and subsequently after opening of lockdown, the Ministry has stated as under:

“As on 01.04.2016, there were 17,916 LPG distributorships in the country which has increased to 24910 as on 01.01.2021, out of which 17017 distributors are primarily serving the rural customers. For ensuring efficient LPG supply especially to the rural customers, Oil Marketing Companies (OMCs) have advertised 6,374 new LPG distributorships under Unified Guidelines for Selection of LPG distributorships. Out of this, 4994 distributorships have already been commissioned as on 01.01.2021, which are mostly in rural areas.

Further, OMCs have taken following steps for smooth delivery of the refills to the LPG consumers during Covid-19 lockdown:-

(i) SOP was developed for delivery of LPG Cylinders to practice high standard of hygiene & sanitization. Masks & gloves are being used while handling & delivering cylinders by Delivery boys.

(ii) Declared an ex-gratia amount of Rs 5,00,000/- (Rs Five Lacs only) to be paid to the spouse of deliverymen of the distributorships in case of the death due to Covid 19 related infection.

(iii) Delivery boys are working additional hours to make up for the absence of co-workers who are unable to travel due to non-availability of transportation during lockdown period.

(iv) SOP prepared and implemented for LPG Plant operation including sanitization of Trucks, Cylinders etc.

(v) Multiple hand sanitization points are made available inside the LPG plants

(vi) Multiple Initiatives taken by Distributors for enhancing the awareness near the villages about PMGKY scheme”.

1.18 When asked as to whether PMUY beneficiaries were able to receive domestic LPG cylinders during the Covid 19 lockdown along with details of the initiatives undertaken, the Ministry has submitted the following written reply:

“During Covid-19 pandemic, a Scheme for providing free of cost LPG cylinders for three months to PMUY beneficiaries was started w.e.f. 01.04.2020 under Pradhan Mantri Garib Kalyan Package (PMGKP). The Scheme was initially valid for three months i.e. April to June 2020 and subsequently extended upto December 2020 for those PMUY beneficiaries who were credited with the advances for buying cylinder, but were not able to buy the free cylinders in the stipulated time. Under the Scheme, Rs. 9670.41 crore has been transferred to the bank account of the PMUY beneficiaries for cylinder. As on 31.12.2020, 14.17 crore free refills have been taken by PMUY beneficiaries under the PMGKP”.

1.19 When asked to provide details of funds allocated for Ujjwala scheme for 1 crore new households announced in the Budget, the Ministry has submitted the following reply in writing:

“Pradhan Mantri UJJWALA Yojana (PMUY), a widely publicized & appreciated Scheme, moving towards universalisation of it’s coverage. After it was announced in the Budget Speech 21-22, MOPNG is in the process of finalising

Modalities of implementation, and orders are expected to be issued by 15th March 2021. 1 crore target will be met by March 2022.

No budget was provided for the scheme in Budget provisions 21-22. However, funds shall be sought during First Supplementary. Fund requirements if any, meanwhile, shall be met from existing budgetary provisions”.

1.20 Elaborating about the modalities of the budget announcement during the oral evidence, the representative of MoPNG submitted the following:

“... उज्ज्वला में एक करोड़ और कनैक्शन्स दिए जाने हैं और इसके लिए बजट नहीं रखा गया है। उज्ज्वला में और कनैक्शन दिए जाएं, इसकी चर्चा समिति में भी हुई थी। इस हैड में जीरो बजट दिखाया गया है, इसे कैसे इम्प्लीमेंट करना है, 31 मार्च तक इसकी प्लानिंग कर लेंगे। बेनिफिशरीज की सलैक्शन होनी है, पहले का क्राइटेरिया एप्रूव्ड है और उसके आगे कुछ मॉडेलिटीज निश्चित करनी हैं। हम प्रयास कर रहे हैं कि इसे 31 मार्च तक कर लें, एप्लीकेशन्स इन्वाइट कर लें और इम्प्लीमेंटेशन 1 अप्रैल से प्रारंभ कर लें”।

1.21 When enquired about the estimated expenditure on the scheme, the representative of the Ministry submitted as under:

“महोदय, कनैक्शन देने का खर्चा पहले 1600 रुपये था, अगर अब उस हिसाब से चलें तो एक करोड़ कनैक्शन में 1600 करोड़ का कुल खर्च आएगा। इसमें ऑयल मार्केटिंग कंपनियां खर्चा करती हैं और फिर रिइम्बर्स सरकार करती है। इस प्रकार से तुरंत पैसे की आवश्यकता नहीं होती है यानी पहले तीन या छः महीने में पैसे की आवश्यकता नहीं होगी। दूसरे हैड से फाइनेंस मंत्रालय की अनुमति से कुछ पावर्स के तहत हम डाइवर्ट कर सकते हैं। इसके अलावा सप्लीमेंटरी बजट मांग सकते हैं। इसमें बजट की दिक्कत नहीं आएगी। सरकार जो स्कीम लाई है, हम इसे जल्दी ही ठीक प्रकार से इम्प्लीमेंट करेंगे”।

### G. Indian Strategic Petroleum Reserves Limited (ISPRL)

1.22 When asked to provide details w.r.t. the allocation and utilization of funds for Phase-I ISPRL projects, the Ministry has submitted the following in its written reply:

#### Expenditures for ISPRL Projects

(Figures in Rs. crores)

Scheme	2018-2019			2019-20			2020-2021 (Up to Dec. 2020)			2021-22
	BE	RE	ACTUALS	BE	RE	ACTUALS	BE	RE	ACTUALS	BE
ISPRL Expenditures for Mangalore O&M for Padur	80.00	80.00	75.33	120.00	120.00	116.82	155.00	178.24	116.57	186.34



and Vishakhapatnam Projects											
Crude Oil Procurement for ISPRL Caverns	700.00	700.00	608.14	1.00	1.00	1.00	690.00	2550.00	2532.00	Nil	
Construction of Caverns Phase- II	1.00	1.00	-	1.00	1.00	-	10.00	0.01	6.92	210.00	

1.23 When asked to furnish details on the present status of oil storage in strategic caverns, the Ministry in its written reply has stated as under:

“Under Phase I of Strategic Petroleum Reserve (SPR) programme, Government through ISPRL has built SPR facilities with a total capacity of 5.33 MMT at three locations viz. Visakhapatnam, Mangalore and Padur. All the three facilities i.e. Visakhapatnam, Mangalore & Padur have been commissioned in June’ 2015, October’ 2016 and December’ 2018 respectively. All these three facilities were dedicated to the Nation by Hon’ble Prime Minister on 10<sup>th</sup> February’ 2019.

The total reserve of Phase-I of SPR is currently estimated to supply approximately 9.5 days of India’s crude requirement

The storages at all the three locations have been filled up completely as below:-

Site	Visakhapatnam	Mangalore	Padur	Total
Capacity / oil in storages	1.33 MMT	1.5 MMT	2.5 MMT	5.33 MMT

With the outbreak of COVID-19 pandemic across the world, and lockdown in India since March 2020, the refineries were operating at bare minimum capacities due to drastic reduction in the demand for petroleum products. This coupled with high supply of crude, resulted in a significant drop in crude oil prices across the globe. To take advantage of the low crude oil prices, Govt. of India decided to step up its efforts to fill the Strategic Reserves.

In this context, the Government had earlier allocated Rs.690 Crores from the budgetary allocation for the year 2020-21 for filling one compartment at Padur. To take advantage of the down turn in global crude prices, Government of India further allocated Rs.3184 Crores (Considering crude rate as 28 US \$/bbl and exchange rate of Rs 75.5 per US \$) towards filling the SPRs in Phase I during the year 2020-21.

MoPNG, advised the Oil Marketing Companies (OMCs) viz BPCL, IOCL, HPCL and PSU MRPL to fill the crude in the SPRs. Approximately, 16.37 million bbls for Mangalore and Padur and 0.34 million bbls of crude oil for Vishakhapatnam, thus total 16.71 Million Bbls. The strategic reserves at all the three locations have been filled fully in April & May’2020, and some balance quantity in Oct’ 2020.

The average cost of procurement was 19\$/bbl as compared to US\$60 per bbl prevailing in Jan 2020. This resulted in savings to Govt. of India for approximately Rs. 5069 Crore (US\$685.11 Million)".

1.24 When asked to furnish the current status of caverns under phase-II proposed to be undertaken by ISPRL, the Ministry in its written reply has stated as under:

"The Union Cabinet on 27<sup>th</sup> June'2018 gave "In Principle" approval for establishing 6.5MMT Strategic Petroleum Reserves at two locations Chandikhol (4 MMT) in Odisha and at Padur (2.5 MMT) Karnataka including dedicated SPM's for the two SPR's. The 'In Principal' approval is to take up the project under PPP model to reduce budgetary support of Government of India.

On completion of 6.5 MMT storage envisaged in Phase II, there will be an additional storage capacity created to cover another 12 days of crude oil requirement. Thus, the total cover would be approximately 21 days.

Land acquisition activities for both the locations i.e. Chandikhol, Odisha and Padur II, Karnataka are in process with State Government Authorities. Environment Impact Assessment for both the sites are being done in association with NEERI. It is envisaged to float an International Request for Proposal (RFP) globally for prospective investors to participate in Phase 2 of SPR Projects under Public Private Partnership (PPP) mode.

RFQ for approval of PPPAC was submitted to DEA and NITI Aayog in July 2020. A meeting was held under the chairmanship of CEO NITI Aayog on 27 August 2020 with secretary-DEA, Secretary- MoPNG and other officers to discuss the matters related to PPP / VGF Proposal for Phase II SPRs. It was decided that the project proposal may be moved for Cabinet approval following the PIB route by MoPNG for the grant / fund allocation as VGF terms are not applicable for this strategic storage project. Consequently, the Request for Proposal (RFP) was revised based on the discussions held in a pre-tender meeting organized by ISPRL on 15 October 2020 with representatives from 29 companies covering both domestic and foreign National Oil Companies, Crude Oil Traders, EPC Players as well as Financers. However, during a Review Meeting held on 16 November 2020, on monetization of assets of Ministry of Petroleum and Natural Gas under the Chairmanship of CEO, NITI Aayog, it was agreed that the proposal would be submitted to PPPAC for evaluation and review, once approved the same can be submitted to Cabinet for approval. Revised RFP documents have been submitted to DEA in December, 2020, with a request to hold the PPPAC meeting expeditiously.

Land acquisition at both locations is under process. In Chandikhol, a meeting was held between MoPNG officials led by Joint Secretary (IC) with Odisha Government officials, led by Principal Secretary (Industries) on 24 December 2020.

All the concerns raised by Odisha Government have been replied to, and addressed by ISPRL. Additionally, ASI has submitted a report to the State

Government stating that there are no archaeological remains encountered in and around the proposed site.

As regards land acquisition in Padur, the Karnataka State Government has requested for payment of INR 98.17 crore for land acquisition, which ISPRL is in the process of paying”.

1.25 Explaining the plans for ISPRL Phase-II progress, the representative of the Ministry has stated as under:

“सरकार द्वारा अब यह कहा गया है कि जो फेज-2 है, वह पीपीपी में बनाया जाए, यानी सरकार उसमें वीजीएफ दे और प्राइवेट सेक्टर को कहा जाए कि वह उसको बनाए, क्योंकि इसमें तेल का भण्डारण करना होता है। यदि हम तेल का भण्डारण करें तो उसमें कुछ को कॉमर्शियल भी ऑपरेशंस अलाउ करना उचित रहता है, ताकि जो भी है, वह बिल्कुल डैड स्टॉक न बन जाए। इसको देखते हुए, उसे पीपीपी में करने का निर्णय है। अब आगे वीजीएफ की रिक्वायरमेंट क्या होगी, उसकी स्कीम हम बना रहे हैं, हम उस हिसाब से बजट मांगेंगे। अभी जो बजट है, वह केवल फेज-2 के लैंड एक्विजिशन का है”।

#### H. Rajiv Gandhi Institute of Petroleum Technology (RGIPT), Assam

1.26 When asked to furnish an update on the RGIPT campus at Sivasagar, Assam, the Ministry submitted the following information in its written reply:

#### **Assam Energy Institute, Sivasagar**

(Rs. in crore)

2018-2019			2019-2020			2020-2021			2021-2022
BE	RE	ACTUALS	BE	RE	ACTUALS	BE	RE	ACTUALS	BE
1.00	0.01	Nil	1.00	0.01	Nil	1.00	0.01	Nil	32.00

#### **Status Report:**

(A) Assam Energy Institute, Sivasagar (Centre of RGIPT Jais, Amethi) started offering 3-year Polytechnic diploma courses in Petroleum Engineering, Chemical Engineering and Mechanical with specialization in Pipeline Engineering from academic session 2017-18 with 30 students in each course. The admission in these courses have been done in the academic years 2017-18, 2018-19, 2019-20 & 2020-2021 based on Polytechnic Admission Test (PAT), conducted by Directorate of Technical Education (DTE), Govt of Assam. The students are all Class X pass out selected through PAT. From the academic session 2020-2021 two new Diploma courses in Fire & Safety Engineering and Electronics & Instrumentation Engineering have been floated with 30 students in each course. Also, the intake capacities of the three old Diploma courses have been increased from AY 2020-2021 to 50 seats from the existing capacity of 30 seats. The 1<sup>st</sup> batch of 90 students passed out in August-2020 & more than 50% of the students

have been successfully placed in various industries through campus recruitment process.

**Batch-2018-2021**

Branch	Nos. of Students
Petroleum Engineering	29
Chemical Engineering	30
Mechanical Engineering with Specialization in Pipeline Engineering	27
<b>Total</b>	<b>86</b>

**Batch-2019-2022**

Branch	Nos. of Students
Petroleum Engineering	27
Chemical Engineering	30
Mechanical Engineering with Specialization in Pipeline Engineering	29
<b>Total</b>	<b>86</b>

**Batch-2020-2023**

Branch	Nos. of Students
Petroleum Engineering	50
Chemical Engineering	50
Mechanical Engineering with Specialization in Pipeline Engineering	48
Electronics and Instrumentation Engineering	29
Fire and Safety Engineering	30
<b>Total</b>	<b>207</b>

- (B) Faculty positions were advertised in the month of May-2020 & 19 regular faculty members have been appointed as on date. Regular non-teaching positions have also been advertised in the month of June-2020 and interview has not been conducted yet.
- (C) Government of Assam has allotted 100 acres land to RGIPT to develop a residential campus. In the first phase, earth filling/site grading and piling has been done on land area of 35 acres.
- (D) An educational Campus has been constructed on RGIPT land by CPWD, Assam having 6 nos. of classrooms with seating capacity of 30 students in each room, two rooms for Physics and Chemistry laboratories, 4 faculty rooms, one Coordinator office room, one Administrative office room, one Conference room, one Computer Centre having capacity to accommodate 30 computers, one room for Project Office, one small pantry room, one small Library and one small Exam room. The built-up area of the said campus is 900 square metres. The above campus was completed in March 2017. Capital expenditure incurred for construction of campus is Rs. 4,28,13,925/-. All campus activities and study take place from this campus since May-2018.
- (E) Construction of an Engineering Workshop for students at a sanctioned amount of Rs 2,90,09,700/- has been carried out by CPWD currently and is likely to be completed by March-2021.

- (F) Construction of 4 numbers of additional classrooms at a sanctioned amount of Rs. 2,59,29,900/- has been carried out by CPWD & this work has been completed on 27/01/2020.
- (G) For construction of another Academic Block (5 nos. of laboratories & 10 faculty cabins), 2 nos. of Boys Hostels, 1 no of Girls Hostel, dining hall, boundary wall, development of internal roads, sewer lines, fire fighting system, etc., an amount of Rs. 50.28 crores have been sanctioned to CPWD in the month of June-2020. Construction activities for the above-mentioned works have been started in the month of January-2021”.

1.27 When asked about the challenges faced due to the ongoing Covid-19 pandemic and the academic courses being conducted now, the Ministry has furnished the following written reply:

**“Academic activities during Corona Period**

The classes for all Diploma, UG and PG programmes at RGIPT and Energy Centres at Bengaluru and Assam were conducted via online mode using Webex online platform. The online teachings were made interactive with the help of soft writing boards for maximum benefit and effective learning of the students. Subsequently, the lecture slides and video recordings were communicated to the students.

For the Even semester, 2019-20 academic year the Mid-semester examinations were conducted in the classroom and the End-semester examinations were conducted via online mode due to the pandemic outbreak. The grades were subsequently awarded to the students based on the overall performance. For the Odd semester, 2020-21 academic year, the admission and registration process was completed online and lectures are currently conducted via online mode. Considering the issue of poor internet connectivity for some of the students hailing from remote areas, a selective number of students were allowed to stay in the campus considering their request. The Institute ensured that the Corona guidelines as prescribed by the Govt. of India such as wearing of masks and maintaining social distancing etc were strictly adhered to in the campus. A COVID taskforce was constituted to handle the emergence of any contingency situation related to the disease. The students were also allowed the option to pursue their internship activities via online mode. Necessary arrangements were made to facilitate the above activity.

Considering the research activity of the PhD students, which requires utilization of laboratory and equipment facilities present in the campus, the students were gradually allowed to return to the campus and pursue their research activities. However, strict quarantine procedure on their return, restrictions related to the pandemic were thoroughly ensured for all the occupants of the campus. Overall, so far the Institute have been successful in ensuring that the academic and research activities are least affected during this difficult situation. Along with the above, being the premier Institution in the region, the Institute also extended

social outreach activities, such as distributing sanitizers, face masks and food packets to local peoples during pandemic.

### Challenges faced

- i. Conducting the lectures and examinations via online mode was new for the faculty members and a valuable learning session
- ii. To ensure all the occupants living in the campus are safe and are receiving the basic amenities in time was also a bit of a challenge
- iii. To continue with the social outreach activities such as Gyan Arpan, where local School students were offered augmentative teaching also offered some challenge
- iv. Overall, the emerging situations were handled with proficiency in all aspects under the astute leadership of the Director of the Institution”.

### I. Indian Institute of Petroleum for Energy (IIPE), Vishakhapatnam

1.28 When asked to provide details regarding total budgetary allocations for the following financial years with regard to setting up of IIPE at Visakhapatnam, the Ministry has submitted the following information:

Rs. in Crores									
2018-19			2019-20			2020-21			2021-22
BE	RE	Actuals	BE	RE	Actuals	BE	RE	Actuals	BE
32	24	24	31.82	22.28	22.28	31.82	45.51	10.18*	95

“\*” Released till date.

1.29 When asked about the present status of IIPE in Andhra Pradesh and also the details regarding original time-lines and cost estimates along with revised time-lines and cost estimates, the Ministry in its written reply has submitted as under:

#### “(i) Original Time lines and Cost Estimates:

The infrastructure development of the University is proposed to be completed in 2 phases.

The duration of the proposed two phases:

- (i) Phase 1- Year 0 to Year 3 (FY 2014-15 to FY 2017-18)
- (ii) Phase 2- Year 4 to Year 7 (2018-2019 to FY 2020-2021)

S.N.	Details	Total Cost in Rs. Lakhs		
		Phase-I	Phase-II	Total
		As per DPR based on CPWD 2012 rates	As per DPR based on CPWD 2012 rates	
1	Land Cost	0	0	0
2	Land Development Cost	44.99	40.26	85.25

3	Classroom	5.4	2.76	8.16
4	Laboratories	19.2	0	19.2
5	Other academic facilities	15.9	1.38	17.28
6	Institute's office facilities	8.106	5.69	13.796
7	Administrative Area	5.64	0	5.64
8	General Amenities	32.95	0	32.95
9	Residential facilities for faculty and staff	98.45	32.89	131.34
10	Student Residential facilities	70.32	64.14	134.46
11	Mess Facilities	5.95	2.88	8.83
	Sub Total	306.91	150	456.91
12	Utilities and services	34.56	36.27	70.83
13	Electronic and multimedia equipment	0.43	0.18	0.61
14	List of additional equipment, furniture, software	60.83	3.88	64.71
15	Consultant/ Architect fee	29.65	14.6	44.25
16	Non planned capital expenditure		18.16	18.16
	<b>Total</b>	<b>432.38</b>	<b>223.09</b>	<b>655.47</b>

**(ii) Revised Time lines and Cost Estimates (Proposed):**

The duration of the proposed two phases:

- (i) Phase 1- Year 1 to Year 2 (FY 2021-2022 to FY 2022-2023)  
(ii) Phase 2- Year 3 to Year 5 (2023-2024 to FY 2025-2026)

S.No	Details	Total cost in Rs. Lakhs		
		Phase-I	Phase-II	Total
		Enhanced Amount	Enhanced Amount	
1	Land Cost	0		0
2	Land Development Cost	57.95	51.85	109.8
3	Classroom	6.96	3.55	10.51
4	Laboratories	24.73	0	24.73
5	Other academic facilities	20.48	1.78	22.26
6	Institute's office facilities	10.44	7.33	17.77
7	Administrative Area	7.26	0	7.26
8	General Amenities	42.44	0	42.44
9	Residential facilities for faculty and staff	126.8	42.36	169.16
10	Student Residential facilities	90.57	82.61	173.18

11	Mess Facilities	7.66	3.71	11.37
	Sub Total	395.29	193.2	588.49
12	Utilities and services	44.51	46.72	91.23
13	Electronic and multimedia equipment	0.55	0.23	0.78
14	List of additional equipment, furniture, software	78.35	5	83.35
15	Consultant/ Architect fee	38.19	18.8	56.99
16	Non planned capital expenditure		23.39	23.39
	<b>Total</b>	<b>556.9</b>	<b>287.34</b>	<b>844.24</b>

The Government of Andhra Pradesh has alienated the land measuring Ac. 201.80 Cts, free of cost, at Vangali (V), Sabbavaram (M), Visakhapatnam for construction of the permanent campus for IPE. The land was handed over in the month of February, 2019 and intimated that out of which Ac. 175.74 Cts, which has the clear possession and the remaining balance of land Ac. 26.06 Cts is covered by the Court Case.

Presently, the construction of the compound wall around the alienated site is in progress”.

1.30 When asked as to whether admissions for current academic year completed and the seats filled as per the strength or any seats vacant along with the challenges faced due to the ongoing Covid-19 pandemic and how they were managed by IPE, the Ministry in its written reply has submitted as under:

“The admissions for the current academic year 2020-21 are completed at IPE. From the year 2020-21, the intake of students considered for 125 i.e. 62 students from Chemical Engineering & 63 Students from Petroleum Engineering by taking into account the EWS Category.

By the completion of the admission process, a total of 107 students i.e. 55 students for B. Tech Petroleum Engineering and 52 students for B. Tech Chemical Engineering were admitted. However, the students’ strength is speculated due to the present pandemic situation due to COVID-19.

The previous academic year has witnessed some challenges especially during global pandemic situation due to COVID-19. Despite of such impediments, IPE stood to its stride to provide the quality education and training to its students through online mode at par with well-established IITs.

During the Year, the first batch of students (2016-17 batch) have successfully been graduated on 30<sup>th</sup> June, 2020 and the remaining batch students, after proper evaluation, have been promoted to the succeeding year of study.

Lab courses have been demonstrated through all feasible methods during online theory classes, however, which cannot be replaced with the actual practical work in the laboratory. Hence, students will be provided with opportunity to go through



the lab courses physically again, after joining the institute, post normalisation of situation due to COVID-19 and as per the directives of the GoI”.

## **J. Centre for Excellence for Energy, Bangalore**

1.31 When asked about the details related to current status and progress of the Centre for Excellence for Energy, Bangalore and details of the budgetary allocation for the same for the year 2021-22, the Ministry in its written reply has submitted as under:

“Energy Institute, Bengaluru

(Rs. in crore)

2018-2019			2019-2020			2020-2021			2021-2022
BE	RE	ACTUALS	BE	RE	ACTUALS	BE	RE	ACTUALS	BE
			1.00	0.01	Nil	1.00	0.01	Nil	50.00

### **Current Status:**

#### **Academic:**

#### **(1) 2018-19**

- (i) **M. Tech Programme started:** 01, M. Tech. in Renewable Energy
- (ii) **Students admitted:** 05
- (iii) **Students dropped out:** 01
- (iv) **Students Passed out:** 04 (2018-20 Batch)

#### **(2) 2019-20**

- (v) **M. Tech Programme started:** 01, M. Tech. in Renewable Energy
- (vi) **Students admitted:** 03
- (vii) **Students dropped out:** 00
- (viii) **Students Passed out:** currently in 4<sup>th</sup> Semester and will be passed out 04 in June 2021 (2019-21 Batch)

#### **(3) 2020-21**

- (ix) **M. Tech Programme started:** 04, M. Tech. in (Renewable Energy, Energy Science and Technology, Power and Energy Systems Engineering and Electric Vehicle Technology)
- (x) **Students admitted:** 55
- (xi) **Students dropped out:** 00
- (xii) **Students Passed out:** currently in 2nd Semester and will be passed- out in June 2022 (2020-22 Batch)
- (xiii) **Ph.D. Programmes:** Chemical Engineering, Electrical Engineering, Mechanical Engineering, Material Science & Engineering
- (xiv) **Students admitted:** 10 (07 Full-Time, 02 Part-Time and 01 Full-Time external)

### **Project Status:**

1. Land allotted by Government of Karnataka in the year 2014 - extent 150 acres- in Sy.No.127, Kambalipura, Hosakote Taluk, Bangalore Rural Dist
2. Karnataka Industrial Area Development Board handed over the land in March 2017, Lease-cum-Sale agreement completed in March 2018

3. Boundary wall erection commenced in September 2018 - 56% completed, Columns and Slabs cast and kept ready for remaining portion
4. Campus planned in November 2018, however since one NH, one Taluk Ring Road has been planned across the land allotted the plan could not progress
5. A makeshift campus is proposed in December 2018 and as per Board advise CPWD has been engaged for the task who have placed order for the same in September 2020. However, the project could not progress further due the following issues:
  - a. Forest Dept claiming 57.15 acres as Deemed Forest in the RGIPT land
  - b. Unauthorised cultivators of the land obstructing the work at site
  - c. KIADB is re-claiming a portion of land for laying industrial area road and is in the process of revising the boundary
  - d. Multiple roads proposed to pass through the land forcing to rework on the layout of the buildings
  - e. KIADB has also been requested to merge their ind. area road with Town Ring Road to avoid fragmentation partially”.

1.32 With regard to resolution of land acquisition issues for the Bangalore Centre, the following information has been furnished by the representative of the Ministry:

“... बेंगलुरु में भूमि को लेकर पूरी तरह से रिजॉल्व नहीं हुआ है, लेकिन इसके बारे में मेरी कर्नाटक के चीफ सेक्रेटरी से चर्चा हुई है। हम इसको रिजॉल्व कर रहे हैं। हमारा यह प्रयास है कि यह इंस्टिट्यूट जल्दी से जल्दी बन जाए। इसलिए बजट का प्रावधान भी किया गया है, ताकि यह भी जल्दी स्थापित हो सके”।

1.33 With regard to Centre for Excellence for Energy, Bangalore there are issues like land acquisition and unauthorized cultivation due to which the construction has not been progressed. When asked as to whether the Ministry has taken up the matter with the State Government of Karnataka recently, the Ministry in its written reply stated as under:

“1. The Government of Karnataka had allotted a 150 acres of land to Rajiv Gandhi Institute of Petroleum Technology (RGIPT) at Kambalipura, Hosakote Taluk, Bangalore Rural District for setting up the campus for Energy Institute, Bengaluru. Subsequently, the land was handed over to RGIPT in March 2017 by the ‘Karnataka Industrial Areas Development Board’ (KIADB).

2. Subsequently, it has been noticed that the ‘Bangalore Metropolitan Regional Development Authority’ (BMRDA) has shown a plan, drawn up in the year 2013 (Master Plan 2031) in which National Highway-207 and a 45-metre Taluk Ring Road have been so aligned that these roads would fragment RGIPT’s site into four parts. Further, in October, 2019, KIADB has communicated that a portion of land allotted to RGIPT will be needed to form an Industrial-area-road to provide approach to other allottees of the Industrial area land adjacent to

RGIPT's land. This not only fragments the land further, but also some area shall be lost to road.

3. The land handed over to RGIPT is such that nearly 35% of the land is not usable on an economic scale due to topography of the land and with the alignment of the proposed roads, the percentage of useful land gets reduced further besides fragmentation of land into six parts. This has forced RGIPT to put the campus development plans on hold.

4. From the time of making the boundary and erecting compound wall, the unauthorized cultivators of the village, whose Form-53 applications for regularization was rejected by Government of Karnataka, have been obstructing the work and RGIPT could complete only 56% of the compound wall. In July 2020, the unauthorized cultivators had threatened violence and hence the work is completely stopped.

5. On 10-09-2020, Forest officials have asked RGIPT to halt all the construction activities on the Eastern part of the land, where they claim Deemed Forest area of 57.17 acres, was allotted by District Administration to Forest Department in 2014. As per the advice of the Chief Secretary to Government of Karnataka, Collector submitted tree survey report of the land and sent a recommendation to re-locate the Deemed Forest to another identified land of 57 acres in the taluk. However, in a meeting convened by Additional Chief Secretary, Revenue Department, it has been stated that in respect of Deemed Forests, affidavit has been submitted to Supreme Court in 2019 and hence advised RGIPT to apply for Forest Clearance from Central Government.

6. In view of this, Minister of PNG & Steel has written a letter to Hon'ble Chief Minister of Karnataka on 18.02.2021 pointing out the above issues and has requested him to issue directions to the concerned officials to resolve the issues and to provide an unencumbered/contiguous land at present site for the development of Bangalore Energy Institute and if it is not possible, to provide an alternative site.

7. Apart from above, President, Board of Governors (BoG), RGIPT/RGIPT officials had discussed the issues with Chief Secretary, Government of Karnataka through video conferencing on 24.12.2018 and 8.9.2020 and President, BoG, RGIPT had met Chief Secretary on 14.10.2020. He had met Hon'ble Minister of Industry and Commerce, Government of Karnataka on 3.11.2020 and had also met Additional Revenue Secretary, Government of Karnataka. The land was inspected by CEO, KIADB on 17.12.2020. In this regard, as of 23rd February, 2021, a survey has been completed by Revenue Department, Government of Karnataka for the extent of forest land. A map will be released soon and then the matter will be again taken up with the Government of Karnataka for resolution".

## **K. National Seismic Programme**

1.34 When asked to provide details about the budgetary allocations in respect of National Seismic Programme, the Ministry in its written reply has stated as under:

(Rs. In Crore)

2018-19			2019-20			2020-21			2021-22
BE	RE	Actuals	BE	RE	Actuals	BE	RE	Actuals	BE
1300.00	1300.00	1300.00	1623.26	575	529.55	417	217	0.00	200

*Note: Work was deferred in 2020-21 due to COVID pandemic and work resumed in December only for which bills are yet to be received from ONGC and OIL.*

1.35 When asked about the actual status of the National Seismic Programme, the representative of the Ministry stated as under:

“... पहले इसका बजट 1,300 करोड़ रुपये था, लेकिन अभी केवल 217 करोड़ रुपये ही हैं। यह जो नेशनल सिसमिक प्रोग्राम है, इसमें सरकार के द्वारा एक योजना अनुमोदित की गई थी। इस योजना में ऑन श्योर यानी धरती के ऊपर हमारा जो भी रिसोर्स है, यह योजना उसका सर्वे करने के लिए थी। उसमें तब जो कुल खर्च अनुमानित किया गया था, वह लगभग छः हजार करोड़ रुपये था। डायरेक्टर जनरल हाइड्रो कार्बन के माध्यम से एक बहुत बड़ी एक्सर्साइज की गई है। जो यह सर्वे है, अब यह लगभग पूरा हो गया है। इसमें इस वजह पहले का बजट ज्यादा था, क्योंकि अभी सर्वे पूरा हो गया है। अब केवल कुछ पेमेंट्स बाकी होंगी। इसके तुरंत बाद अब हमें ऑफ श्योर का सर्वे करना पड़ेगा। अभी हमने ऑफ श्योर का सर्वे प्रारंभ किया है। जो हमारा ओआईडीबी बोर्ड है, हमने उनसे कुछ धनराशि लेकर अंडमान के आसपास सर्वे प्रारंभ किया है, लेकिन हमें उसके लिए भी एक योजना बनाकर कैबिनेट में ले जाकर अप्रूव कराना होगा, ताकि ऑफ श्योर का सर्वे भी हो पाए। जो सर्वे हो गया है, उसके डेटा को इंटरप्रेट करके, उसको इस रूप में ले जाएं, ताकि जो भी इन्वेस्टर्स या डेवलपर्स आए, वे उसका यूज कर पाएं, तो इसके लिए भी कुछ खर्चा आएगा। परंतु बाकी के जो दोनों काम हैं, हमें इनके लिए अलग से योजना बनानी होगी। जो पहले की योजना थी, जिसे कैबिनेट ने अप्रूव किया था, वह केवल सर्वे की थी। उसका कार्य प्रारंभ होकर, उस हिसाब से जितने बजट की आवश्यकता थी, वही रखा गया है। मैंने जो दो काम बताए हैं कि ऑफ श्योर का सर्वे भी करना है और जो डेटा है, उसको प्रॉपरली इंटरप्रेट कर पाएं। उसके लिए जो व्यवस्था करनी है, उसके लिए भी कुछ बजट लगेगा। हम उसकी योजना बनाकर आगे बढ़ेंगे। हमारे देश के लिए बहुत आवश्यक है कि हमारे रिसोर्स कितने हैं, कहां पर क्या हो सकता है, इसके बारे में अच्छा सर्वे करके डेटा उपलब्ध करवाएं, तभी हमारा एक्सप्लोरेशन अच्छा हो पाएगा और डोमेस्टिक प्रोडक्शन बढ़ पाएगा। अब हम इस ओर बढ़ रहे हैं। जैसी आवश्यकता होगी, हम इसमें आगे बजट मांगेंगे और प्रावधान करेंगे।

इसमें हमें टोटल 48 हजार किलोमीटर का डेटा इकट्ठा करना था। इसमें से दिसंबर, 2020 तक 45 हजार किलोमीटर का डेटा इकट्ठा कर लिया गया है, जो कि करीब 94 परसेंट है। बाकी जो डेटा रह गया है, वह मणिपुर और कछार का है, वह इसलिए नहीं हो पाया, क्योंकि टेंडर सक्सेसफुल नहीं हो

पाया। हम सारा डेटा इकट्ठा कर के इसे 2021-22 कर कंप्लीट कर लेंगे। जैसा कि सचिव साहब ने बताया है, हम इसे एक्सप्लोरेशन इम्प्रूवमेंटर करने के लिए आगगे इसे यूज कर रहे हैं”।

1.36 It is seen that actual expenditure under National Seismic Programme is nil until now. When asked as to whether the Ministry will be able to utilize the budgetary provision of Rs. 217 crore, the Ministry stated as under:

**“DGH**

The Seismic work had to be suspended, due to lockdown in the country to mitigate the covid outbreak. The work could be resumed only, after monsoon, in December 2020 in some areas. In some cases tender was floated in October 2020 and service providers are finalized. There is requirement of Rs.13.89 crore only for the FY 2020-21 as projected by NOCs on February 2021. The seismic work was badly affected by pandemic and thereafter Monsoon. The Service providers have taken some time for mobilization. The requirement of funds, for 2021-22, is Rs.289.00 crore”.

**L. PM-JIVAN Yojana**

1.37 When asked about the budgetary allocations in respect of PM-Jivan Yojana for the following financial years, the Ministry has stated as under:

(in crores)

2020-2021			2021-2022
BE	RE	ACTUALS*	BE
53	31.80	-	233.31

\*It is expected that first tranche of financial support may be released by March 21 to IOC/BPC.

1.38 When asked to provide a note on the progress achieved towards the objectives of PMJI-VAN Yojana during the current financial year and the plans for the year 2021-22, the Ministry has stated as under:

“In order to encourage setting up of second generation bio-refineries, Government has launched a scheme “Pradhan Mantri JI-VAN (Jaiv Indhan-Vatavaran Anukool fasal awashesh Nivaran) Yojana” for providing financial support to integrated bio-ethanol projects. With a total financial outlay of Rs 1969.50 crore for the period 2018-19 to 2023-24. The Scientific Advisory Committee (SAC) of Ministry of Petroleum & Natural Gas is the Nodal body for recommending the beneficiaries/projects under the said scheme. CHT, a

technical body under the aegis of MoP&NG, is the implementation Agency for the scheme.

Request For Selection (RFS) was issued by CHT on 26th Aug' 19 and on 17th June'20.

Financial assistance to 4 commercial projects at Panipat, Haryana (IOCL), Bhatinda, Punjab (HPCL), Bargarh, Odisha (BPCL), Numaligarh, Assam (NRL) and one demonstration project of Indian Oil at Panipat, Haryana has been approved under the scheme.

Projects at Panipat, Haryana (IOCL) with commissioning target August-2021, Bargarh, Odisha (BPCL) with commissioning target August-2022, Numaligarh, Assam (NRL) with commissioning target August-2022 and Bhatinda, Punjab (HPCL) with commissioning target December-2022 are in advance stage of construction.

Ministry is in the process of incorporating a few amendments in the scheme to enlarge the scope of the scheme and broader participation”.

1.39 When asked about the progress made under this yojana and also the selection criteria for demonstration and commercial projects, the representative of the Ministry has replied as under:

“यह एक स्कीम बनाई गई थी। 1-जी इथेनॉल तो हमारे यहां बन रहा है। 1-जी इथेनॉल कॉमर्शियली वाइबल भी है, उसमें हम कोई सब्सिडी भी नहीं देते हैं। 2-जी इथेनॉल वह है जो कि एग्रीकल्चर रेजिड्यू से और एक जगह तो बैम्बू से भी बना रहे हैं। उसमें सरकार एक सब्सिडी दे रही है। सरकार ने उस योजना में कुछ डेमोंस्ट्रेशन प्रोजेक्ट्स और कुछ कॉमर्शियल स्केल प्रोजेक्ट्स का प्रावधान रखा है। उसमें अभी पांच प्रोजेक्ट्स हैं, जिनमें कार्य चल रहा है। उसमें अधिकांश प्रोजेक्ट्स अपनी ही कंपनी बना रही हैं। यह उसकी सब्सिडी एमाउंट है”।

1.40 Explaining the reason for under utilization of the fund allocated during the last year to which it was submitted that:

“...वर्ष 2021-22 के लिए 233 करोड़ रुपए हैं और इस वर्ष 31 करोड़ रुपए खर्च हुए हैं। इस वर्ष कम खर्च इसलिए हुए हैं क्योंकि अभी कहीं प्लांट्स की टेंडरिंग हुई है, काम प्रारंभ हो रहा है। पानीपत में एक प्लांट आईओसीएल लगा रहा है, नॉर्थ ईस्ट में एक प्लांट लग रहा है। अगले वर्ष उनको धन राशि की आवश्यकता होगी, तो उस हिसाब से डिमांड रखा गया है। अगर उनकी डिमांड और ज्यादा होगी, तो हम सप्लिमेंट्री में और पैसे दे देंगे”।

1.41 Further, when desired to know about the details of projects and demonstrations undertaken under the Yojana, the following details have been provided by the representative of the Ministry during the oral evidence:

“...सर, डेमन्सट्रेशन छोटे साइज के हैं और दूसरे वाले प्रोजेक्ट्स नॉर्मल कॉमर्शियल साइज के हैं। वीजीएफ देने के बाद भी अभी 2G बायो फ्यूल बहुत महंगा है। पानीपत में प्लांट लगाया जा रहा है, तो उन्होंने इसके लिए अपनी लैंड दी है और सब कुछ किया है, लेकिन फाइनल प्रोडक्ट 1G बायो फ्यूल के मुकाबले में वह बहुत महंगा है। हम और अधिक सैंगशन देना चाहते हैं, लेकिन उसके लिए कोई आगे नहीं आ रहा है। हम इस योजना में थोड़ा चेंज करने का प्रयास करेंगे, ताकि इसमें कुछ और भी नई टेक्नोलॉजीज शामिल की जा सकें। दूसरी तरफ हमारा 1G बायो फ्यूल बहुत अच्छा चल रहा है। हम एग्रीकल्चर रेजिड्यू से एथनॉल बनाने का प्रयास कर रहे हैं। उसी एग्रीकल्चर रेजिड्यू से कम्प्रेस बायोगैस ज्यादा अच्छी बन जाती है, जो इकोनॉमिकली वायेबल भी है। इसलिए अभी 2G बायो फ्यूल का एक्सपेरिमेंट रहेगा। जैसे ही इसकी कॉस्ट कम होगी, हम उसको स्केल-अप करेंगे। हम ज्यादा 1G एथेनॉल पर कॉस्ट्रेट कर रहे हैं, जो वायेबल है और देश में पर्याप्त मात्रा में उसके लिए रॉ मैटेरियल है। कम्प्रेस बायोगैस भी वायेबल है। हमें उसको सरकार की तरफ से सब्सिडाइज नहीं करना पड़ेगा। हम उसे और ज्यादा बढ़ाएंगे और इसमें एक्सपेरिमेंट जारी रखेंगे। हम इसमें और टेक्नोलॉजी ऐड करेंगे, ताकि इसमें हमारी अंडर स्टैंडिंग ज्यादा बढ़े, देश में यह लॉग रन में वायेबल बन सके एवं हम उसकी ओर बढ़ पाएं”।

1.42 A provision of Rs. 233 crore has been made towards Pradhan Mantri JI-VAN Yojana during the BE 2021-22 for supporting 12 commercial projects and 10 demonstration projects. When asked about the criteria for selection of commercial projects under this Yojana, the Ministry submitted the following:

“(i) The Project proposals meeting the eligibility criteria as defined in the Request for Selection (RFS) are invited by Centre for High Technology (CHT) under the aegis of Ministry of Petroleum & Natural Gas, which is nominated as Implementation agency under PM JI-VAN Yojana.

The proposals based on technologies that have been demonstrated at one fiftieth (1/50th) or higher Capacity, in India or elsewhere and not yet commercialized are selected for financial assistance under the scheme. One of the major objectives of the scheme is to promote technologies that have potential to become viable in future with technological improvements. The project proposal submitted along with Detailed Feasibility Report (DFR) with the validated Life Cycle Analysis (LCA) report based on integrated approach for end to end solution are only considered. Each Technology is eligible for maximum of four projects. If any additional projects(s) are possible within budget of the scheme, fifth project or

more may also be considered by the SAC in case the proposals with other technologies are not received against RFS.

Scientific Advisory Committee (SAC) of MoP&NG is designated as nodal body for appraising and recommending the eligible Project proposals under the Scheme. SAC finalized both the Technical well as Commercial Pre-Qualification Criteria for issuing RFS. SAC has constituted a "Select Committee" comprising of members from Industry, Academia, R&D Institute and MoP&NG for evaluation of the Project Proposals. Projects deemed fit by SAC are approved by Steering Committee of CHT under the chairmanship of Secretary, MoP&NG".

1.43 Asked how are these demonstration projects are undertaken under this scheme, the Ministry submitted the following:

"The purpose of supporting Demonstration projects is to enthuse Technology providers to display viability & performance of their novel technologies. The technology should have been demonstrated at laboratory level and patented. 3 months (continuous or cumulative) Operational data of the proposed technology needs to be shared with SAC at the time of invitation to RFS for ascertaining the performance of Technology. A team of experts may be entrusted by SAC for due diligence of the data generated from Pilot facility and the recommendation of the SAC shall be final. Only one (1) Demonstration project per Technology will be supported under the scheme. Separate RFS was issued by CHT for inviting proposals for Demonstration Projects. Based on appraisal and recommendation of project proposals by SAC, the steering Committee of CHT approves the Demonstration projects".

**M. Phulpur Dhamra Haldia Pipeline Project**

1.44 With regard to the mention of discontinuance of the scheme along with a budgetary allocation of Rs. 250 crore during the BE 2021-22, the representative of the Ministry explained as under during the oral evidence:

"सर, वर्ष 2016 के शुरू में जब सीसीए ने अप्रूवल दिया था, उस समय हमारा चार साल का अप्रूवल था, उसके तहत हमें पाइपलाइन का कार्य करना था। हमारा अप्रूवल वर्ष 2020-21 तक है, जिसकी हम एक्सटेंशन ले रहे हैं। पाइपलाइन का कार्य काफी तीव्र गति से चल रहा है। प्रोक्योरमेंट के सारे पाइप्स आ गए हैं। लेइंगटेन्डर हमारे प्लेस में है। उम्मीद है कि हम दिसंबर तक उड़ीसा तक का सेक्शन पूरा कर लेंगे। बंगाल में जैसे-जैसे आरओयू खुल रहा है, वहां पर पाइपलाइन लेइंग की जा रही है।

हमें कैबिनेट से चार साल की अनुमति मिली थी, वह समय इस फाइनैशियल ईयर में खत्म हो रहा है, इसलिए अब इसके एक्सटेंशन की बात हो रही है। इसमें और एक साल का समय आवश्यक होगा"।



1.45 An allocation of Rs. 250 crores has been made for Phulpur-Dhamra-Haldia pipeline project in BE 2021-22. However, in reply to Q.70 of LOP, it has been stated that it has been discontinued and allocation has not been made in BE 2021-22. When required to explain about this discrepancy in the above stated information, the Ministry submitted the following information:

“The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 21st September 2016 has approved 40% Capital Grant i.e Rs 5,176 crore of the estimated capital cost of Rs 12,940 crore(including inflation and interest during construction) by GOI to GAIL(India) Limited for execution of Jagdishpur-Haldia/Bokaro-Dhamra Natural Gas Pipeline (JHBDPL) Projects.

MoPNG released Rs. 3608.71 crore to GAIL till March, 2020 (FY 2019-20) and in FY 2020-21, Budget of Rs. 728.03 has been allocated under this Scheme. Out of Rs. 728.03 crore, MoPNG has already released Rs. 475.606 crore to GAIL as per GAIL’s Capital Expenditure.

Due to issues of delay in handing over land for RoU acquisition, compensations fixation by States, the project has received an extension till 31.12.2021 from PNGRB for completion of the project. Therefore, Rs. 250 crore has been allocated under this scheme for implementation of the project”.

1.46 It has been informed that the project is facing clearance issues from forest department and also discontent amongst farmers demanding higher compensation at many sections of the pipeline. When asked about by when the Ministry expect to resolve these issues along with the likely timeline to complete the project and time and cost overruns on the project, the Ministry stated as under:

“The issues are being taken up at all level i.e. PRAGATI, Ministry, Project Monitoring Group (PMG), State / district administration. Govt. etc. for early resolution. The detailed status of issues pertaining to forest department and due to contentment amongst farmers demanding higher compensations are given below:

Issue	Status
There is resistance by land owners in Angul, Cuttack, Jajpur and Sundargarh districts of Odisha for demand of higher compensation.	In the VC meeting taken by Chief Secretary, Odisha on 20.01.2021, It was discussed that Police Protection may be provided in the affected areas. GAIL is following up for police protection in other villages as well.  Affected length: Sundargarh (20 Km), Angul (9 Km), Cuttack (4 Km) & Jajpur (4 Km).

Issue	Status
<p>Permission for 67.1 Ha. area forest permission for 67.1 KM pipeline passing through forest in Odisha is required.</p> <p>Division-07: (Sundergarh, Rourkela, Bamra, Rairakhol, Jharsuguda, Deogarh &amp; Angul).</p>	<p>Site inspection completed for all the 7 divisions. Forest Diversion Proposal forwarded to PCCF (Principal Chief Conservator of Forest). Same is being expedited with PCCF for stage-1 permission.</p>
<p>Clearance from Revenue department is pending in Darjeeling and North 24 Parganas districts for RoU acquisition for 23 KM and 31.8 KM respectively.</p>	<p>6(1) notification in Darjeeling completed, however, compensation disbursement held up as clearance the land owners are not agreeing unless they are given high compensation.</p> <p>3(1) notification is pending in North 24 Paraganas (Kolkata spur line), clearance is pending as the proposed alignment is not feasible due to highly congested area. Alternative alignment is being explored.</p>
<p>Finalization of Land Compensation Rate yet to be done in Purba Bardhman (55 Km), Purba Medinipur (6.4 Km) &amp; Hooghly (28.3 Km).</p>	<p>6(1) Gazette notification completed for Purba Bardhman (55 Km), Purba Medinipur (6.4 Km) &amp; Hooghly (28.3 Km). However, compensation disbursement is delayed pending finalization of compensation rate. Follow up being done with respective SLAOs.</p>
<p>There is delay in compensation determination in Jalpaiguri (51 Km), Alipurduar (4 Km), North Dinajpur (7 km) &amp; CoochBehar (24 Km).</p>	<p>Compensation disbursement is delayed pending finalization of compensation rate. Follow up being done with respective SLAO. 64.6 km is pending for rate determination.</p>

Above issues have also been deliberated at highest level in recent PRAGATI meeting held on 24.02.2021 chaired by Hon'ble PM.

It is expected that all issues will be resolved by shortly.

The timeline for completion of the project has been extended by PNGRB till December, 2021. The project is likely to be completed within the extended timeline.

Government has approved a capital grant of Rs. 5,176 crore as viability gap funding for the project and the same shall be maintained.”

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

1.47 The Committee note that it is a new scheme approved by the Cabinet on 08.01.2020 for setting up of Indradhanush Gas Grid as a part of the North East Natural

Gas Pipeline Grid. BE 2021-22 provides for a provision of Rs. 500.00 crore. When asked about the actual progress made in the project, the representative of the Ministry has explained as under:

“सर, वर्ष 2020-21 में पाइपलाइन लेइंग का काम हुआ और लगभग 1500 से 2000 करोड़ रुपए के टेंडर सैटल हो गए हैं। पाइपलाइन का वर्क-ऑर्डर देने के बाद लगभग छः से आठ महीने का समय लगता है। उसके बाद पाइपलाइन बनाकर, प्रोक्योर करके, उनको साइट पर लाना पड़ता है। इस प्रकार, मार्च से फिजिकल वर्क शुरू होता है। जब पाइपलाइन साइट पर आती है, उसके बाद बिल्स देने की बात होती है। इसलिए दो हजार करोड़ रुपए का जो काम होगा, वह मार्च के महीने से होगा। गुवाहाटी से लेकर अपर असम में डिब्रूगढ़ तक साढ़े पाँच सौ किलोमीटर के पाइपलाइन का प्रोक्योरमेंट और लेइंग, दोनों कामों का वर्क-ऑर्डर दे दिया गया है। गुवाहाटी से साउथ जाने के लिए भी लगभग 300 किलोमीटर पाइपलाइन के प्रोक्योरमेंट और लेइंग का वर्क-ऑर्डर दे दिया गया है”।

“सर, एक इंद्रधनुष है, जो नॉर्थ ईस्ट में है और एक ऊर्जा गंगा है। हम इन दोनों में सब्सिडी दे रहे हैं। ऊर्जा गंगा में लंबी पाइपलाइन है और उसके अलग-अलग पोर्शन्स हैं। कुछ पोर्शन्स कंप्लीट हो चुके हैं और कुछ का काम चल रहा है। जिन पोर्शन्स का काम हो चुका है, उनकी पेमेंट बची हुई है। इस प्रकार से ये पूरी पाइपलाइन्स ईस्ट में है और नॉर्थ ईस्ट में है। दो ही जगह पर वीजीएफ है। अभी तीसरी जगह जे एण्ड के में वीजीएफ आएगा। बाकी सब बिना वीजीएफ के हैं”।

1.48 When asked as to whether any funds allocated for Indradhanush Gas Grid Ltd. during the FY 2020-21 and its utilization till date, the Ministry stated as under:

“A provision of Rs. 180 crores have been made in R.E. 2020-21. However, Parliament approval for the same is still awaited”.

1.49 During BE 2021-22, allocation of funds have been made towards Indradhanush Gas Grid Ltd. which is a part of North-East Natural Gas Pipeline Grid. When asked about the present status and likely timeline for the completion of the project, the Ministry stated as under:

“The present status of the North East Gas Grid is as given below:

- (a) The foundation Stone of NEGG was laid by Hon'ble Prime Minister Shri Narendra Modi on 09<sup>th</sup> February, 2019.
- (b) Final authorization for implementation of NEGG project has been granted by PNGRB on 17<sup>th</sup> November 2020.

- (c) Publication of Section 3(1) notification under P&MP act completed in the state of Assam & Tripura. Section 3(1) Notice distribution, hearing of objections and publication of Section 6(1) notification is under progress for Phase-I & II sections.
- (d) ROU demarcation and Panchnama preparation started for RoU opening of Guwahati-Numaligarh section from 22<sup>nd</sup> January, 2021.
- (e) Viability Gap Funding of 60% of the total CAPEX of Rs. 9265 crore has been approved by CCEA on 08.01.2020.
- (f) Order for procurement of 550 kms of Line Pipes for Phase-I awarded in September, 2020. Delivery of pipelines at sites commenced from 16.01.2021.
- (g) Order for pipeline laying for Guwahati – Numaligarh – Gohpur – Itanagar section awarded in December, 2020 and two pipelines laying agencies have been mobilized at site for taking up construction activities of 4 spreads.
- (h) Tendering activities of other works & packages are under process.
- (i) Construction activities for pipeline laying of priority section under phase-I for Guwahati-Numaligarh has commenced recently.
- (j) Project completion date is March, 2024.”

**O. City Gas Distribution Network**

1.50 When asked to provide the status update with regard to the proposal of the Government to connect households through PNG network during the last five years, the Ministry in its written reply has stated as under:

“As per information available with PNGRB, PNG domestic connections have been provided to approx. 70.75 Lakh households in the Country as on 30<sup>th</sup> November, 2020.

Actual cumulative achievements made in this regard during last five years are as under:

<b>Duration</b>	<b>PNG Domestic Connections (Nos.) Cumulative (Lakh)</b>
As on 31.03.2016	27.24
As on 31.03.2017	35.22
As on 31.03.2018	42.02
As on 31.03.2019	54.04
As on 31.03.2020	60.68
As on 30.11.2020	70.75

1.51 When enquired about the progress made to develop City Gas Distribution (CGD) network in new geographical areas during the last three years along with details of the scheduled completion, the Ministry has submitted the following information:

“Presently, there are total of 232 GAs in 407 districts (27 states /UTs) covering 53% of the area and 71% of population in the country will have access to CGD network till 10<sup>th</sup> CGD Bidding Round conducted by PNGRB.

In 136 new Geographical Areas authorized under 9<sup>th</sup> and 10<sup>th</sup> CGD Bidding Rounds, initial activities such as securing Gas Supply Agreement (GSA), Financial Closure (FC), Hook-up Agreement, survey, procurement of land for City Gate Station (CGS) and CNG Stations etc. have already been done by most of the CGD Entities.

<b>Summary of Gas Supply Agreement/Natural Gas Tie-up and Financial Closure</b>			
As on 19.01.2021			
<b>Parameters</b>	<b>Yes/ Achieved</b>	<b>In Progress/ Submission Awaited</b>	<b>Total</b>
<b>9<sup>th</sup>CGD Bidding Round</b>			
Status of Financial Closure	78	8	86
Status of Gas Supply Agreement/Natural Gas Tie-up	79	7	86
<b>10<sup>th</sup>CGD Bidding Round</b>			
Status of Financial Closure	49	1	50
Status of Gas Supply Agreement/Natural Gas Tie-up	50	0	50

Under 9<sup>th</sup> and 10<sup>th</sup> CGD Bidding Rounds, CGD entities have made commitments to provide 4.23 Crore PNG Domestic Connections over a period of 8/ 10 years across the country. In this regard, PNGRB has granted additional time period to CGD entities on account of COVID-19 pandemic, which varies from 129 days to 251 days, based on lockdown period”.

1.52 When asked about the progress made in the implementation of CNG projects in the country and the expansion targets vis-a-vis actual achievements in this regard during the last three years, the Ministry has submitted the following information:

“As per information available with PNGRB, there are 2,536 CNG Stations in the Country as on 30<sup>th</sup> November, 2020. The CNG stations shall be set up as per work plan.

Duration	CNG Stations (Nos.) Cumulative
As on 31.03.2017	1,036
As on 31.03.2018	1,315
As on 31.03.2019	1,742
As on 31.03.2020	2,187
As on 30.11.2020	2,536

1.53 When enquired about the increase in number of cities and consumers covered by piped natural gas (PNG) during the years 2018-19, 2019-20 and 2020-21 along with the targets and achievements and the targets for the financial year 2021-22, the Ministry stated as under:

“The details of no. of Districts covered by PNG Connection during 2018-19, 2019-20 and 2020-21 are as under:

Duration	No. of Districts	PNG Domestic Connection (Lakh) during the Year	
		Target	Achievement
FY 2018-19	276	15.00	12.02
FY 2019-20	24	18.50	11.55
FY 2020-21	-	19.00	5.16 (upto 30.11.2020)
FY 2021-22		19.50	-

#### **Initiative during COVID-19 for CGD**

1.54 Also asked about the challenges faced by oil PSUs along with the impact of Covid-19 pandemic w.r.t. exploration and production and refining sectors, the Ministry in its written reply has submitted the following information:

“Due to Covid-19 pandemic related lockdowns since March 2020, response to the tenders floated were not received within the specified timeline and accordingly their bid submission time were rescheduled. Also the crude oil prices went down, which has an impact on the revenue of GAIL JV consortium Companies, however, crude oil price has now almost recovered close to the prices level which existed immediately before the pandemic.

In India, in order to contain the spread of COVID-19 outbreak, the Union Government announced complete lock-down for a period of 21 days beginning on 25.03.2020 which was further extended (partially/fully) for many months.

In April 2020, due to COVID related disruptions, gas sales of GAIL in the domestic market was down by 25-30% and third party transportation by around 40%. Within the gas marketing segment, RLNG sale was significantly affected and gone down by 33% while there was 20% reduction in domestic gas sales.

CGD sector was the worst affected sector and Gas consumption in CGD sector was reduced by more than 11-12 MMSCMD (more than 75% reduction) in April 2020. Almost all CGD entities invoked the Force Majeure clause due to reduced gas demand in their Geographical Areas.

Further, the Industrial and Commercial establishments engaged in production of non-essential goods or rendering of non-essential services took shutdown of their plants. Also, due to lower demand, the inventories of various end products was also increased hence the companies were forced to reduce their production which had also caused the gas demand to come down.

Further, due to restrictions on movement of manpower, the fertilizer plants also faced issues during initial 7-10 days of the lock-down and were operating at partial load. However, subsequently, fertilizer plants regained full plant loads.

GAIL received Force Majeure requests from a number of downstream customers in the first quarter of FY20-21”.

### **Budget announcement of 100 new Districts under CGD**

1.55 The Committee enquired about the Budget Announcement of adding 100 more districts in next 3 years to the City Gas Distribution network and asked as to whether the households in the existing areas to be increased, the representative of the Ministry during the oral evidence has submitted as under:

“यह पूछा गया कि 100 डिस्ट्रिक्ट्स और हैं जहां पाइप नैचुरल गैस की सप्लाई होगी, लेकिन पहले जो डिस्ट्रिक्ट्स हैं, क्या उनमें हर घर में गैस पहुंच चुकी है? इसमें जो खर्चा आएगा, वह ज्यादा डिस्ट्रीब्यूट हो जाएगा, क्या इससे बेहतर यह नहीं होगा कि हम एक ही बार खर्चा करें? इस बारे में मेरा जवाब है कि पीएनजीआरबी इसके टेंडर करता है, एरियाज़ को जीए बोलते हैं, टेंडर के माध्यम से कंपनियां बिड करती हैं और अपने क्षेत्र की जिम्मेदारी लेती हैं। 10 राउंड हो चुके हैं और 11वां राउंड करना है। इसमें सरकार की तरफ से कोई धनराशि नहीं लगती है यानी बजट में खर्चा नहीं आता है, देश का 53 परसेंट देश का एरिया पहले बिडिंग राउंड में कवर हो गया। पाइप का नैटवर्क बिछाने में समय लगता है। डिस्ट्रीब्यूशन नैटवर्क बिछाना है, घर-घर तक पाइप गैस पहुंचानी है। जिसे भी टेंडर से काम मिलता है, उसे म्युनिसिपल कमेटी और कई जगह से परमिशन लेनी होती है। पाइप बिछाने में समय लगता है, इस वजह से हर घर में पाइप गैस नहीं पहुंची है, दिल्ली में भी नहीं पहुंची है। इसका प्रयास चल रहा है। समिति में इस बारे में पहले भी बातचीत हो चुकी है। जिन क्षेत्रों में टेंडर हो चुके हैं, पूरी तरह से पाइप गैस बिछ जाएगी और लगभग देश की 70 परसेंट आबादी और 53 परसेंट एरिया कवर हो जाएगा। यह पहले शहरों में पहुंचेगी, फिर गांव में जाएगी। इसमें अन्य 100 डिस्ट्रिक्ट्स को डालने का फायदा यह है कि वहां भी कार्य प्रारंभ हो जाएगा।

यह हो सकता है कि यही कंपनीज इस टेंडर में आएंगे या यह भी हो सकता है कि कुछ और नई कंपनीज भी आ जाएं, तो पैरलली और जगहों पर भी कार्य प्रारंभ हो जाएगा। इस प्रकार से पूरे देश में नैचुरल गैस को पहुंचाने में ज्यादा सुविधा मिलेगी। वैसे भी माननीय प्रधान मंत्री जी के द्वारा यह घोषणा की गई है कि नैचुरल गैस का प्राइमरी एनर्जी में जो प्रतिशत है, उसको 6.3 प्रतिशत से 15 प्रतिशत तक लेकर जाना है। इसलिए हम यह प्रयास कर रहे हैं कि नैचुरल गैस जो कि पर्यावरण के लिए भी बेहतर है, हम उसको अधिक से अधिक मात्रा में सभी को उपलब्ध कराएं। चाहे वह सीएनजी के लिए हो। इसी पाइपड गैस को सीएनजी के लिए भी यूज किया जाता है। वह पाइप के माध्यम से जाती है। वह घरों में भी जाती है, इंडस्ट्रीज में भी जाती है और इसका कॉमर्शियल इस्तेमाल भी होता है”।

1.56 It has been stated that 100 more districts will be added in the next 3 years to the City Gas Distribution network. When asked about the criteria for identification of these districts along with the cost involved, the Ministry submitted the following information:

“Petroleum Natural Gas Regulatory Board (PNGRB) identifies the prospective GAs to be covered under upcoming bidding round based on Schedule A of PNGRB (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008 which provides basis for defining authorized area for laying, building, operating or expanding CGD network which inter alia includes techno commercial feasibility factors including availability of natural gas pipeline, pipeline connectivity. The development of CGD Network does not involve Government revenue. These projects are developed by authorized entities, both public and private as per their authorization.”

1.57 When asked about the criteria for declaring an area covered by piped natural gas network and also steps taken for increasing the household coverage in the existing areas which have already been covered under CGD network, the Ministry stated as under:

“PNGRB authorizes entity for development of City Gas Distribution (COD) Network in various GAs throughout the country from time to time through competitive bidding process. For timely execution of CGD project, authorized entities are required to achieve work program targets as per authorization letter. Once authorized, the GAs are deemed to be covered under piped natural gas. Currently, about 228 GAs covering more than 400 districts in the country have been authorized by PNGRB under CGD network.

PNGRB monitors the progress of each GA through comprehensive mechanism which involves regular reporting and monitoring, progress review meetings adherence to catch up plans etc.”



### **Jammu & Kashmir Gas Pipeline Project**

1.58 When sought to know about the details of gas pipeline project to be taken up in Union Territory of Jammu & Kashmir as per the budget announcement, the representative of the Ministry has stated as under the during the oral evidence:

“सभापति महोदय, आपने यह भी कहा है कि जे एंड के में पाइप बिछाई जानी है, तो इसके बारे में भी स्पष्ट रूप से बताया जाए। पीएनजीआरबी टेंडर द्वारा जो हमारा ट्रंक नेटवर्क है, एक तो डिस्ट्रीब्यूशन नेटवर्क है, अभी मैंने जिसकी बात की है। उससे पहले ट्रंक नेटवर्क आता है। ट्रंक नेटवर्क जिसमें बड़ी पाइपें लगती हैं, जो बल्क गैस है, उसे देश के कोने-कोने तक पहुंचाना है। इसमें कुल मिलाकर 34,000 किलोमीटर की पाइप लाइन बिछानी है। अब हमारी 18,000 किलोमीटर से ज्यादा की पाइप लाइन फंक्शनल हो चुकी है। बाकी जगहों पर इस पाइप लाइन को बिछाने का कार्य चल रहा है। पीएनजीआरबी द्वारा टेंडर किए गए थे, जिसमें श्रीनगर तक पाइप लाइन बिछाने का टेंडर हुआ था। जिस कंपनी ने टेंडर जीता था, वह भी सरकारी कंपनी है, क्योंकि वहां पर कोई भी एंकर रोड नहीं है, इसलिए वह वाइवल नहीं पाई जा रही है। वह कंपनी बोलती है कि पंजाब के गुरदासपुर तक पाइप लाइन वाइवल है, हम इसको कर लेंगे। अगर वह वाइवल नहीं भी है, तो भी हम इन्वेस्टमेंट कर लेंगे। हम आगे यह देख लेंगे कि कैसे इसको वाइवल करना है। परंतु पंजाब के गुरदासपुर में पहुंचाने के बाद, क्योंकि गुरदासपुर के बाद फिर जे एंड के शुरू हो जाता है। उसके बाद वह कहते हैं कि वाइविलिटी नहीं है, उसका खर्चा बहुत ज्यादा आएगा। सरकार यह चाहती है कि देश के हर कोने में गैस पहुंचे। यह नहीं हो कि जहां वाइविलिटी है, हम केवल वहीं पहुंचाएं और बाकी जगहों पर न पहुंचाएं। इसमें सरकार वीजीएफ भी दे रही है। नॉर्थ-ईस्ट की पाइप लाइन के लिए भी दे रही है। इस बजट में सरकार के द्वारा यह निर्णय लिया गया है कि श्रीनगर तक गैस पहुंचाई जाएगी, बेशक इसमें वीजीएफ क्यों न देना पड़े। इसलिए गुरदासपुर से आगे श्रीनगर तक का जो पोर्शन है, उसको अलग करके और वीजीएफ के माध्यम से इसको लागू किया जाए, यही सोच है। जैसे अभी बजट अनाउंस हुआ है, हम तुरंत इसकी प्लानिंग करेंगे। यह अलॉटमेंट पीएनजीआरबी को करना होता है। पहले की जो पाइप लाइन है, उसको कर्टल करके, फिर पीएनजीआरबी से अनुमति लेनी होगी। उसके बाद वीजीएफ फाइनेंस से लेकर उसको आगे बढ़ाना होगा, तब हम इसमें आगे बढ़ पाएंगे”।

### **P. Pricing of Petroleum Products**

1.59 When asked about the criteria used by OMCs in fixing prices of petrol and diesel before taxation by Central and State Governments, the Ministry stated as under:

“The Prices of Petrol and Diesel have been made market-determined by the Government with effect from 26.06.2010 and 19.10.2014 respectively. Since then, the Public Sector Oil Marketing Companies (OMCs) take appropriate

decision on pricing of Petrol and Diesel in line with international product prices and other market conditions.

Public Sector OMCs are at present applying Trade Parity Pricing methodology to compute the Retail Selling Price (RSP) of Petrol and Diesel, which is linked to the international product prices. Other cost elements in the RSP of Petrol & Diesel are Excise Duty, VAT, BS VI premium, marketing cost and margins, Dealers Commission etc.

Public Sector OMCs have implemented daily revision of RSP of petrol and diesel in the entire country with effect from 16th June, 2017. Daily pricing has been introduced to bring more transparency and efficiency in pricing to benefit consumers”.

1.60 When asked about the sharp increase in the prices of petrol and diesel, the representative of the Ministry has submitted the following reply during the oral evidence:

“मैं प्राइस के बारे में बताना चाहूंगा कि आज की तारीख में 100 रुपये में से 32.90 पैसे एक्साइज ड्यूटी है, मतलब 36 परसेंट एक्साइज ड्यूटी कम्पोनेंट दिया जाता है, करीब 23 से 28 परसेंट वैट आ जाता है, तीन-चार परसेंट का डीलर कमीशन होता है। एकचुअली जो बेसिक कम्पोनेंट है, रिफाइनरीज या ऑयल कंपनीज के बारे में हम जो बात कर रहे हैं, वह करीब 25 से 30 या 35 परसेंट तक होगा। यह बात की जा रही थी कि रिफाइनरीज या कंपनीज को एब्जॉर्ब करना चाहिए, यदि मैं जीरो प्रॉफिट पर भी काम करूं, तब भी मैं एक रुपये से ज्यादा का काम नहीं कर सकता, जबकि कंपनीज जीरो प्रॉफिट पर हैं।

यदि कंपनीज खुद को बैस्ट तरीके से भी चलाएं, तब भी एक रुपया प्रति लीटर से ज्यादा का कंपनीज का प्रॉफिट नहीं होता है। इसी एक रुपये में से मुझे 30-35 परसेंट डिवीडेंड भी देना है। बेसिकली, हम लोग .50-.60 पैसे प्रति लीटर के हिसाब से काम कर रहे हैं। आपको जो इतना बड़ा तामझाम दिख रहा है, वह पूरा कार्यक्रम .50-.60 पैसे प्रति लीटर पर चल रहा है। यदि आज की तारीख में एचपीसीएल के एक लाख करोड़ रुपये के प्रोजेक्ट्स चल रहे हैं, इन प्रोजेक्ट्स के लिए यदि आपको दो रुपये का लोन लेना है, तो आपको एक रुपया अपनी तरफ से डालना होगा। अतः यह इक्विटी हमको देनी ही पड़ेगी और जितना ज्यादा हम अभी काम नहीं कर पाएंगे, तो आगे भी कुछ नहीं हो पाएगा।

हमेशा एक नरेशन आता है कि ओएमसीज प्रॉफिट कर रही है, ओएमसीज को एब्जॉर्ब करना चाहिए, मेरे ख्याल से कहीं न कहीं इस नरेशन में आप सब लोग ही हैल्प कर सकते हैं कि यह नरेशन करेक्टली जाना चाहिए। स्टैंडिंग कमेटी ऑन पेट्रोलियम एंड नैचुरल गैस को अब पूरी समझ है और आप सब फील्ड में भी देख चुके हैं और हम लोग भी आपको बार-बार बता चुके हैं। मेरी यह कोशिश रहेगी कि आप इस नरेशन को सही तरीके से पेश करें कि ऑयल कंपनीज के पास कोई लीवे नहीं है और उसमें इन्वेंट्री गेन-लॉस के बारे में जो बताया जा रहा है, उसमें इस साल प्रॉफिट है, लेकिन पिछले साल सभी कंपनीज के प्रॉफिट 60-70 परसेंट गिर रहे थे, जब इन्वेंट्री लॉस हो गया था”।

### **Inclusion of petroleum products under GST**

1.61 When asked about the views of the Ministry of P&NG to bring petroleum products within the purview of GST regime, the Ministry submitted the following information in its written reply:

“Oil and gas sector is faced with a hybrid tax regime on account of 5 ‘excluded’ petroleum items (Crude Oil, Natural Gas, ATF, Petrol & Diesel) which constitutionally are under GST but presently outside levy of GST. Article 279A (5) of the Constitution provides that Goods and Services Tax Council shall recommend the date on which goods and services tax shall be levied on petroleum items including crude oil and natural gas. Thus while, petroleum products are constitutionally included under GST, the date and rate of GST which shall be levied on such goods, shall be as per the decision of the GST Council. Petroleum items are thus being subject to a levy of existing taxes i.e. Excise duty and State sales tax for 5 non-GST items and GST for the remaining petroleum products. In the ideal state, the entire oil and gas sector including ‘excluded goods’ should be brought under the fold of GST and be liable to an appropriate rate of GST. The matter for bringing petroleum products under the GST has been taken up with Ministry of Finance.

Till such time consensus is reached in GST council for inclusion of all petroleum products under GST, it is suggested that as a first step, Natural Gas and ATF may be brought under the fold of GST.

Natural Gas, an environment friendly fuel, is primarily an industrial input used as fuel/feedstock by industries like Power, Fertilizer, Petrochemical, LPG and City Gas Distribution (CGD). Given the present share of contribution of natural gas to total primary energy mix of 6.2% and in view of the objective to promote a clean gas based economy, among all petroleum goods, natural gas merits consideration. Natural Gas is cleaner than other liquid fuels (Furnace oils, Naphtha, Pet coke) that it would replace. These alternative fuels are already included in GST; non-inclusion in GST is, therefore, disadvantageous to Natural Gas (a cleaner fuel) and in view of the Government’s commitment for reduction in carbon emission and environment protection. Natural gas has the potential of attracting huge investments for developing gas resources over the next 3-5 years and increasing India’s gas production.

In India, ATF constitutes a significant 40-45% of the total cost of air transportation. The VAT/CST implications on ATF appear to be relatively low as compared to that of the other ‘excluded goods’. ATF costs are about 30% higher than international prices largely because of high VAT rates charged by the State Governments. On the grounds for ease of compliance coupled with removal of distortions, natural gas and ATF may be considered for inclusion under GST.”

**Q. Reduction in Import Dependence on Crude Oil**

1.62 When asked about the specific steps taken by the Ministry during the year 2020-21 along with the proposals in 2021-22 to reduce the oil import dependence and achieve the target of reduction by 10 per cent by 2022 and the outcome thereof, the Ministry in its written reply has submitted as under:

“The MoPNG has initiated several actions during the past few years. In a major policy drive to give a boost to petroleum and hydrocarbon sector and thereby

reducing import dependence, Focused on increasing domestic production of Oil and Gas, the Government has unveiled a series of initiatives. Government has formulated policies to revolutionize the E & P sector which inter-alia includes

- i. Policy for Relaxations, Extensions and Clarifications under Production Sharing Contract (PSC) regime for early monetization of hydrocarbon discoveries, 2014
- ii. Discovered Small Field Policy, 2015
- iii. Hydrocarbon Exploration and Licensing Policy, 2016
- iv. Policy for Extension of Production Sharing Contracts, 2016 and 2017
- v. Policy for early monetization of Coal Bed Methane, 2017
- vi. Setting up of National Data Repository, 2017
- vii. Appraisal of Unappraised areas in Sedimentary Basins.
- viii. Re-assessment of Hydrocarbon Resources.
- ix. Policy framework to streamline the working of Production Sharing Contracts in Pre-NELP and NELP Blocks, 2018
- x. Policy to Promote and Incentivize Enhanced Recovery Methods for Oil and Gas, 2018
- xi. Policy framework for exploration and exploitation of Unconventional Hydrocarbons under existing Production Sharing Contracts, Coal Bed Methane contracts and Nomination fields, 2018.
- xii. Grant of Marketing including pricing freedom, on natural gas production from High Pressure- High Temperature (HP-HT) reservoirs and deepwater and ultra deepwater areas (with ceiling), gas produced from CBM blocks, blocks awarded under Hydrocarbon Exploration and Licensing Policy (HELP) and Discovered Small Fields (DSF) Policy, commercial gas produced from North-Eastern Region (NER) on or after 1st July, 2018 and also in those new gas discoveries whose Field Development Plan (FDP) has been approved after February 2019. To incentivize additional gas production from Administered Price Mechanism (APM) fields, reduction in royalty by 10% of the applicable royalty has also been granted on the additional production over and above business-as-usual scenario.
- xiii. In addition, Government in February, 2019 approved major reforms in exploration and licensing policy to enhance exploration activities, attract domestic and foreign investment in unexplored/unallocated areas of sedimentary basins and accelerate domestic production of oil and gas from existing fields. The policy reforms *inter alia* aim to boost exploration activities with greater weightage to work programme and bidding of exploration blocks under Category II and III sedimentary basins without any production or revenue sharing to Government. Further, reforms envisage simplified fiscal and contractual terms, early monetization of discoveries by extending fiscal incentives and incentivizing gas production including marketing and pricing freedom. The policy also provides more functional freedom to National Oil Companies for collaboration and private sector participation for production enhancement methods in nomination fields. Streamlining approval processes and promoting ease of doing business including electronic single window mechanism is also an important aspect of policy reforms.

Government of India has notified the National Policy on Biofuels-2018, 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.

As per National Policy on Biofuels-2018, this Ministry has constituted a National Biofuel Coordination Committee (NBCC), under the Chairmanship of Minister, 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. National Policy on Biofuels-2018 has inter alia envisaged production of biodiesel from Used Cooking Oil (UCO).

Govt. has taken steps on pricing, incentives, opening alternate routes for ethanol production to increase availability of ethanol domestically. Two new feed stocks have been added for ethanol production in year 2020-21 i.e surplus rice available with Food Corporation of India (FCI) and from maize for blending with petrol under the EBP Programme. Ethanol availability in current ESY 2020-21 (Dec 20-Nov. 21) has increased to 322 Cr. ltrs after end of 3 rounds public EoI for ethanol procurement. Ethanol will substitute petrol and thereby reduce import of crude required for production of petrol in the country.

Ministry of Petroleum and Natural Gas is working in collaboration with various Central Government Ministries/stakeholders to make efforts to achieve reduction in import dependency on oil. The import reduction strategy broadly includes increasing domestic production of oil and gas, improving energy efficiency and productivity, giving thrust on demand substitution, promoting biofuels and alternate fuels/ renewables. Further, efforts are undertaken to increase the share of natural gas in the primary energy mix in the country by developing natural gas pipelines, LNG terminals, CGD terminals and also promoting Compressed Bio Gas sector”.

1.63 In addition to the above steps, the Ministry has also submitted the following information during the oral evidence:

“.....हम इम्पोर्ट पर निर्भरता को कैसे कम करने का प्रयास कर रहे हैं। माननीय प्रधानमंत्री जी ने 2015 लेवल्स से 15 प्रतिशत रिडक्शन का टारगेट दिया है। उसके लिए मैं इंडियन ऑयल की तरफ से बोल सकता हूँ कि हमने कई एक्शन्स लिए हैं। उनमें से एक है –रिफाइनरी की एफिशिएंसी बढ़ाना। हमारे पास जो छोटी-छोटी यूनिट्स थीं, जैसे बरौनी रिफाइनरी में 2.3 मिलियन के छोटे-छोटे यूनिट्स थे, उन सबको स्कैप करके हम 9 मिलियन कैपेसिटी वाली एक नई यूनिट लगाएंगे। यह एक तरीका है। दूसरा है taking gas और तीसरा है कि जो हमारा कूड का रेजिड्यू होता है, उसको क्रैक करके, कोकर यूनिट लगाकर हम ज्यादा पेट्रोलियम प्रोडक्ट्स बना सकते हैं। ये सभी चीजें हम कर रहे हैं। साथ ही इथेनॉल का यूज बढ़ा रहे हैं, क्योंकि अगर हम पेट्रोल में ज्यादा से ज्यादा इथेनॉल

ब्लेंड करते हैं तो उससे भी हमारी इम्पोर्ट डिपेंडेंसी कम होगी। ये सारे प्रोजेक्ट्स ऑन-शिड्यूल हैं। हम एक्सपेक्ट करते हैं कि क्रूड में ओवरआल रिडक्शन होगी”।

**R. Exploration and Licensing Policy Regimes**

1.64 When enquired about the details of blocks/areas awarded during the last one year and also an update on status of blocks awarded till date, the Ministry in its written reply has submitted as under:

“Under OALP Bid Round V, 11 blocks with an area of approximately **19,790** sq. km. were awarded in October 2020. Five bid rounds have been concluded, so far, under OALP, and total 105 exploration blocks covering an area of 1,56,590 sq km have been awarded. At present, all the blocks are under exploration phase”.

1.65 When asked to provide details of other policy initiatives of the Government in E&P Sector during the current year including for extraction of oil and gas from complex environments such as deep water, high pressure high temperature areas, etc., the Ministry in its written reply stated as under:

“Policy initiatives taken by the Government in E&P Sector, during current year, are as under:-

1. Gas Pricing Reforms

The Cabinet in its meeting held on 7 October, 2020 introduced further reforms to prescribe standard procedure to discover market price and permit Affiliates to participate in bidding process to promote competition in marketing of gas.

2. Guidelines for Early Monetization of Hydrocarbon Discoveries

Guidelines for monetization of discovery at an early stage within prescribed contractual timelines were issued on 23.06.2020, to address the issue of monetization of hydrocarbon discoveries before completion of other activities such as Appraisal, Declaration of Commerciality (DoC) and submission of Field Development Plan (FDP).

3. Simplification of procedures and processes under Production Sharing Contract of Pre-NELP/NELP Blocks (2020)

To facilitate Ease of Doing Business, government rationalized 37 processes in 3 categories required during the life cycle of Exploration and Development of a block under PSC contract.

Sl no	Type	No. of Processes	Approval Definition
1	Category A	22	Processes where documents shall be accepted on self-certification basis and no approval is required.

2	Category B	3	Processes where approval will be deemed on expiry of 30 days of submission of documents under self-certification.
3	Category C	12	Processes where approvals shall be required under the Acts/Rules or Contracts.

### 1. Single Window Clearance (SWC) Portal

A Single Window Clearance portal with interface with State Governments has been made wherein PEL/PML applications are submitted and granted online. The portal also incorporates the existing online systems of PSC-MS, ECMS (Essentiality Certificates) and online grant of Expat Clearance from MOHA and Vessel Clearance from Ministry of Defence. Operators may also view the status of the submitted Environment Clearance in their respective blocks through this portal.

### 2. Rationalization of No-Go area for carrying out exploration activities:

No-Go areas in Krishna-Godavari (KG) Basin has been rationalised by Ministry of Defence (MoD) and DRDO. A Memorandum of Understanding (MoU) has also been signed between DGH and ISRO for carrying out seismic activities in Andaman Nicobar Basin.

1.66 When asked about the steps taken in the direction of offering tenders for exploration and production from identified marginal and small fields under discovered small fields policy, the Ministry in its written reply has submitted the following information:

“Till date under the policy, 02 DSF bid rounds has been executed, DSF-I in 2016 and DSF-II in 2018, where a total of 53 DSF Contracts for 101 discovered fields are signed with successful bidders.

DSF round-III is under conceptualization. Currently identification/ short listing of discoveries is under progress”.

1.67 When asked to furnish the status of development of blocks awarded under New Exploration and Licensing Policy (NELP) and the commencement of number of production blocks, the Ministry has stated as under:

“Under NELP, 254 exploration blocks have been awarded. Exploration and development activities in NELP blocks have resulted production commencement from 19 blocks, till date. However, currently production is confined to 14 blocks only. At present development activities are going in 6 new Exploration Blocks where production will commence in near future”.

1.68 It is mentioned that under OALP only 105 blocks have been awarded till now and all these blocks are under exploration phase. When asked as to whether the upstream

oil companies have got the required clearances from various agencies for carrying out their exploratory activities, the Ministry submitted the following information:

**“DGH**

Clearances (partial/full) have been received in respect of 83 blocks. For remaining blocks, clearances are under consideration with various State Governments.”

1.69 It is informed that some initiatives has been taken by the government to streamline the procedures under pre-NELP/NELP blocks. When asked about the productions expected from these blocks in future, the Ministry stated as under:

**“DGH**

**Simplification of Procedures and Processes Under Production Sharing Contract of Pre-NELP/NELP Blocks (2020)**

Ease of doing business is one of the focus areas of the Government in Exploration and Production (E&P) sector with the objective to increase investments and production. Simplification of procedures and processes makes the system transparent and faster which facilitate investments in the sector. Guidelines for simplification of procedures and processes for submission of documents on self-certification were issued on 28.02.2020, after a review of the processes for various approvals and submission of documents under Production Sharing Contracts (PSC) under New Exploration Licensing Policy (NELP) and Pre-NELP. Government rationalized 37 processes in 3 categories required during the life cycle of Exploration and Development of a block under PSC contract during 2020.

Detail of productions expected from pre-NELP/NELP blocks is given below:

Bid Round	Activities	Unit	2020-21 (P)	2021-22	2022-23	2023-24	2024-25
NELP	Crude Oil/Condensate	MMT	0.22	0.49	2.67	3.68	3.46
	Natural Gas	BCM	0.88	7.40	11.96	16.95	16.85
Pre-NELP	Crude Oil/Condensate	MMT	6.40	6.86	8.04	8.69	11.31
	Natural Gas	BCM	1.59	3.06	3.30	4.89	5.59
<b>Grand Total</b>			<b>9.09</b>	<b>17.81</b>	<b>25.98</b>	<b>34.21</b>	<b>37.21</b>

These production estimates are subjected to risks, uncertainties associated with upstream sector, favorable Oil & gas prices in the future and various other incentives /relaxations desired by operators of the block/fields from Government of India while submitting above projections o DGH.”



1.70 It has been mentioned that the development drilling activities of ONGC have been hampered due to non-availability of imported well materials. When asked to explain as to how ONGC plans to resolve the issue, the Ministry submitted the following information in its written reply:

**“ONGC**

Development drilling activities, mainly of deep water wells completions pertaining to KG-DWN-98/2 Project were delayed. The subsea trees (total 29 nos) which are required for well completion activities are being fabricated at facility located in Montrose in UK. There has been a delay in delivery of trees on account of COVID-19 pandemic related restrictions and disruption in supply chain. The government of United Kingdom announced complete lockdown from 23.03.2020 till 01.07.2020 which delayed project management, engineering activities resulting in delay of 6 months presently, 6 Gas trees have been delivered, 4 installed & balance 2 are planned to be installed before April 2021.

Presently well completion activities are progressing without any hindrance and ONGC management is closely monitoring the project.

**Production of Crude Oil and Natural Gas**

1.71 When asked to furnish details regarding the current demand of crude oil and natural gas in the country along with figures for domestic production of crude oil and natural gas in the country during the last three years, the Ministry has submitted the following details:

“Crude oil processing/demand of crude oil and consumption of natural gas and Petroleum products including private imports in the country for the last three years and current year is as given below:

Year	Crude Oil processing (MMT)	Consumption of Natural Gas (BCM)	Consumption of Petroleum products including Private imports (In MMT)
2017-18	251.935	59.170	206.2
2018-19	257.205	60.798	213.2
2019-20	254.386	64.144	214.1
2020-21 (Apr-Dec) (Prov.)	160.361	45.124	140.6

**Country Crude Oil Production in last 3 Years (MMT)**

<b>Regime</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>
ONGC Nomination	22.23	21.04	20.63
OIL Nomination	3.38	3.29	3.11
PSC / RSC Regime	10.06	9.87	8.44
<b>Grand Total</b>	<b>35.66</b>	<b>34.20</b>	<b>32.17</b>

**Country Natural Gas Production in last 3 Years (BCM)**

<b>Regime</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>
ONGC Nomination	23.42	24.67	23.75
OIL Nomination	2.88	2.72	2.67
PSC / RSC Regime	5.60	4.77	4.11
CBM Regime	0.73	0.71	0.66
<b>Grand Total</b>	<b>32.64</b>	<b>32.87</b>	<b>31.18</b>

1.72 When asked about the increase in production due to IOR/EOR projects in ONGC/OIL during the current financial year 2020-21, the Ministry has submitted as under:

“During the current year 2020-21 (April '20 to December'20), oil gain of 4.803 MMT was realized from these IOR/EOR projects which is 31.4 % of **ONGC's** total standalone crude oil (including condensate) production (15.275 MMT). Similarly gas gain of 1.909 BCM was realized from these IOR/EOR projects.

1.73 When asked about the steps taken by upstream oil companies to improve crude oil and natural gas production and how much increase in crude oil and natural gas production can be expected in the next five years along with year-wise targets and the steps proposed to be taken to achieve the targets, the Ministry in its written reply has submitted as under:

“ONGC is taking several steps to enhance its hydrocarbon reserve base and to increase production. To achieve its exploration targets ONGC is putting efforts by:

- Active participation in Open Acreage Licensing Policy (OALP)/ Discovered Small Fields (DSF) bidding rounds.
- Continued exploration of deeper plays and shallow plays in existing fields/ Basins.
- Exploration in geologically complex and logistically challenging areas.

- Early monetization of discoveries and enhancing production from producing fields using EOR/IOR field-specific techniques
- Exploration and development of unconventional plays like CBM, Shale gas/oil, Fractured Basement and HP-HT reservoirs.
- Redevelopment of existing matured fields and development of new fields/marginal fields. Small/marginal fields, which were not viable on standalone basis being developed through cluster development concept.

Crude oil and Natural Gas production of ONGC (Nomination) expected in the next five year are as under:

Year	2020-21	2021-22	2022-23	2023-24	2024-25
Crude oil (MMT)	19.718	20.261	18.906	18.342	18.089
Natural Gas (BCM)	21.754	23.335	20.566	20.409	21.801

### **Reply of OIL**

OIL has taken all possible short term, mid-term and long term measures for improving crude oil and natural gas production.

#### **Short term measure:**

- Revival of the wells affected by shutdown/closure.
- Unloading of wells with Coil Tubing Unit and Nitrogen Pumping Unit where water loading took place.
- Work over and conversion into gas lifts for artificial lifting.
- Enhancing number of work over operations
- Optimisation of producing wells to improve well performance.
- Gas lift optimisation for improving artificial lift performance
- Drilling new wells
- EOR Projects
  - Explore Baghewala heavy oil field holds production opportunities.

OIL's targets of production for next five years are as under:

	Unit	2020-21	2021-22	2022-23	2023-24	2024-25
Crude oil	MMT	3.121	3.183	3.339	3.279	3.218
Natural Gas Total	BCM	2.762	2.950	2.975	2.975	4.420
GT Crude + NG	MMTOe	5.883	6.133	6.314	6.254	7.638

1.74 The details about the targets set in respect of seismic survey, exploratory and developmental drilling activities during the last three years along with year-wise funds ear-marked and actual utilisation under these heads are as follows:

“ONGC on exploration front targets of exploratory inputs and their achievements during last three years are as follows:

Year	BE Targets			Actual		
	2D (LKM)	3D ( SKM)	Expl. Wells	2D (LKM)	3D ( SKM)	Expl. Wells
2017-18	280	6368	118	360.16	6171.7	119
2018-19	265	4601	110	245.7	3086.5	105
2019-20	310	5051	117	462.4	4249.6	106
2020-21 *	2940	5205	111	844.1	3657.6	53
2021-22**	2605	10802	97			

**\*Performance till 01.01.2021**

The details of exploratory & development drilling in terms of no. of wells drilled during last three years is tabulated as below:

Parameter	2017-18		2018-19			2019-20		2020-21		2021-22
	Plan (BE)	Actual	Plan (BE)	Plan (MOU)	Actual	Plan (BE)	Actual	Plan (BE)	Actual (Upto Dec'20)	Plan (BE)*
Exploratory	110	119	110	105	105	117	106	111	53	97
Development	345	343	361	356	373	343	357	330	219	352
Sidetrack (Dev)	41	41	64	54	38	51	37	62	54	55
Total	496	503	535	515	516	511	500	503	326	504

The details of funds earmarked and actual utilization are as under:

**(Rs. in crore)**

Particulars	2018-19		2019-20		2020-21	
	BE	Actual	BE	Actual	BE	Actual* (upto Dec.20)
Survey	1,611	1,816	1,919	1,678	2,077	1,100
Exploratory Drilling	7,314	6,007	7,183	5,532	6,229	4,010
Development Drilling	10,301	8,728	9,332	7,195	8,396	4,814

**Oil India Limited (OIL)** achievement in respect of seismic survey, exploratory and development drilling activities during last three years and current year upto December, 2020 and targets for 2020-21 and 2021-22 are as follows:

Parameters	Units	Actual			Plan	
		2017-18	2018-19	2019-20	2020-21	2021-22
2D Seismic Survey	LKM	139	20.92	1389.45	4500	2127
3D Seismic Survey	SQKM	413.25	460.86	263.00	2025	1475

Exploratory Well	Nos.	14	15	11	17	29
Development wells	Nos.	28	22	25	35	33

**Financial target Vs. Achievement:**

(Rs. in Crore)

FY	Surveys		Exploratory Drilling		Development Drilling	
	Target (BE)	Actual	Target (BE)	Actual	Target (BE)	Actual
2017-18	365.12	395.21	996.38	1112.77	936.33	678.61
2018-19	352.44	464.51	981.14	854.57	858.79	805.21
2019-20	475.49	396.52	854.57	946.13	805.21	1191.58
2020-21*	765.00	441.03	888.00	388.99	940.00	417.51
2021-22	586.00	-	1288.00	-	779.00	-

Note \*: Actual till Dec'20 (Provisional).

**S. Internal and Extra Budgetary Resources (IEBR) of oil PSUs**

1.75 When asked to furnish company-wise details of the IEBR for BE and RE for 2020-21 incurred against the budgeted account under different heads of oil PSUs (both upstream and downstream) during the year 2019-20 along with reasons for lower generation of IEBR, the Ministry has submitted the information as under:

(Rs. crore)

Sector/Activity	2019-20			2020-21		
	BE	RE	Actual	BE	RE	Actual*
Exploration and Production	49057.21	48431.46	44768.97	52018.50	51750.48	28254.69
Refinery and Marketing	39390.62	42721.53	56668.31	41653.58	42562.37	27275.50
Petrochemicals	3939.74	3621.40	3948.59	4754.48	4499.14	2973.01
Engineering	1251.73	200.00	216.93	95.00	110.00	46.41
<b>Total Oil and Gas Sector</b>	<b>93639.30</b>	<b>94974.39</b>	<b>105602.80</b>	<b>98521.56</b>	<b>98921.99</b>	<b>58549.61</b>

\*: Provisional figure for the period of 2020-21 is as on 31.12.2020.

**Reasons:** There is no shortfall in total actual expenditure for the year 2019-20 as comparable BE/RE for the year 2019-20 and the current year target (BE/RE) are expected to be achieved by end of FY 2020-21".

1.76 When asked to provide the details regarding different heads under which the PSUs under the MoPNG allocate its budget along with allocation made during the last three years, the Ministry in its written reply submitted as under:

(Rs. crore)

Sector/Activity	2017-18	2018-19	2019-20	2020-21
	RE	RE	RE	RE
Exploration and Production	53960.97	52575.08	48431.46	51750.48
Refinery and Marketing	31201.55	37135.77	42721.53	42562.37
Petrochemicals	2156.48	3152.96	3621.40	4499.14
Engineering	65.00	1574.24	200.00	110.00
<b>Total Oil and Gas Sector</b>	<b>87384.00</b>	<b>94438.05</b>	<b>94974.39</b>	<b>98921.99</b>

**Oil and Natural Gas Corporation (ONGC) Limited**

1.77 When asked to furnish the annual plan outlay of ONGC under different activities for the year FY 2021-22 along with the budgeted allocations for FY 2020-21 and actual utilization till 31<sup>st</sup> December, 2020 and also as to whether the company has been able to meet its targeted expenditure during the year, the Ministry in its written reply has submitted the details as under:

(Rs. In Crore)

Particulars	2020-21			2021-22
	BE	RE	Actual	BE
Survey	2077	2033	1100	1968
Exploratory Drilling	6229	6054	4010	4359
Development Drilling	8396	7417	4814	8534
Capital	13341	11664	6108	13436
R & D	658	561	340	536
Non Operated JV's	1029	610	320	746
Integration Projects	771	990	920	221
<b>Total Capex</b>	<b>32502</b>	<b>29328</b>	<b>17611</b>	<b>29800</b>

\*: Provisional figure for the period of 2020-21 is as on 31.12.2020.

1.78 When asked to provide reasons for any variations between RE and actual expenditure during the financial year 2020-21, the Ministry in its written reply has submitted as under:

“Reasons for variation against RE 2020-21 Vs Actual 2020-21 (upto Dec, 2020) are as follows:

1. **Survey:** Shortfall in actual expenditure is due to underachievement of physical targets of 2D and 3D survey due to nation-wide lockdown on account of COVID-19.
2. **Exploratory Drilling:** It is on lower side mainly as against the target of 105 wells only 53 wells (i.e. 50%) could be completed up to December 2020. Shortfall in physical target achievement is on account of nationwide lockdown due to COVID-19.
3. **Development Drilling (Incl ST):** Well completion activity in “KG 98/2 Cluster-II” has been hampered due to non-availability of imported well materials. It is on lower side also due to lower cost per well.
4. **Capital:** Underachievement is mainly on account of disruption caused by COVID-19 pandemic and consequently Invocation of Force Majeure clause by the contractors.
5. **Non Operated JV’s:** Outlay has reduced mainly at Ravva JV & RJ-ON-90/1 after review of the work program by the operators. The PSC of RJ-ON-90/1 expired on 14 May, 2020. An interim permission to continue operations in the block has been granted by MoPNG”.

#### **Indian Oil Corporation Limited (IOC)**

1.79 On being asked to furnish details of funds allotted by IOC under different heads during the year 2019-20, 2020-21 and the actual utilisation up to 31<sup>st</sup> December, 2020 and funds allocated in the budget for the year 2021-22, the Ministry in its written reply has submitted the details as under:

(Rs. Crore)

Categories	BE 2019-20	Actual 2019-20	BE 2020-21	Actual 2020-21 (upto Dec,20)	BE 2021-22
Refining & Marketing	22,237.62	28,060.66	20,695.58	13,560.65	24,329.58
Exploration & Production	1,008.38	1,235.01	2,149.91	35.38	160.49
Petro-Chemicals	1,837.52	2,125.12	3,387.48	2,208.50	4057.03
<b>Total</b>	<b>25,083.52<sup>(1)</sup></b>	<b>31,420.79</b>	<b>26,232.97<sup>(2)</sup></b>	<b>15,804.53<sup>(3)</sup></b>	<b>28,547.10<sup>(3)</sup></b>
<b>Remarks:</b>					
1. Board Approved BE 19-20 amount for Plan is Rs. <b>25,083.01</b> crore (E&P: 1,008.38 cr, Refinery and Marketing: 22,237.11 cr& Petrochemicals: 1,837.52 cr). Amount as printed in the Budget booklet of GOI has been shown in the above table.					

2. Board Approved figures for BE 20-21 is Rs. **26,143.68** crore (E&P: 2,149.91 cr, Refinery and Marketing: 20,606.29 cr& Petrochemicals: 3,387.48 cr). Amount as printed in the Budget booklet of GOI has been shown in the above table.
3. Provisional figures.

## **T. Challenges faced during COVID-19**

1.80 When asked about the challenges faced by oil PSUs and impact due to the Covid-19 pandemic and how they were managed w.r.t. Marketing and Distribution of Petroleum Products, the Ministry in its written reply submitted the following information:

“The challenges were to continue operations & supply of petroleum products across India in compliance with the measures imposed by Government of India to contain the pandemic. Various measures includes

Strict safety and hygiene standards were maintained for all personnel entering the operating locations across India including the adherence of COVID 19 guidelines issues by respective authorities across India

Awareness drive about care to be taken for COVID-19 was carried out at various locations/workplaces. This included awareness talks, display of banners, insistence for using a facemask and hand-sanitizers.

All the important meetings were conducted thru video conferencing and by use of on-line e-platforms. The Corporation ensured compliance towards downloading of “Arogya Setu” app by all employees.

Social distancing norms were maintained during fueling of vehicles and Sanitizers were placed at pump island for customers as well and fore court personnel.

Promoted Digital Payments thru QR codes & NFC based payment solutions during the pandemic, as these payment methods are contactless and safe.

An Ex-Gratia scheme for an amount of Rs. 5 Lakhs was instituted payable to the dependents of workmen engaged at Retail outlets in the unfortunate event of the person’s death due to Covid-19.

Coverage under Group Medclaim Policy of Rs. 1 Lakh for the Dealers Staff was also instituted

All terminals / depots extended support to drivers and contract workers by taking care of their food requirement during peak lockdown to ensure continuity of operations.

During the initial period of lockdown, locations were running on a staggered basis, however gradually all locations have reported working on all working days by following necessary safety/covid19 guidelines in line with the relaxations/local norms of the Government.



Abided by localized rules and regulations for seamless operation for catering petrol and diesel in the market.

Un-restricted movement of Retail TLs, filling at Depots and reaching to the ROs.

Police protection:- if customers assemble at ROs and create any disturbance in customer services;

Control Room set-up at HQ/Region and States which included coordinators with a major objective of information flow through mutual sharing of local and central communication received from the authorities and government”.

1.81 Further, steps taken during Covid-19 pandemic on supply chain of petroleum products like petrol and diesel during the Covid period, the Ministry has stated as under:

“Petroleum being essential commodity there was no stoppage of Operations at any operating location during the Lockdowns, thus there was a risk to securing the employees and maintaining safety/security of workplaces in compliance with Government and Regulatory guidelines.

Thus Standard Operating Procedures were implemented at all POL Depots and Terminals which included SOPs for personal entry, restricted visitor access, mandatory thermal screening, use of masks and sanitizers with social distancing norms were strictly enforced at all operating locations.

Usage of Digital technologies, Virtual private networks (VPN) was used to connect people to Business Analytics and ERP applications.

Integrated retail automation system enabled real-time monitoring and data transfer to and from the Corporation's automated fuel stations. This enables Sales teams to monitor daily sales on individual highways, in each city, state or region to be ready with sales plans for the future.

In Supply and Distribution front, a systematic information flow procedure established to ensure timely and correct reporting. Basis inputs from Retail automation systems, MIS and prevailing government guidelines Supply Chain linkages re-worked and implemented to ensure maximization of Own Refinery evacuation”.

1.82 When asked about CSR activities undertaken by oil PSUs during the Covid-19 pandemic period, the Ministry submitted the following information:

“With regard to GAIL (India) Limited, various CSR activities have been undertaken during the COVID-19 pandemic period. Being a social responsible corporate, GAIL has proactively contributed a sum of Rs. 58.64 crores towards various CSR activities. This includes contribution of Rs. 50.00 crores towards PM CARES Fund.

GAIL's contribution during the pandemic began early in March 2020, when financial and material support was extended to various District Administrations through supply, procurement and support of relief materials, ration and other related/arrangements.

GAIL continued its support through various initiatives for marginalized communities in rural and remote areas of Madhya Pradesh, Uttar Pradesh, Uttarakhand, Jharkhand, Kerala, Tamil Nadu, Bihar, Odisha, Andhra Pradesh, Gujarat, Karnataka, Rajasthan, Maharashtra, Tripura & Delhi/NCR. Support has been provided through distribution of ration kits, PPE kits/sanitizers/masks etc to District administration and hospitals, medical equipment like ventilators to Govt. Hospitals and also support for conducting awareness spreading activities for the masses in communities and also for students in Government schools for protection against the global pandemic.

GAIL is also supporting augmentation of Cold Chain infrastructure under the COVID-19 vaccination programme of Government of India, under which various equipment for cold chain are being supported in the State of Tripura & Madhya Pradesh.

Following steps were taken by GAIL during Covid 19 pandemic so that there is no disruption in business activities and the concerns of customers/contractors of GAIL were mitigated:

- i. GAIL accepted customer requests of Force Majeure (FM) from its customers based on orders issued by government from time to time.
- ii. Since US natural gas suppliers were not willing to accept GAIL's FM, GAIL cancelled 3 cargos paying cancellation charges to ensure mitigation of impact to downstream customers.
- iii. To ensure continuous gas supply to fertilizer sector, which is the anchor sector for GAIL supplies, GAIL provided extended credit to fertilizer customers allowing them more time to pay gas dues. This measure helped in maintaining continuity in the gas supply chain.
- iv. Similarly, for other customers, GAIL did not encash LC/BG taking into account customer's financial profile.
- v. Payments to contractors/vendors etc. were made on time by GAIL".

1.83 When further asked about kind of measures/initiatives undertaken for the welfare of their workforce during the pandemic, the Ministry in its written reply submitted as under:

1. "Ministry of Petroleum & Natural Gas has prepared an Action Plan comprising the following areas of intervention for a large penetration :
  - i. Campaign through Hoardings and Banners at Petrol/ Diesel/ CNG Retail Outlet.
  - ii. Campaign through Gas Stations and LPG Distribution centres.
  - iii. Intensive Campaign through SMS and audio messages to LPG Consumers.
  - iv. Making Available Masks and Sanitizers at Petrol/Diesel/CNG Retail Outlets.
  - v. Outreach through non public Sector, Private and JV Oil and Gas Agencies.

vi. Advocacy of appropriate Social Behaviour Norms through Oil Dispensing Staff and Delivery Personal.

2. The above interventions have covered 70,000 petrol/ diesel retails outlets with a footfall of nearly 35 lakhs per day, 27,000 LPG distributors covering around 24 crore LPG consumers and 2290 CNG filling stations.

3. All the oil CPSEs implemented the above action plan and also followed the instructions/ directions/ suggestions received from Ministry of Health & Family Welfare in this regard from time to time”.

1.84 The Ministry have further furnished the following information w.r.t. the welfare activities undertaken during the pandemic:

**“Numaligarh Refinery Limited (NRL)”**

In response to COVID 19 pandemic and nationwide lockdown declared by the Govt. of India, NRL has taken various steps for the welfare of their workforce while following all norms on social distancing, personal hygiene and travel restrictions across the organisation –

**1. Implementation of MHA guidelines in workplace:**

While operating the refinery, NRL has maintained all the directives of MHA guidelines and Standard Operating Procedures to contain the spread of Corona Virus (COVID-19). The modalities for compliance of the instructions worked out for various establishments/ premises/ locations are as follows:

a. **Personal hygiene practices and health scanning:** Touch free hand wash basins installed at work locations including project sites. Thermal scanning for all the employees, workers, drivers etc. has become a general practice at the entry gate at all locations. Guidelines were circulated to all employees to take necessary care in maintaining personal hygiene including hand wash in regular intervals, door step shoe sanitizer etc. Limited quantity of hand sanitizers were also produced at Quality Control Laboratory to meet immediate surge in demand among employees. Portable UV sanitizer machine was developed by employees.

b. **Social distancing at work place:** Social distancing norms as per guidelines of MHA were introduced at all work locations. Physical meetings were discouraged and use of telephone and Video Conferencing were advised.

c. **Reduced manpower at work place:** NRL reduced the manpower strength at offices to 50% in the initial phase of lockdown and subsequently, implemented “Work from Home” across all locations. It was also advised to practice social distancing norms by the employees while working from home which is in line with various MHA guidelines. Moreover, women employees with children below 5 years of age and pregnant women employees were advised to work from home.

d. **Use of Personal Protective Equipment (PPE):** Use of PPE was made mandatory at all work locations. Wearing of mask was strictly followed.

- e. **Cancellation social events, tour & trainings:** All social events, tours and travels were cancelled within the organisation. On the solemn occasion of 28<sup>th</sup> NRL Day, the flag was hoisted by at NRL Playground in the presence of 5 representatives for the entire NRL family.
- f. **Sanitisations of all work place:** Sanitization drives are carried out at all work locations and nearby small market place adjacent to the refinery.
- g. **Separate Covid-19 Budget:** Separate budget was created for COVID-19 related expenditure so that all activities necessary can be taken without financial constraints.
- h. **Insurance of front Line workers:** All front line workers in LPG bottling, marketing terminal provide with health insurance cover covering all disease including Covid 19.
- i. **Support to fight COVID19 pandemic:** During the time of crisis of the whole nation, NRL has contributed of Rs. 25 crores to PM Cares fund and another Rs. 5 Crs to Chief Minister Relief fund and Assam Arogya Nidhi. NRL's Officer Association also contributed Rs. 45 Lakhs to Assam Arogya Nidhi.

### **Mangalore Refinery and Petrochemicals Limited (MRPL)**

1. **Awareness Programs:** The awareness programs mainly focused on educating the employees, secondary workforce, CISF personnel, township residents and school children.
  - 1.1 Specially designed posters on hand washing, wearing masks and maintaining social distancing was prepared made and displayed at all the prominent locations in the refinery, township, CISF township and school.
  - 1.2 Continuous announcement and videos on the 'various precautions to be taken is being done in township and refinery main gate.
2. **Administrative Changes:** In order to ensure social distancing and compliance to the instructions of the Gol and GOK various changes were introduced without affecting the operation of the refinery:
  - 2.1 Shift employees working hours modified without increasing the overall working hours.
  - 2.2 Wearing of mask is made compulsory for all the workmen in offices. Stitched cloth masks are distributed to all employees.
  - 2.3 General shift employees were either asked to work from home or alternate day working was introduced. For those who work from home necessary IT support was provided in the form of online remote access to their respective office computers for data retrieval.
  - 2.4 Non-essential secondary workforce alternate day working was introduced.
  - 2.5 Project activities were temporarily stopped.
  - 2.6 Employees with chronic illness, pregnancy and organ transplant were given complete work from home facility.
  - 2.7 Visitor's entry to the refinery is highly restricted.
  - 2.8 Delhi, Mumbai and Bangalore offices were closed and employees
3. **Health and Medical Check-ups:** MRPL hospital functioned as nerve centre during

the hour of crisis. Additional doctors and paramedical staff was hired to meet the increased testing and monitoring:

**4. Sanitization of office space:** Regular sanitization of office space, wash rooms and high touch places is being done.

**5. Canteen and Pantry operation:** Maintaining hygiene in food preparation and supply is one of critical area. Close monitoring of canteen and pantry operation is being done considering the nature of work involved.

**6. Township Management:** About 2000 people are living in MRPL Township, though the township is a gated community, the lockdown announced by the government are strictly enforced in the township.

**6. SOPs developed for prevention of COVID-19:** Standard Operating Procedures are developed and implemented in order ensure correct practices. Following SOP are prepared:

6.1 Sop for MRPL employees and their dependents

6.2 Sop for MRPL employees coming in contact with outsiders i.e. Visitors, drivers etc. (for marketing operations counter)

6.3 Sop for medical staffs

6.4 Sop for employees or outsiders (visitors, drivers etc.) Who had travelled form COVID-19 affected countries/states of India

6.5 Sop for biomedical waste disposal for used masks, gloves, PPEs etc.

6.6 Sop for screening — Covid-19

### **Engineers India Limited (EIL)**

In its bid to support and follow the Government measures, Engineers India Limited issued advisories and undertook numerous preventive measures to keep employees, stakeholders and their families safe and healthy. A summary of major steps undertaken for the welfare of employees during the Covid period is as follows:

Since March, 2020, many policy decisions were taken in the company for employee welfare to fight the pandemic. Flexi-timings were introduced to de-congest the office, commute routes/ public transport and biometric attendance was replaced by card punching for contactless entry. Also thermal scanning of all employees and visitors at entry point was started. Following are other measures which were introduced:

- Travel advisory issued by GOI circulated among employees and all overseas travels stopped.
- Employees returning from foreign travel asked to self quarantine.
- Contact details of Medical Consultants/ hospitals shared with all employees for consultation/ advice in case of emergency during the lockdown period
- Facilitation of Work From Home for most of the employees
- Meetings/ trainings through Virtual platforms of video conferencing
- Employees are encouraged to use lockdown as an opportunity to up skill themselves and by learning new skills and various online training programs/Webinars were organised.

- Online Health talks/ sensitisation workshops were conducted for the benefit of the employees

A Standard Operating Procedure for resumption of office was prepared and has been updated from time to time based on the evolving situation and instructions issued by Government, to ensure continuity of operations during the pandemic.

All precautionary sanitization measures are being taken by the company at its various offices to ensure a safe working environment for the employees such as staggered seating at each floor with limited employees present in the office, regular sanitization of the entire office including entry gates, lifts, sitting areas, washrooms etc.

To facilitate timely and effective treatment and to ensure optimum medical facilities for employees, relaxations in certain medical rules, provisions for reimbursement of protective gear etc. and other medical welfare initiatives have been undertaken.

Welfare measures for all contractual staff/ workers were also undertaken including non-termination, payment during lockdown, provision of protective gears etc.

Besides, focused awareness campaigns were carried out continuously during the period through EIL's intranet and social media platforms to spread information about preventive measures to avoid Covid19.

### **CHENNAI PETROLEUM CORPORATION LIMITED (CPCL)**

#### **CPCL carried out the following Welfare Initiatives for its Workforce:**

1. Sanitizer placed in all places as per WHO standards.
2. About 13 No. of employees sent on Home Quarantine leave for 14 days as they have travelled from COVID -19 Positive territory.
3. Checking temperature of all Employees / Contractors in West Gate-I and contract workmen in Labour Gate and on notice of fever (Temperature checking), they are being sent back.
4. Door handles / Turnstile / ID card punching machines are being cleaned at frequent intervals.
5. Masks will be issued on need basis.
6. Hand washing arrangements in all rest rooms
7. Bio metric totally suspended for employees, contract workmen at all locations.
8. Awareness Talk to dispatch section staff. Four pairs of gloves to each Employee in Dispatch section.
9. Awareness Talk to housekeeping workmen for cleaning door and handles frequently.
10. Display of films in the Intranet.
11. SMS alert to employees on all days
12. Circular issued for (a) bring home food to avoid assembling (b) Travel through pooling and avoid company vans, etc.

13. Area disinfection done with sodium hypochlorite
14. Transport vehicles are disinfected using 1% sodium hypochlorite at the beginning of each trip.
15. Advised for minimum meetings; Trainings cancelled; travel outside Chennai will be only with the approval of the concerned Functional Director.
16. All Non-Supervisory Employees working in Non-Plant Area (including Clerical Staff in Plant area), Delhi Liaison Office and Cauvery Basin Refinery have been asked to report for duty on every alternate week and work from home on remaining weeks (from 21.3.2020 till 4.4.2020).
17. All physical trainings deferred.
18. (i) Corp Office, (ii) RESOT Office, (iii) Non Plant area of INDCO (Industrial Cooperative Service Society) and (iv) Delhi Guest House - Closed
19. Contract Workmen-Numbers reduced (being operated with about 600 plus as against 1500 Plus for Refinery operations)
20. Lunch in packets distributed to employees at their work place.
21. Restriction of Visiting Hours from 10.00 Hrs. to 13.00 Hrs.
22. By introduction of 12 Hrs. duty in the 48 Hrs. - Rotating Shift, 33% reduction of Manpower of all employees in Operations & Maintenance has been reduced.
23. Gen. Shift – 48 Hrs & 36 Hrs. – Min. 50% of employees were asked to work from Home.
24. Employees who have returned to India from abroad after 15.02.2020 were advised to report.
25. Contribution from CPCL Employees of Rs.1.14 Crores made towards PM CARES.
26. Contribution of Rs 2 Crores made by CPCL towards PM CARES.
27. Contract workmen and all employees travelling by Shift / Gen. Shift vehicles are provided Masks on a daily basis.
28. To prevent the spread of Corona virus (COVID -19) while restarting the operations, series of webinars were conducted on 31.04.2020, 01.05.2020 and 02.05.2020.
29. Three committees comprising DGM, CM & SM are formed to monitor the arrangements to restrain the spread of COVID-19. They visit twice in a week to create awareness and sensitize the employees about COVID-19 prevention. They observe the compliance, and report the deviation w.r.t. COVID SOPs.
30. Body temperature was checked for all employees including Contractors in West Gate-I and Labour Gate II with body temperature scanner camera and on notice of fever, they are being accordingly treated”.

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**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 (2021-22) in respect of different Ministries/Departments stand referred to concerned Departmentally related Standing Committees. In this report the Standing Committee on Petroleum and Natural Gas (2020-21) has examined the Demands for Grants (2021-22) of the Ministry of Petroleum and Natural Gas under its jurisdiction. The recommendations/observations of the Committee are in succeeding paragraphs:-

**1. Analysis of Budgetary Allocations**

The Committee observe that the total budgetary outlay for the BE 2021-22 is Rs.15943.78 cr as against Rs. 42901.00 cr of BE 2020-21. In respect of DBT for LPG for the BE 2021-22, Rs. 12480.00 has been allocated as against Rs.35605.00 of the BE 2020-21. With regard to Phulpur Dhamra Haldia Pipeline Project, an amount of Rs.250.00 cr has been allocated for the BE 2021-22 as against Rs.728.03 cr of the BE 2020-21. For the scheme of Pradhan Mantri Ji-VAN Yojana, an allocation of Rs.233.31 cr has been made as compared to Rs. 53.00 cr of the BE 2020-21. Further, as far as the scheme for LPG connections to poor households (PMUY) is concerned, no budgetary provision has been made during the BE 2021-22 as compared to Rs. 1118 cr of the previous BE of 2020-21. For the construction of the permanent campus of IPE at Visakhapatnam, Rs. 95 cr has been provided during the BE 2021-22 as compared to Rs.31.82 cr of the previous BE of 2020-21. In respect of the payment to ISPRL for construction of Phase-II caverns, Rs.210 cr has been made during the BE 2021-22 as against Rs.10.00 cr of the BE 2020-21. The Committee also note that Rs.1078.35 cr has been provided for the new budgetary head i.e. Feedstock Subsidy to BCPL/Assam Gas Cracker Complex for the BE 2021-22. Further, for a new scheme Indradhanush Gas Grid Limited (IGGL)-Part of the North East Natural Gas Pipeline Grid, an allocation of Rs. 500.00 cr has been allocated for the BE 2021-22.



The Committee also note that the Government has also made some new announcements in the budget such as asset monetization of oil and gas pipelines of GAIL, IOCL and HPCL, additional incorporation of one crore beneficiaries to PMUY, expansion of 100 more districts to CGD network, launching a natural gas pipeline projects in the union territory of Jammu & Kashmir and also setting up of an independent gas transport system operator.

The Committee have been apprised that the reasons for drastic reduction in the overall outlay of the BE 2021-22 have been primarily due to low LPG subsidy as a result of falling crude oil prices in the global market and also due to the clearance of reimbursement component of the LPG subsidy by the Ministry to OMCs for the previous financial year 2020-21. The Committee while welcoming the new budgetary announcements of the Government for the BE 2021-22, desire that the Ministry must make full utilization of the allocations made for existing schemes and new programmes/schemes. Further, the Committee recommend that the Ministry should seek additional funds at RE 2021-22 for the new announcements made during the Budget including for addition of one crore beneficiaries under the Ujjwala Yojana as by that time the nitty gritty of their implementation may have been worked out.

## **2. Asset Monetization Programme**

The Committee have been informed that core infrastructure assets of GAIL, IOCL and HPCL namely Oil and Gas Pipelines will be rolled out under the Asset Monetization Programme. The asset monetization is estimated to be completed in a period of 12-18 months from the approval of competent authority. The 5th meeting of Core Group of Secretaries on Asset Monetization (CGAM) was held under the chairmanship of Cabinet Secretary on 8th February, 2021. The Committee note that target of Rs. 17,000 crore for FY 2022 will be realized under this programme.

The Committee hope that monetization is one of the alternative mechanism for raising funds by PSUs to fund their projects. The Committee are of the opinion that such a programme will help in achieving the full potential of the assets

available with the oil PSUs. However, they would like that a transparent mechanism and modalities be worked out for full discovery of the prices of the underlying assets. The Committee recommend the Ministry that the process should be carried out in a time bound manner by consulting all the stakeholders.

### **3. Independent Gas Transport System Operator**

The Committee note that the Government has made announcement for setting up of an independent Gas Transport System Operator for facilitation and coordination of booking of common carrier capacity in all-natural gas pipelines on a non-discriminatory open access basis in the budget. The Committee feels that the decision to set up such an independent operator will meet the longstanding demand from industry to separate content and carriage and therefore remove the advantage enjoyed by state-run gas marketer.

The Committee opines that with the establishment of an independent operator, all gas marketers will have level playing field with equal and transparent access to the common carrier part of the gas pipelines and will be able to book capacity depending on its availability. The Committee therefore, recommend that the process of setting up an independent gas transport operator should be carried out by taking all the stakeholders into confidence in a time bound manner.

### **4. DBT for Kerosene**

The Committee appreciate the successful implementation of DBTK Scheme for initiating reforms in allocation and distribution of PDS Kerosene to stop pilferage of subsidy and reduce the outflow of Central subsidy on kerosene to States/UTs. The scheme was in operations for 4 years till 2020 and is now discontinued.

The Committee while noting the significance of the rationalization of usage of kerosene, observe that only three states i.e. Punjab, Haryana and Andhra Pradesh have become kerosene free till date and large segments of populations in various states in the country are still dependent upon kerosene for cooking and household lighting purposes. The Committee, therefore, while emphasizing the need for increasing the universal coverage of LPG as a cleaner fuel for public

health, urge the Government to ensure the optimum availability of non-subsidized kerosene in open market for rural household consumers. Further, the Committee also recommend that the Government must make more focussed efforts in tandem with State Governments to expand LPG coverage in rural areas so that the dependence on Kerosene can be reduced altogether in the long run.

5. Pradhan Mantri Ujjwala Yojana (PMUY)

The Committee note that a provision of Rs. 1118 cr was made for PMUY in 2020-21 and Rs. 960.34 cr has already been utilized till 21.01.2021. Further, the target of release of 8 crore connections to poor households under PMUY was already achieved by September, 2019. The Committee further note that an addition of one crore new LPG connections has been announced in the budget under PMUY for the FY 2021-22. However, no budgetary provision has been made for the financial year 2021-22. The Committee have been apprised that the Ministry is in the process of finalizing modalities to implement one crore LPG connections by 15<sup>th</sup> March 2021.

The Committee also note that during the Covid-19 pandemic, a scheme was implemented for providing free of cost LPG cylinders for three months to PMUY beneficiaries w.e.f.01.04.2020 under Pradhan Mantri Garib Kalyan Yojana (PMGKP) and the same was extended upto December, 2020 for those PMUY beneficiaries who were credited with the advances for buying cylinders but were not able to buy free cylinders within the stipulated time. The Committee appreciate this decision as a much needed welfare measure during the pandemic to help the PMUY beneficiaries.

Further, the Committee while welcoming the announcement of 1 crore more connections under PMUY, expect the Ministry to devise the required modalities at the earliest so that the scheme will be implemented for the new beneficiaries within the stipulated deadline of March, 2022. The Committee recommend the Ministry to include women beneficiaries of poor households including the general category living in urban/rurban areas so as to make the PMUY benefit all stratum of the society.

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

The Committee, note that a budgetary provision of Rs. 210 cr has been made for ISPRL Phase-II for the FY 2021-22, for establishing 6.5 MMT strategic petroleum reserves at two locations Chandikhol (4 MMT) in Odisha and at Padur (2.5 MMT) in Karnataka under PPP model with an approximate coverage of crude oil for 21 days. The process of land acquisition for both the locations may be initiated at the earliest in coordination with the authorities of the two State Governments. Further, an International Request for Proposal (RFP) was floated for global prospective investors to participate in Phase 2 of SPR Projects under Public Private Partnership (PPP) mode. In this regard, the Committee have been intimated that during a review meeting held on 16th November 2020 on monetization of assets of the Ministry of Petroleum and Natural Gas under the chairmanship of CEO, NITI Aayog, it was agreed that the proposal would be submitted to Public Private Partnership Appraisal Committee (PPPAC) for evaluation and review for onward approval of the same by the Cabinet. Thereafter, revised RFP documents were submitted to DEA in the month of December, 2020 with a request to hold the PPPAC meeting expeditiously. The Committee desire that PPPAC should be held at the earliest so as expedite the process of evaluation of participation of investors in 2<sup>nd</sup> phase of SPR projects.

The Committee also note that due to the outbreak of Covid-19 pandemic and the subsequent downturn in global crude oil prices, the Government had allocated extra funds during the FY 2020-21 to fill up three strategic petroleum reserves of Mangalore, Padur and Visakhapatnam of Phase-I in the months of April and May, 2020 thereby making substantial saving to the Govt. of India.

The Committee while appreciating the financially prudent decision of the Government to fill up SPRs with cheaper crude oil, recommend that the Ministry must remain proactive towards establishing ISPRL Phase-II projects for ensuring overall energy security of the country. The Committee may be apprised of the progress in this regard.

**7. Rajiv Gandhi Institute of Petroleum and Technology (RGIPT) Centre**

The Committee note that for setting up of RGIPT at Sivasagar, Assam, a budgetary provision of Rs. 1 cr. each had been made in BE 2020-21 and BE 2019-20. However, the allocated fund has not been utilized as actual expenditure in 2019-20 has been shown 'nil'. Similarly, during the current year 2020-21, the actual expenditure till now is 'nil' and for the FY 2021-22 an amount of Rs. 32 crore have been allocated.

The Committee note that though the Assam Government has already allotted 100 acres land for the construction of the permanent campus of RGIPT at Sivasagar, but a full fledged campus has not been developed on the ground till date. The Committee have noted that an amount of Rs.50.28 crores have been sanctioned to CPWD for infrastructural facilities like hostels, sewer lines, internal roads, firefighting systems etc. for which the work is to begin in January, 2021.

The Committee while decrying the inordinate delay for constructing the permanent campus RGIPT at Sivasagar, recommend the Ministry to take up the matter with CPWD at the highest level so that the construction of the same is expedited on priority basis and a full fledged campus becomes a reality. This would facilitate emergence of RGIPT, Sivasagar as Skill Development Centre for entire north eastern region in petroleum and petrochemical domains.

**8. Indian Institute of Petroleum for Energy (IPE), Visakhapatnam**

The Committee note that the Government has made a provision of Rs. 95 crore during the financial year 2021-22 for the construction of a permanent campus of IPE at Vangali village in Sabbavaram mandal in Visakhapatnam districts. In this regard, the Committee have learnt that out of the 201.80 acre of the proposed land for the Institute by the Government of Andhra Pradesh, only 175.74 acres is available for clear possession and the remaining balance of land 26.06 acres has been under litigation. Further, it has been learnt that the construction of the compound wall has been in progress.

The Committee are however, constrained to note that though it has been more than six years since the assurance of the construction of IPE was given by

the Central Government to the state of Andhra Pradesh as part of AP Reorganisation Act of 2014, nothing much has been happening on the ground except changing the original time lines and cost estimates. The Committee while deprecating the inordinate delay on the part of the Ministry and the Nodal agency, expect the Government to expedite the construction of the permanent campus for IPE so that aspirations of people of Andhra Pradesh will be fulfilled. Further, the Committee desire that the Ministry/Nodal Agency must make sincere efforts to expedite the process of pending litigation in the court with regard to the disputed land.

#### **9. Centre of Excellence for Energy, Bangalore**

The Committee note that a budgetary provision of Rs. 50 crore has been made in BE 2021-22, for setting up of Centre of Excellence for Energy, Bangalore. This has been a considerable increase from the Rs.1 crore allocated in BE 2020-21. The Committee also note that though the Government of Karnataka had already allotted 150 acres of land in 2015 for the construction of permanent campus near Hoskote taluk, Bengaluru, the full-fledged campus has yet to come up till date and the Centre for Energy is still functioning with makeshift arrangements. The Committee note that the allotted land is under dispute with different agencies including KIADB and Forest Department and matter has been taken up with concerned State Governments authorities. The Committee has been informed that as of 23rd February, 2021, a survey has been completed by Revenue Department, Government of Karnataka for the extent of forest land and a map will be released soon and then the matter will be again taken up with the Government of Karnataka for resolution.

The Committee, while expressing strong displeasure at the inordinate delay' recommend the Ministry to pursue with Karnataka State Government at the highest level to get possession of the land and expedite the construction of the same. The Committee may be apprised about the progress of the campus within three months of the presentation of this report.

**10. National Seismic Programme**

The Committee note that an allocation of Rs.217 crore has been made in respect of National Seismic Programme for the BE 2021-22. However, the Committee have learnt that the budgetary provision for the financial year 2020-21 has not been utilized due to the suspension of seismic survey work as a result of Covid-19 pandemic induced lockdown and the monsoon season in the country. The Committee have learnt that out of 48,000 km of surveyed onshore hydrocarbon resources in the country, approximately 45,000 km of the data has been appraised by the DGH. Further, the survey for offshore hydrocarbon resources has recently commenced in Andaman Islands with the allocation of funds by OIDB. The Committee have also been informed that there is requirement for sufficient budgetary provision for the survey and assessment of offshore hydrocarbon resources.

In view of the above, the Committee exhort the Ministry to undertake the completion of unfinished survey of onshore hydrocarbon resources. Further, the Committee while appreciating the belated initiative of the Ministry for commencing the survey of offshore hydrocarbon resources in Andaman Islands, recommend that the Ministry must seek a separate budgetary provision for the survey and appraisal of offshore hydrocarbon resources for enhancing domestic exploration and production activities and also interpretation of data to make it available for investors so as to motivate them for more proactive participation in exploration which inturn would increase production over a period of time and pave way for ensuring energy security of the country.

**11. PM JI-VAN Yojana**

The Committee note that Pradhan Mantri JI-VAN Yojana scheme has been allocated Rs. 233.31 crore in BE 2021-22. The scheme provides financial support for setting up integrated bio-ethanol projects using lignocellulosic biomass and other renewable feedstock to create 2G Ethanol capacity in the country and attract investments in this new sector. The Committee further note that under the scheme, approval for 12 commercial projects at the cost of Rs. 1800 crore and 10

demonstration projects at a cost of Rs. 150 crore and Rs. 19.50 crore for CHT as administrative charge totalling Rs. 1969.50 crore has been granted. The Committee, however, are concerned to note that of the budgetary allocation of Rs. 53 crore PM JI-VAN Yojana during the BE 2020-21 has not been fully utilized for the intended purpose.

The Committee would like to point out that keeping in view the pollution problem that occurs in the national capital owing to stubble-burning in the neighboring states, the Government should make all-out efforts to establish such a integrated Bioethanol projects in the vicinity of the NCR region so that the farmers can provide their farm-residue to the plants instead of burning them on their fields. The Committee recommend that the Ministry should review the progress of the commercial and demonstration projects regularly and ensure that the allocated funds of Rs. 233.31 crore for the year 2021-22 should be fully utilized.

#### **12. Phulpur Dhamra Haldia Pipeline Project**

The Committee note Rs. 250 crore has been allocated as BE 2021-22 under the scheme Phulpur Dhamra Haldia Pipeline Project. The Committee observe that the Cabinet Committee on Economic Affairs(CCEA) in its meeting held on 21<sup>st</sup> September 2016 approved 40% capital grant i.e Rs 5,176 crore of the estimated capital cost of Rs 12,940 crore by the Government to GAIL (India) Limited for execution of Jagdishpur-Haldia/Bokaro-Dhamra Natural Gas Pipeline (JHBDPL) projects. In this regard, the Committee have learnt that the Ministry of PNG released Rs. 3608.71 crore to GAIL till March, 2020 for the financial year 2019-20. Further, an amount of Rs. 728.03 was allocated under this scheme for the financial year 2020-21. Out of which the Ministry has already released Rs. 475.606 crore to GAIL. The Committee have also noted that due to issues related to delay in handing over of land for right of use acquisition along with fixation of compensation by the State Governments, the project has received an extension till 31.12.2021 from PNGRB and accordingly, Rs. 250 crore has been allocated under this scheme should be fully utilized.



The Committee have been apprised that PDHP projects have been facing problems at various sections such as farmers agitations in some districts of Orissa, permissions from the department of forest, clearances related to RoU from the department of revenue and finalization of land compensation issues in West Bengal.

The Committee note that these issues have been deliberated in a recent PRAGATI meeting held on 24.02.2021 chaired by the Hon'ble PM and it is expected that all these issues will be resolved shortly. The Committee, therefore, recommend that the Ministry should coordinate with authorities of the State Governments concerned to resolve various issues falling along the line of PDHP project so that the allocated funds will be utilized fully during the year 2021-22 and the project will be completed at the earliest.

**13. Indradhanush Gas Grid Limited (IGGL)**

The Committee observe that a provision of Rs. 500.00 crore has been made in respect of a new scheme called Indradhanush Gas Grid Limited (IGGL) as a part of North East Natural Gas Pipeline Grid for the BE 2021-22. The Committee have learnt that the scheme was launched on 09<sup>th</sup> February, 2019 and the authorization for the same was granted by PNGRB on 17<sup>th</sup> November 2020. In this regard, Viability Gap Funding of 60% of the total CAPEX of Rs. 9265 crore was approved by CCEA on 08.01.2020. An order for procurement of pipelines for 550 kms of the Phase-I of the project from Guwahati to Dibrugarh was awarded in September, 2020. Further, the Committee have been apprised that pipeline laying works for Guwahati-Numaligarh-Gohpur-Itanagar section was commenced in December, 2020 with a targeted timeline for completion by March, 2024.

While taking note of the initiative of the Government for making a separate provision for IGGL project during the BE 2021-22, the Committee view that these projects will become a potential game changer by facilitating availability of natural gas for industrial units, vehicular fleet and domestic households in remote and far flung areas of the North Eastern region. The Committee therefore, recommend that the Ministry must chalk out a clear roadmap with stipulated

timelines and cost estimates for strict adherence and accordingly, allocate sufficient funds for the implementation of IGGL projects for the overall development of the region.

#### **14. City Gas Distribution**

The Committee note that the Government has announced in the budget speech about the inclusion of 100 more districts in next three years to the city gas distribution network. The Committee observe that as per the information available with PNGRB, approximately 70.75 lakh households have been provided with PNG connections as on 30<sup>th</sup> November, 2020. Further, it has been observed that currently, 232 geographical areas in 407 districts (27 states/UTs) covering 53% of the area and 71% of the population in the country have access to CGD network till 10<sup>th</sup> CGD Bidding Round conducted by PNGRB. The Committee also observe that under 9<sup>th</sup> and 10<sup>th</sup> CGD Bidding Rounds, CGD entities have made commitments to provide 4.23 crore PNG domestic connections over a period of 8 to 10 years across the country. As per the PNGRB data, there are 2,536 CNG stations in the country as on 30<sup>th</sup> November, 2020. The Committee have also learnt that a natural gas pipeline project will be taken up in the Union Territory of Jammu & Kashmir during the FY 2021-22.

The Committee while appreciating the Government in expanding CGD network across geographical areas, feel that there is still a long way to go in the expansion of CNG and PNG in the country. The Committee note that 100 more districts are to be covered by CGD network and accordingly, expect the Government to include aspirational districts while selecting the new districts and also increase the coverage within the existing covered Geographical Areas so that more households can be brought under PNG network. Therefore, the Committee recommend that the Ministry may intensify the coverage and penetration of households in existing areas and include aspirational districts in the addition of new districts to CGD network so that the objective of the Government to increase the share of natural gas from the current level of 6% to 15% in the overall energy mix of the country will be achieved at the earliest.

**15. Pricing of Petrol and Diesel**

The Committee observe that the issue of increasing prices of petrol and diesel in recent months has become a matter of concern for both policy makers and end consumers alike. Further, despite the considerable downturn in global crude oil prices during the initial period of COVID-19 pandemic, the prices of retail fuels have not been reduced due to the increase in taxes by both the Central and State Governments. With regard to the rising prices of fuels, the Committee have learnt that around 36% of the fuel price has been paid as excise duty and 23% to 28% as VAT by OMCs to the Government. Further, 3% to 4% has been paid as commission to dealers by oil companies. The Committee has been apprised that OMCs do not earn more than one rupee profit per litre and out of this, OMCs would also distribute some portion as dividend to their shareholders.

In view of the above, the Committee strongly feel that the existing tax regime comprising excise duty by the Central Government and Value Added Taxes by State Governments has been the main factors for increasing the burden on consumers. The Committee while understanding the significance of retail fuels as major source of revenue generation for both the Centre and State Governments particularly during the early phase of pandemic, emphasize that the Central and State Governments cannot afford to be oblivious to the impact of rising prices of auto fuels on inflation in the country. The Committee, therefore, recommend that both the Central Government and State Governments must come forward for consultations to reduce taxation in tandem so that consumers will be benefitted by lower prices of auto fuels.

**16. Production of Oil and Gas**

The Committee note that the crude oil and natural gas production by ONGC and OIL has stagnated for the last several years which is a matter of serious concern and the future scenario do not inspire much confidence as the projections of ONGC are surprisingly lesser than the current level of production. The Committee note that ONGC is taking several steps to enhance its hydrocarbon reserve base and to increase production viz. Active participation in

Open Acreage Licensing Policy (OALP)/ Discovered Small Fields (DSF) bidding rounds, Early monetization of discoveries and enhancing production from producing fields using EOR/IOR field-specific techniques, development of CBM, Shale gas/oil, Fractured Basement and HP-HT reservoirs. The Committee note that ONGC is facing certain problems in development drilling activities, mainly of deep water wells completions pertaining to KG-DWN-98/2 Project. The subsea trees (total 29 nos) which are required for well completion activities are being fabricated at facility located in Montrose in UK got delayed on account of COVID-19 pandemic related restrictions and disruption in supply chain.

The Committee acknowledge the policy initiatives and IOR/EOR schemes undertaken by ONGC to improve production of crude oil and natural gas within the country and would like to see increase in the actual production from the new as well as from the existing fields and recommend that all the activities should be regularly monitored by the Ministry/DGH so that the expenditure incurred should commensurate with the overall increase in production.

**17. Reduction of crude import**

The Committee note that the Government has set out a roadmap for reducing India's crude oil imports and has been aggressively working towards several new strategies and initiatives to achieve this target. The Committee also note that for reducing dependence on crude oil import government has been giving thrust on energy efficiency and productivity, demand substitution, improving refinery processes and promotion of bio and alternate fuels. The Committee also find that with successful roll out of HELP/OALP regime, based on National Data Repository (NDR), the Government has achieved massive enhancement of exploration acreage in India. Major milestones have also been achieved in CGD and R-LNG Terminals as well as development of gas market by providing open access to gas infrastructure.

The Committee have been given to understand that Ministry of Petroleum and Natural Gas is working in collaboration with various Central Ministries / stakeholders to make efforts to achieve reduction in import dependency on oil.

Moreover, EBP programme & PM JI-VAN Yojana is yet another thrust area of the Ministry in this effort towards reduction crude dependence.

While recognising the efforts made by the Ministry in this regard, the Committee hope that the policies and programme undertaken by them in order to achieve the target of reducing India's dependence on crude import will bear fruit in the near future. The Committee, therefore, recommend that the Ministry should pursue strategies for the reduction in the import dependence on crude oil and should fix timelines to achieve specific targets.

#### 18. IEBR of Oil PSUs

The Committee note that the actual expenditure of oil and gas sector CPSEs for the year 2020-21 is just Rs. 58549.61 crore (upto December, 20) as against the total revised estimate of Rs. 98921.99 crore. The Committee also note that in the exploration and production sector, the actual expenditure (upto December, 20) is Rs. 28254.69 crore which is very low as compared to the RE i.e. 51750.48 crore. Sectoral analysis of BE and actual expenditure during 2020-21 reveals that in every sector viz. exploration and production, refinery and Marketing, petrochemicals and engineering, the actual expenditure as on December, 2020 has been less than the BE. Oil PSUs such as ONGC and IOCL have not been able to spend the amount earmarked in the RE during 2020-21. Under survey ONGC had spent only Rs. 1100 crore against RE of Rs. 2033 crore and under exploratory drilling the actual expenditure is Rs. 4010 crore till 31.12.2020 against RE of Rs. 6050 crore. The Committee note that under the category exploration and production, Rs. 2149.91 crore was allocated during BE 2020-21 but the actual utilization upto December, 2020 was Rs. 35.38 crore only. The Committee wonder as to why ONGC and OIL are unable to utilise the scarce resources earmarked under a particular head for them in a year. The Committee, therefore, recommend that the IEBR exercise of the CPSEs may be prepared in a more realistic manner to avoid large gaps between the estimates and the expenditure so that the allocated funds will be utilized.

**19. Efforts during COVID-19**

The Committee note that one of the worst disruption to mankind in recent times is the COVID-19 pandemic which prompted global lockdown. In India, the Union Government announced complete lockdown for a period of 21 days beginning 25.03.2020 which was further extended for many months.

The Committee note that Petroleum being essential commodity there was no stoppage of operations at any operating location during the lockdowns in compliance with Government and Regulatory guidelines. In supply and Distribution front, a systematic information flow procedure was established to ensure timely and correct reporting. Integrated retail automation system enabled real-time monitoring enabled sales teams to monitor daily sales and be ready with sales plans for the future. The Committee have been apprised that the exploration sector and refining sector also carried out their operations without much disruption and by following standard operation procedures issued by authorities.

The Committee appreciate that the Ministry and OMCs kept fuel supplies including LPG available across the country without interruption during the COVID-19 lockdown period. The Committee are glad that the petroleum sector rose to the unprecedented situation with aplomb and showed their commitment to the entire nation right from the borders to cooking chullah's in the remotest corner of the country. The Committee recommend that Ministry and PSUs should provide appreciation to the human resources who rose to such emergencies and also lay down system while addressing any hiccups that may have come during

these times to meet any such contingency in future. The Committee note that oil PSUs also spent CSR funds during the pandemic and the expenditure was to help the country to face unprecedented situation. The expenditure by oil PSUs truly justify the purpose for which CSR funds are envisaged.

New Delhi;  
9 March, 2021  
18 Phalguna, 1942 (Saka)

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

**ANNEXURE-I****MINUTES**

**STANDING COMMITTEE ON PETROLEUM AND NATURAL GAS  
(2020-21)  
TENTH SITTING  
(13.02.2021)**

The Committee sat on Friday, the 13 February, 2021 from 1400 hrs. to 1445 hrs. in Committee Room 'D', PHA, New Delhi.

**PRESENT**

**Shri Ramesh Bidhuri - Chairperson**

**MEMBERS****LOK SABHA**

2. Smt. Chinta Anuradha
3. Shri Girish Chandra
4. Shri Unmesh Bhaiyyasaheb Patil
5. Dr. Kalanidhi Veeraswamy
6. Shri Janardan Singh Sigriwal
7. Shri Lallu Singh
8. Shri Vinod Kumar Sonkar
9. Shri Rajan Baburao Vichare

**RAJYA SABHA**

10. Shri Narain Dass Gupta
11. Shri Kanakamedala Ravindra Kumar
12. Shri Om Prakash Mathur
13. Dr. Bhagwat Karad
14. Shri A. Vijaykumar
15. Ch. Sukhram Singh Yadav

**SECRETARIAT**

1. Smt. Abha Singh Yaduvanshi - Additional Secretary
2. Shri Vinay Pradeep Barwa - Deputy Secretary
3. Shri Mohan Arumala - Under Secretary



**Representatives of the Ministry of P&NG**

- |    |                            |   |  |
|----|----------------------------|---|--|
| 1. | Shri Rajesh Aggarwal       | - | Additional Secretary & Financial Adviser |
| 2. | Shri Amar Nath             | - | Joint Secretary                          |
| 3. | Smt. Usha Suresh           |   | Sr. Economic Adviser                     |
| 4. | Shri Ashish Chatterjee     | - | Joint Secretary                          |
| 5. | Shri B.N. Reddy            | - | Joint Secretary                          |
| 6. | Shri Navneet Mohan Kothari | - | Joint Secretary                          |
| 7. | Shri Rohit Mathur          | - | Joint Secretary                          |
| 8. | Smt. Indarani Kaushal      | - | Economic Adviser                         |
| 9. | Smt. Perin Devi            | - | Director                                 |

**Representative of DGH**

- |    |                 |   |         |
|----|-----------------|---|---------|
| 1. | Shri S.C.L. Das | - | DG, DGH |
|----|-----------------|---|---------|

**Representatives of the Public Sector Undertakings**

- |    |                             |   |                               |
|----|-----------------------------|---|-------------------------------|
| 1. | Shri Shrikant Madhav Vaidya | - | Chairman, IOCL                |
| 2. | Shri Mukesh Kumar Surana    | - | CMD, HPCL                     |
| 3. | Shri Manoj Jain             | - | CMD, GAIL                     |
| 4. | Shri R.K. Sabarwal          | - | CMD, (Additional Charge), EIL |
| 5. | Shri Rajesh Kakkra          | - | Director (Offshore), ONGC     |
| 6. | Shri Harish Madhav          | - | Director (Finance), OIL       |
| 7. | Shri N. Vijayagopal         | - | Director (Finance), BPCL      |

2. At the outset, the Hon'ble Chairperson welcomed Members of the Committee and representatives of Ministry of P&NG/PSUs to the sitting of the Committee and informed that the sitting was convened to take oral evidence on 'Demands for Grants (2021-22)' of the Ministry of P&NG. Thereafter, the representative of the Ministry of P&NG/PSUs got introduced themselves to the Committee.

3. Subsequently, a power point presentation was made by the representative of the Ministry before the Committee. Thereafter, the Committee was adjourned.

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

**The Committee then adjourned.**

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**ANNEXURE-II**

**MINUTES**  
**STANDING COMMITTEE ON PETROLEUM AND NATURAL GAS**  
**(2020-21)**  
**ELEVENTH SITTING**  
**(19.02.2021)**

The Committee sat on Friday, the 19 February, 2021 from 1100 hrs. to 1330 hrs. in Main Committee Room, PHA, New Delhi.

**PRESENT**

**Shri Ramesh Bidhuri - Chairperson**

**MEMBERS****LOK SABHA**

2. Shri Girish Chandra
3. Shri Rodmal Nagar
4. Shri M.K. Raghavan
5. Shri Chandra Sekhar Sahu
6. Shri Janardan Singh Sigriwal
7. Shri Rajan Baburao Vichare

**RAJYA SABHA**

8. Shri Narain Dass Gupta
9. Smt. Kanta Kardam
10. Shri Kanakamedala Ravindra Kumar
11. Shri Om Prakash Mathur
12. Dr. Bhagwat Karad
13. Shri A. Vijaykumar
14. Ch. Sukhram Singh Yadav

**SECRETARIAT**

1. Smt. Abha Singh Yaduvanshi - Additional Secretary
2. Shri H. Ram Prakash - Director
3. Shri Vinay Pradeep Barwa - Deputy Secretary
4. Shri Mohan Arumala - Under Secretary

**Representatives of the Ministry of P&NG**

- |     |                            |   |                      |
|-----|----------------------------|---|----------------------|
| 1.  | Shri Tarun Kapoor          | - | Secretary            |
| 2.  | Shri Rajesh Aggarwal       | - | AS&FA                |
| 3.  | Shri Amar Nath             | - | Joint Secretary      |
| 4.  | Smt. Usha Suresh           | - | Sr. Economic Adviser |
| 5.  | Shri Sunil Kumar           | - | Joint Secretary      |
| 6.  | Shri Ashish Chatterjee     | - | Joint Secretary      |
| 7.  | Shri B.N. Reddy            | - | Joint Secretary      |
| 8.  | Shri Navneet Mohan Kothari | - | Joint Secretary      |
| 9.  | Shri Rohit Mathur          | - | Joint Secretary      |
| 10. | Smt. Indarani Kaushal      | - | Economic Adviser     |

**Representative of DGH/OIDB/PPAC**

- |    |                           |   |                 |
|----|---------------------------|---|-----------------|
| 1. | Dr. Anand Gupta           | - | ADG, DGH        |
| 2. | Dr. Niranjana Kumar Singh | - | Secretary, OIDB |
| 3. | Shri Praveen Mal Khannoja | - | DG, PPAC        |

**Representatives of Public Sector Undertakings**

- |     |                             |   |                               |
|-----|-----------------------------|---|-------------------------------|
| 1.  | Shri Shashi Shankar         | - | CMD, ONGC                     |
| 2.  | Shri Shrikant Madhav Vaidya | - | Chairman, IOCL                |
| 3.  | Shri Mukesh Kumar Surana    | - | CMD, HPCL                     |
| 4.  | Shri M.V. Iyer              | - | Director, GAIL                |
| 5.  | Shri Sushil Chandra Mishra  | - | CMD, OIL                      |
| 6.  | Shri R.K. Sabarwal          | - | CMD, (Additional Charge), EIL |
| 7.  | Shri Ratnasekhar Adika      | - | CMD, Balmer Lawrie            |
| 8.  | Shri S.K. Barua             | - | CMD, NRL                      |
| 9.  | Shri M. Venkatesh           | - | MD, MRPL                      |
| 10. | Shri Rajeev Ailawadi        | - | MD, CPCL                      |
| 11. | Shri A.K. Gupta             | - | MD, OVL                       |
| 12. | Shri E.S. Ranganathan       | - | MD, IGL                       |
| 13. | Shri H.P.S. Ahuja           | - | MD, ISPRL                     |
| 14. | Shri Avinash Verma          | - | MD, OPAL                      |
| 15. | Shri Ajay Kumar Vasudev     | - | MD, BPRL                      |
| 16. | Shri Arun Kumar Singh       | - | Director (Marketing), BPCL    |
| 17. | Shri A.K. Jana              | - | CEL, GAIL Gas                 |
| 18. | Shri Subhash Kumar          | - | Director (F), ONGC            |
| 19. | Shri Sandeep Gupta          | - | Director (F), IOCL            |
| 20. | Shri Vijay Gopal            | - | Director (F), BPCL            |
| 21. | Shri R. Kesavan             | - | Director (F), HPCL            |
| 22. | Shri A.K. Tiwari            | - | Director (F), GAIL            |

2. At the outset, the Hon'ble Chairperson welcomed Members of the Committee and representatives of Ministry of P&NG/PSUs to the sitting of the Committee and informed that the sitting was convened to take further oral evidence on 'Demands for Grants (2021-22)' of the Ministry of P&NG. Thereafter, the representative of the Ministry of P&NG/PSUs got introduced themselves to the Committee.

3. Thereafter, Members of the Committee deliberated on a wide range of issues related to the subject such as drastic reductions of overall budgetary allocation, reasons for decrease in allocation for DBT-LPG scheme, steps taken to include economically weaker sections from general category under PMUY for 1 crore new connections, setting up of 2G ethanol plants as part of PM JI-VAN yojana throughout the country to produce biodiesel reasons for increase in price of LPG cylinders, ensuring availability of kerosene for the needy, issues related to pricing of petrol and diesel, progress of municipal waste to energy projects.

4. Further, completion of gas pipelines viz Phulpur-Dhamra-Haldia Pipeline, timely completion of Indradhanush Gas Grid, border regions and hilly terrains, adding 100 new districts to City Gas Distribution network, current status of the construction of permanent campus of IPE at Vishakhapatnam and Centre of Excellence for Energy in Bengaluru, reasons for fire incidents along oil and gas pipelines and preventive measures for the same, status of national seismic programme which can be helpful in exploration and investment in E&P Sector, possibilities of commercial exploitation of Phase –II of ISPRL and increasing domestic production of oil and gas by enhancing IOR/EOR also came up for discussion during the sitting.

5. Thereafter, the Chairperson thanked the representatives of the Ministry and PSUs for expressing their views and answering queries raised by the Members of the Committee. Further, to the queries where replies were not readily available, Ministry and PSUs were instructed to furnish the same to the Secretariat within seven days.

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

**The Committee then adjourned.**

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**ANNEXURE-III**

**MINUTES**  
**STANDING COMMITTEE ON PETROLEUM AND NATURAL GAS**  
**(2020-21)**  
**TWELFTH SITTING**  
**(08.03.2021)**

The Committee sat on Monday, the 8 March, 2021 from 1400 hrs. to 1445 hrs. in Committee Room 'E', Parliament House Annexe, New Delhi.

**PRESENT**

**Shri Ramesh Bidhuri - Chairperson**

**MEMBERS****LOK SABHA**

2. Smt. Chinta Anuradha
3. Shri Santosh Kumar
4. Shri Unmesh Bhaiyyasaheb Patil
5. Dr. Kalanidhi Veeraswamy
6. Shri Janardan Singh Sigriwal
7. Shri Lallu Singh
8. Shri Vinod Kumar Sonkar
9. Shri Ajay Tamta

**RAJYA SABHA**

10. Shri Narain Dass Gupta
11. Smt. Kanta Kardam
12. Shri Kanakamedala Ravindra Kumar
13. Dr. Bhagwat Karad
14. Ch. Sukhram Singh Yadav

**SECRETARIAT**

1. Smt. Abha Singh Yaduvanshi - Additional Secretary
2. Shri H. Ram Prakash - Director
3. Shri Vinay Pradeep Barwa - Deputy Secretary
4. Shri Mohan Arumala - Under Secretary

2. At the outset, Hon'ble Chairperson welcomed the Members to the sitting of the Committee. The Committee then took up for consideration draft Report on 'Demands for Grants (2021-22) of MoP&NG' and adopted the same without any modifications.

3. XXX XXX XXX XXX XXX XXX XXX XXX XXX XXX XXX XXX.

4. The Committee then authorised the Chairperson to present/lay the Reports in both the Houses of Parliament.

**The Committee then adjourned.**

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**XXX: Matter not related to the subject.**

**Appendix-I**

(I) The Mandate of the Ministry of Petroleum and Natural Gas is given below:

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

16. Public sector project falling under the subject included in this list except such projects which are specifically allotted to any other Ministry / Department.
17. The Oil Fields (Regulation and Development) Act, 1948 (53 of 1948).
18. The Oil and Natural Gas Commission (Transfer of undertaking and Repeal) Act, 1993 (65 of 1993).
19. The Petroleum Pipelines (Acquisition of right of User in Land) Act, 1962 (50 of 1962).
20. The 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 thereunder.
25. Administration of Balmer Lawrie Investment Limited and Balmer Lawrie and Company Limited.
26. Petroleum & Natural Gas Regulatory Act, 2006.
27. Matter pertaining to M/s Bienco 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 (IIPET), 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).



**Appendix-II****Status of CPSEs under the administrative control of the MoPNG**

<b><u>S. No</u></b>	<b><u>CPSE</u></b>	<b><u>Ratna Status</u></b>
1.	ONGC	Maharatna
2.	IOCL	Maharatna
3.	GAIL	Maharatna
4.	BPCL	Maharatna
5.	HPCL	Maharatna
6.	EIL	Navratna
7.	OIL	Navratna
8.	MRPL	Miniratna
9.	CPCL	Miniratna
10.	Balmer Lawrie & Co. (BLC)	Miniratna
11.	NRL	Miniratna
12.	OVL	Miniratna
13.	BPRL	-----
14.	Biecco Lawrie	-----
15.	BLIL	-----
16.	BCPL	-----

No new Organisation/ Agency/ Board etc. has come under the administrative control of the Ministry.