

MINISTRY OF PETROLEUM AND NATURAL GAS

DEMAND NO. 71

Ministry of Petroleum and Natural Gas

A. The Budget allocations, net of recoveries, are given below:

		<i>(In crores of Rupees)</i>									
Major Head		Budget 2003-2004			Revised 2003-2004			Budget 2004-2005			
		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
	Revenue	...	8128.28	8128.28	...	6584.00	6584.00	...	3573.42	3573.42	
	Capital	...	...	...	319.36	...	319.36	...	...	...
	Total	...	8128.28	8128.28	319.36	6584.00	6903.36	...	3573.42	3573.42	
1.	Secretariat-Economic Services	3451	...	8.28	8.28	...	8.00	8.00	...	10.42	10.42
2.	<i>Post APM Subsidies and other expenditure</i>										
2.01	Subsidy on LPG & Kerosene for PDS	2802	...	6300.00	6300.00	...	6292.44	6292.44	...	3500.00	3500.00
2.02	Freight Subsidy	2802	...	246.00	246.00	...	79.32	79.32	...	59.00	59.00
2.03	Compensation for sale of ATF to Foreign Airlines	2802	...	...	...	...	...	...	...	...	...
2.04	Compensation for irrecoverable taxes	2802	...	1570.00	1570.00	...	200.99	200.99	...	...	...
	<i>Total</i>		...	<i>8116.00</i>	<i>8116.00</i>	...	<i>6572.75</i>	<i>6572.75</i>	...	<i>3559.00</i>	<i>3559.00</i>
3.	Petroleum Regulatory Board	2802	...	2.00	2.00	...	1.00	1.00	...	2.00	2.00
4.	Anti Adulteration Cell	2802	...	2.00	2.00	...	2.00	2.00	...	2.00	2.00
5.	Bonds issued to Oil Companies in settlement of their claims under Administered Price Mechanism	2802	...	...	...	...	348.63	348.63	...	...	...
	Less- Deposits by the Oil Companies	8012	...	...	...	...	-348.63	-348.63	...	...	...
	<i>Net</i>		...	...	...	...	...	...	...	...	...
6.	Payment of subsidy to Mazagon Dock	2802	...	...	...	...	0.25	0.25	...	...	...
7.	<i>Investment in Public Enterprises</i>										
	Issue of Bonus shares by Indian Oil Corporation (IOC) Ltd.	4802	...	...	...	319.36	...	319.36	...	...	...
	Grand Total		...	8128.28	8128.28	319.36	6584.00	6903.36	...	3573.42	3573.42
B.	Investment in Public Enterprises	Head of Dev.	Budget Support	I.E.B.R	Total	Budget Support	I.E.B.R	Total	Budget Support	I.E.B.R	Total
I.	<i>Petroleum Sector:</i>										
7.01	Oil & Natural Gas Corporation Ltd.	12802	...	13223.25	13223.25	...	10624.70	10624.70	...	10000.00	10000.00
7.02	Gas Authority of India Ltd.	12802	...	2727.18	2727.18	...	3741.56	3741.56	...	3461.00	3461.00
7.03	Hindustan Petroleum Corporation Ltd	12802	...	750.00	750.00	...	240.00	240.00	...	1098.00	1098.00
7.04	Bharat Petroleum Corporation Ltd	12802	...	800.00	800.00	...	724.90	724.90	...	550.00	550.00
7.05	Chennai Petroleum Corporation Ltd.	12802	...	850.00	850.00	...	850.00	850.00	...	209.90	209.90
7.06	Kochi Refineries Ltd.	12802	...	85.00	85.00	...	64.00	64.00	...	212.00	212.00
7.07	Bongaigaon Refinery and Petro Chemicals Ltd.	12802	...	10.00	10.00	...	2.45	2.45	...	14.00	14.00
7.08	Indian Oil Corporation Ltd.	12802	...	2450.00	2450.00	319.36	2220.54	2539.90	...	2805.00	2805.00
7.09	Oil India Limited	12802	...	1000.00	1000.00	...	940.00	940.00	...	975.00	975.00
7.10	Numaligarh Refinery Ltd.	12802	...	60.00	60.00	...	24.00	24.00	...	110.00	110.00
7.11	IBP Co. Ltd	12802	...	125.00	125.00	...	125.00	125.00	...	158.00	158.00
7.12	Oil & Natural Gas Corporation Videsh Ltd.	12802	...	...	...	...	3871.21	3871.21	...	3602.90	3602.90
7.13	Mangalore Refineries and Petrochemicals Ltd.	12802	...	...	...	...	145.00	145.00	...	380.00	380.00
	Total - Petroleum Sector		...	22080.43	22080.43	319.36	23573.36	23892.72	...	23575.80	23575.80
II.	<i>Petro-Chemicals Sector:</i>										
7.14	Indian Oil Corporation Ltd.	12856	...	452.32	452.32	...	690.27	690.27	...	1117.00	1117.00
7.15	Bharat Petroleum Corporation Ltd	12856	...	0.10	0.10	...	0.10	0.10	...	0.10	0.10
7.16	Chennai Petroleum Corporation Ltd.	12856	...	...	...	...	...	...	...	0.10	0.10
7.17	Bongaigaon Refinery and Petro-Chemicals Ltd.	12856	...	3.00	3.00	...	2.05	2.05	...	6.00	6.00
7.18	Gas Authority of India Ltd.	12856	...	177.62	177.62	...	114.44	114.44	...	283.00	283.00
	Total - Petro-Chemicals Sector		...	633.04	633.04	...	806.86	806.86	...	1406.20	1406.20

		(In crores of Rupees)										
		Budget, 2003-2004			Revised, 2003-2004			Budget, 2004-2005				
Head of Dev.		Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total		
<i>III. Engineering Sector:</i>												
7.19	Balmer Lawrie & Co. Ltd.	12858	...	15.00	15.00	...	10.00	10.00	...	13.00	13.00	
7.20	Biecco Lawrie Ltd.	12858	...	3.00	3.00	...	3.00	3.00	...	5.00	5.00	
Total - Engineering Sector			...	18.00	18.00	...	13.00	13.00	...	18.00	18.00	
Total			...	22731.47	22731.47		319.36	24393.22	24712.58	...	25000.00	25000.00
C. Plan Outlay												
1.	Petroleum	12802	...	22080.43	22080.43	319.36	23573.36	23892.72	...	23575.80	23575.80	
2.	Petro-Chemicals	12856	...	633.04	633.04	...	806.86	806.86	...	1406.20	1406.20	
3.	Engineering	12858	...	18.00	18.00	...	13.00	13.00	...	18.00	18.00	
Total			...	22731.47	22731.47		319.36	24393.22	24712.58	...	25000.00	25000.00

1. **Secretariat:** Provides for secretariat expenditure of the Ministry.

2. **Post APM subsidies and other expenditure:**

2.01 & 2.02. **Subsidy on Domestic LPG & PDS Kerosene and Freight Subsidy:** With the dismantling of APM, provision has been made for (i) subsidy on domestic LPG and PDS Kerosene and (ii) freight subsidy on domestic LPG & PDS kerosene for far flung areas.

3. **Petroleum and Natural Gas Regulatory Board:** Provides for establishment related expenditure on the Board to be set up to regulate the post APM petroleum and natural gas sector including protection of consumer interests.

4. **Anti Adulteration Cell:** The Anti Adulteration Cell under the administrative control of MOP&NG has been set up as a subordinate office of this Ministry to ensure (i) Prevention of adulteration and other malpractices in the sale of petroleum products (ii) Prevention of benami operations of retail outlets/LPG distributors, and (iii) To conduct inquiries into complaints against Dealers Selection Boards.

7. **Investment in Public Enterprises:**

7.01 **Oil & Natural Gas Corporation Limited (ONGC):** ONGC was set up with the objective of planning and implementing programmes of exploration and exploitation of petroleum resources of the country, both onshore and offshore. ONGC is implementing a number of projects for stepping up oil and gas production. The outlay includes provisions for survey, exploratory and development drilling, capital acquisition, participation in joint ventures, exploration in frontiers areas, feasibility study, etc.

7.02 **Gas Authority of India Limited (GAIL):** GAIL was set up to cater to processing, transportation and marketing of natural gas. The major projects being implemented include LPG pipelines, upgradation of Telecom Links, HBJ Expansion, LLDPE De-bottlenecking, participation in upstream business development activities etc.

7.03 **Hindustan Petroleum Corporation Limited (HPCL):** The main objective of the company is to refine crude oil and market petroleum products. The company is implementing projects like bottling plants at various locations, crude oil and product pipelines, Punjab Refinery and crude oil pipeline, Visakh & Mumbai Refinery Modernisation project, oil exploration & production etc.

7.04 **Bharat Petroleum Corporation Limited (BPCL):** The objectives of the company are mainly to refine crude oil, market and distribute petroleum products. The company in its annual plan has made provision for investment in Bharat Oman Refinery, POL jetty at JNPT, bottling plants at various locations. Production of high quality LOBs, Refinery modernisation, Product pipelines etc.

7.05 **Chennai Petroleum Corporation Limited (CPCL):** The Company was set up with the objective of installing and running refinery. The major projects under implementation by the company are product quality improvement HSD, refinery expansion, FCCU de-bottlenecking etc.

7.06 **Kochi Refinery Limited (KRL):** The Company was set up to refine crude oil and produce various petroleum products. The Company's annual plan includes provisions for projects like DHDS Project, modernisation of refinery, additional LPG recovery facilities, crude receipt facilities etc.

7.07 **Bongaigaon Refinery & Petro-Chemicals Limited (BRPL):** This Company was set up to refine crude oil etc. Provisions have been made for crude import storage, revamping of power distribution system in CPP, ERP implementation.

7.08 **Indian Oil Corporation Limited (IOC):** IOC operates pipelines and refines imported as well as indigenous crude oil and markets petroleum products. It has refineries at Guwahati, Barauni, Koyali, Haldia, Mathura and Digboi. The annual plan outlay includes provision for expansion of Panipat refinery, grassroot refinery in Eastern India (Paradeep Refinery), product quality improvement and modernisation of refineries.

7.09 **Oil India Limited (OIL):** OIL is engaged in oil exploration and production in the country. It has made provision for drilling and surveys, Overseas exploration development projects, NELP participation etc.

7.10 **Numaligarh Refinery Limited (NRL):** It is a joint venture company amongst IBP, BPCL and the Government of Assam. Provision has been made in Annual Plan for MS Project, Wax Plant, Revamping for Euro III HSD.

7.11 **IBP Co. Limited (IBP):** This company is engaged in marketing of petroleum products and manufacturing high vacuum equipment and explosives.

7.12 **ONGC Videsh Ltd. (OVL):** OVL is a wholly owned subsidiary company of ONGC and is responsible for bringing equity oil from overseas by acquiring development acreages or through exploration ventures abroad. The company is pursuing interests in Vietnam, USSR, Iraq, Sudan, etc.

7.13 **Mangalore Refinery and Petrochemicals Ltd. (MRPL):** This is a subsidiary of ONGC. Provisions have been made in the annual plan for Euro Projects (Euro III), Mix Xylene Projects, variable speed drive etc.

7.19 **Balmer Lawrie Limited:** This company is engaged in the manufacture of lubricating greases and lube barrels, tea exports, marketing of products and in travel and shipping business.

7.20 **Biecco Lawrie Limited:** The company's main activity is to manufacture switchgears.