

MINISTRY OF PETROLEUM AND NATURAL GAS

DEMAND NO. 72

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 2008-2009			Revised 2008-2009			Budget 2009-2010			
		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
	Revenue	25.00	2913.00	2938.00	25.00	2907.00	2932.00	25.00	3144.00	3169.00	
	Capital	...	...	...	...	242.47	242.47	...	...	...
	Total	25.00	2913.00	2938.00	25.00	3149.47	3174.47	25.00	3144.00	3169.00	
1.	Secretariat-Economic Services	3451	...	11.92	11.92	...	15.70	15.70	...	18.35	18.35
2.	Post APM Subsidies and other expenditure										
2.01	Subsidy on LPG & Kerosene for PDS	2802	...	2700.00	2700.00	...	2700.00	2700.00	...	2840.00	2840.00
2.02	Freight Subsidy	2802	...	32.00	32.00	...	24.00	24.00	...	26.00	26.00
2.03	Subsidy to oil companies for supply of Natural Gas to North Eastern Region	2802	...	152.43	152.43	...	152.43	152.43	...	243.00	243.00
	Total		...	2884.43	2884.43	...	2876.43	2876.43	...	3109.00	3109.00
3.	Petroleum Regulatory Board	2802	...	15.00	15.00	...	3.00	3.00	...	15.00	15.00
4.	Society for Petroleum Laboratory	2802	...	1.65	1.65	...	1.57	1.57	...	1.65	1.65
5.	Compensation to Oil Companies in settlement of claims under APM	2802	...	...	...	...	10.30	10.30	...	...	...
6.	Compensation to Oil Companies for under recoveries on account of sale of sensitive petroleum products	2802	...	...	...	...	75942.00	75942.00	...	...	...
	Less- Deposits by the Oil Companies	8012	...	...	...	...	-75942.00	-75942.00	...	...	...
	<i>Net</i>		...	...	...	...	...	...	...	...	...
7.	Rajiv Gandhi Institute of Petroleum Technology(RGIPT)	2802	25.00	...	25.00	25.00	...	25.00	25.00	...	25.00
8.	Investment in Public Enterprises										
8.01	Issue of Bonus Shares by GAIL (India) Limited	4802	...	...	...	...	242.47	242.47	...	...	...
	Grand Total		25.00	2913.00	2938.00	25.00	3149.47	3174.47	25.00	3144.00	3169.00
B.	Investment in Public Enterprises	Head of Dev	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total
I.	Exploration & Production										
8.01.	Oil & Natural Gas Corporation Ltd.	12802	...	19338.00	19338.00	...	19641.53	19641.53	...	20867.58	20867.58
8.02.	Gas Authority of India Ltd.	12802	...	3226.01	3226.01	...	3400.32	3400.32	...	5273.03	5273.03
8.03.	Hindustan Petroleum Corporation Ltd	12802	...	200.00	200.00	...	110.00	110.00	...	100.00	100.00
8.04.	Bharat Petroleum Corporation Ltd	12802	...	312.00	312.00	...	750.00	750.00	...	450.00	450.00
8.05.	Indian Oil Corporation Ltd.	12802	...	256.00	256.00	...	330.00	330.00	...	400.00	400.00
8.06.	Oil India Limited	12802	...	2230.67	2230.67	...	1718.81	1718.81	...	2276.31	2276.31
8.07.	Oil & Natural Gas Corporation Videsh Ltd.	12802	...	6825.14	6825.14	...	17782.47	17782.47	...	9365.06	9365.06
	Total - Exploration & Production		...	32387.82	32387.82	...	43733.13	43733.13	...	38731.98	38731.98
II.	Refining & Marketing Sector										
8.08.	Indian Oil Corporation Ltd.	12802	...	4483.00	4483.00	...	4349.00	4349.00	...	6592.00	6592.00
8.09.	Hindustan Petroleum Corporation Ltd	12802	...	1926.50	1926.50	...	1192.50	1192.50	...	1270.00	1270.00
8.10.	Bharat Petroleum Corporation Ltd	12802	...	1660.00	1660.00	...	2159.00	2159.00	...	2898.70	2898.70
8.11.	Chennai Petroleum Corporation Ltd.	12802	...	519.94	519.94	...	336.49	336.49	...	714.09	714.09
8.12.	Bongaigaon Refinery and Petro Chemicals Ltd.	12802	...	557.39	557.39	...	650.00	650.00	...	561.00	561.00
8.13.	Numaligarh Refinery Ltd.	12802	...	80.00	80.00	...	175.00	175.00	...	230.00	230.00
8.14.	Mangalore Refineries and Petrochemicals Ltd.	12802	...	810.00	810.00	...	527.00	527.00	...	2020.00	2020.00
	Total - Refining & Marketing Sector		...	10036.83	10036.83	...	9388.99	9388.99	...	14285.79	14285.79

(In crores of Rupees)

	Head of Dev.	Budget 2008-2009			Revised 2008-2009			Budget 2009-2010		
		Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total
III. Petro-Chemicals Sector:										
8.15. Indian Oil Corporation Ltd.	12856	...	3761.00	3761.00	...	4121.00	4121.00	...	4008.00	4008.00
8.16. Hindustan Petroleum Corporation Ltd	12856	...	15.00	15.00	...	7.00	7.00	...	20.00	20.00
8.17. Chennai Petroleum Corporation Ltd.	12856	...	8.00	8.00	...	...	...	...	2.00	2.00
8.18. Gas Authority of India Ltd.	12856	...	187.35	187.35	...	158.64	158.64	...	284.97	284.97
8.19. Manglore Refineries and Petrochemicals Ltd.	12856	...	15.00	15.00	...	15.00	15.00	...	28.00	28.00
8.20. Numaligarh Refinery Ltd.	12856	...	21.00	21.00	...	8.00	8.00	...	20.00	20.00
Total - Petro-Chemicals Sector		...	4007.35	4007.35	...	4309.64	4309.64	...	4362.97	4362.97
IV. Engineering Sector:										
8.21. Balmer Lawrie & Co. Ltd.	12858	...	100.00	100.00	...	70.00	70.00	...	90.00	90.00
8.22. Biecco Lawrie Ltd.	12858	...	8.00	8.00	...	8.00	8.00	...	5.00	5.00
Total - Engineering Sector		...	108.00	108.00	...	78.00	78.00	...	95.00	95.00
Total		...	46540.00	46540.00	...	57509.76	57509.76	...	57475.74	57475.74
C. Plan Outlay										
1. Petroleum	12802	25.00	42424.65	42449.65	25.00	53122.12	53147.12	25.00	53017.77	53042.77
2. Petro-Chemicals	12856	...	4007.35	4007.35	...	4309.64	4309.64	...	4362.97	4362.97
3. Engineering	12858	...	108.00	108.00	...	78.00	78.00	...	95.00	95.00
Total		25.00	46540.00	46565.00	25.00	57509.76	57534.76	25.00	57475.74	57500.74

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

2.01. **Subsidy on Domestic LPG and PDS Kerosene** Provision is for payment to oil companies on account of subsidy on domestic LPG & PDS kerosene.

2.02 **Freight Subsidy on retail products for far flung areas:** Provision is for payment to oil companies on account of freight subsidy on retail products for far flung areas.

2.03 **Subsidy to oil companies for supply of Natural Gas to NE Region:** Provision is for payment to oil companies on account of subsidy for supply of natural gas to North Eastern Region.

3. **Petroleum Regulatory Board :** The Petroleum & Natural Gas Regulatory Board Act, 2006 was notified by the Government on 3.4.2006 and the Board has since been set up. The Chairman and three other Members have joined the Board in June, 2007. The Act, inter alia, provides for a legal framework for downstream gas sector regulation, as also for development of natural gas pipelines and city/local gas distribution networks.

4. **Society for Petroleum Laboratory:** Provision is for Society for Petroleum Laboratory.

7. **Rajiv Gandhi Institute of Petroleum Technology:** Rajiv Gandhi Institute of Petroleum Technology (RGIPT) has been set up at Jais, Rae Bareilly with the objective of creating an institution of excellence in the petroleum sector to cater to the educational and training requirements of all segments of the petroleum industry in India and globally.

8.01 **Oil & Natural Gas Corp. Ltd.:** Oil & Natural Gas Corporation Ltd. (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 surveys, exploratory and development drilling, Coastal projects and purchase, R&D domestic and integration projects etc.

8.02 **Gas Authority of India Ltd. :** GAIL was set up to cater to processing transportation and marketing of natural gas. The major projects being implemented include New Pipelines- Project Development, Dahej-Vijaipur Pipeline, Jhajjar-Hissar Pipelines, Vijaipur-Dadri Pipeline, E&P Blocks, Chainsa, Jhajjar-Spurline, Assam gas Cracker, GCU debottlenecking Plant, Chainsa-Jhajjar-Bamnauli Pipeline, Dadri-Bawana-Nangal Pipeline, RGPPL, Equity participation in JVs.

8.03 **Hindustan Petroleum Corporation Ltd.:** The main objective of the company is to refine crude oil and market petroleum products. The company is implementing projects like HPCL-Mittal Energy Ltd., Upgradation-LOBS Quality-MR improvement in Effluent Treatment Process Unit, Installation of FCCU, Diesel Hydro Treater, Clean Fuel Project Visakh Refinery, Resitment of Visakh Marketing terminal etc.

8.04 **Bharat Petroleum Corporation Ltd.:** The objective of the company is to refine crude oil, market and distribute petroleum products. The company in its annual plan has provided provisions for facilities to produce Euro IV Auto fuels at Mumbai, Hydrocracker Revamp and setting up of a new CCR at Mumbai Refinery, CEMP project Phase-II at Kochi Refinery, Product Pipeline from Bina to Kota, etc.

8.05 **Indian Oil Corporation Ltd. :** The Indian Oil Corporation Ltd. 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 outlay includes provision for Naptha Cracker Project at Panipat, Hydrocracker Project at Haldia, Residue Upgradation project at Gujarat Refineries and Paradip Refinery.

8.06 **Oil India Ltd.:** OIL is engaged in oil exploration and production in the country. It has made provisions in its Annual Plan for geological, exploratory drilling, development drilling, capital equipment and facilities NELP-VII projects, downstream acquisition, overseas ventures etc.

8.07 **ONGC Videsh Ltd.:** ONGC-VL 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 outlay includes investment in properties in Vietnam, Russia, Sudan, Columbia, Myanmar, Lybia, Syria, Cuba, Brazil, Egypt, Ivory Coast etc.

8.11 **Chennai Petroleum Corporation Ltd.:** The Company was set up with the objective of installing and running refinery. The major projects under implementation by the company are Revamping of CDUs/VDU. Auto fuel project to meet Euro IV specifications, residue upgradation project etc.

8.12 **Bongaigaon Refinery and Petro-Chemicals Ltd.:** This company was set up to refine crude oil. Provisions have been made for diesel quality project and MS quality upgradation (Euro-III) project, MS maxmization project etc.

8.13 **Numaligarh Refinery Ltd. :** It is a joint venture company amongst IBP Co. Ltd., Bharat Petroleum Corp. Ltd. and the Government of Assam. Provision has been made in Annual Plan for marketing terminal at Siliguri, diesel quality upgradation, Euro-IV MS/HSD production, Wax project (Line Entry) and Assam Gas Cracker project.

8.14 **MRPL:** This is a subsidiary company of ONGC. Provision have been made in Annual Plan for refinery upgradation-cum-Expansion Phase-III, revamping of CDU/VDU, revamping of Gas Oil Desulphurisation Unit, Kakinada/Rajasthan Refinery.

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

8.22 **Biecco Lawrie Ltd. :** The company's main activity is to manufacture electrical switchgears.