

MINISTRY OF PETROLEUM AND NATURAL GAS**DEMAND NO. 70****Ministry of Petroleum and Natural Gas**

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

(In crores of Rupees)

Major Head	Budget 2006-2007			Revised 2006-2007			Budget 2007-2008			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
Revenue	...	3106.62	3106.62	...	2800.28	2800.28	...	2867.81	2867.81	
Capital	...	...	...	...	528.58	528.58	...	...	...
Total	...	3106.62	3106.62	...	3328.86	3328.86	...	2867.81	2867.81	
1. Secretariat-Economic Services	3451	...	11.62	11.62	...	12.28	12.28	...	10.81	10.81
2. <i>Post APM Subsidies and other expenditure</i>										
2.01 Subsidy on LPG & Kerosene for PDS	2802	...	2900.00	2900.00	...	2599.43	2599.43	...	2650.00	2650.00
2.02 Freight Subsidy	2802	...	30.00	30.00	...	26.00	26.00	...	30.00	30.00
2.03 Subsidy to oil companies for supply of Natural gas to North Eastern Region	2802	...	150.00	150.00	...	160.00	160.00	...	160.00	160.00
<i>Total</i>	...	...	<i>3080.00</i>	<i>3080.00</i>	...	<i>2785.43</i>	<i>2785.43</i>	...	<i>2840.00</i>	<i>2840.00</i>
3. Petroleum Regulatory Board	2802	...	15.00	15.00	...	2.00	2.00	...	15.00	15.00
4. Anti Adulteration Cell	2802	...	...	...	...	0.57	0.57	...	...	...
5. Society for Petroleum Laboratory	2802	...	...	...	...	...	...	...	2.00	2.00
6. Compensation to Oil Companies for under recoveries on account of sale of sensitive petroleum products	2802	...	...	...	...	19150.00	19150.00	...	...	...
Less- Deposits by the Oil Companies	8012	...	...	...	...	-19150.00	-19150.00	...	...	...
<i>Net</i>	...	...	...	...	...	...	...	...	...	...
7. <i>Investment in Public Enterprises</i>										
7.01 Issue of Bonus shares by ONGC	4802	...	...	...	...	528.58	528.58	...	...	...
Grand Total		...	3106.62	3106.62	...	3328.86	3328.86	...	2867.81	2867.81
B. Investment in Public Enterprises	Head of Dev.	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total
I. Exploration & Production										
1. Oil & Natural Gas Corporation Ltd.	12802	...	14354.28	14354.28	...	16518.84	16518.84	...	17887.06	17887.06
2. Gas Authority of India Ltd.	12802	...	2579.58	2579.58	...	2305.64	2305.64	...	2572.83	2572.83
3. Hindustan Petroleum Corporation Ltd	12802	...	...	...	...	50.00	50.00	...	400.00	400.00
4. Bharat Petroleum Corporation Ltd	12802	...	...	...	...	55.00	55.00	...	126.00	126.00
5. Indian Oil Corporation Ltd.	12802	...	...	...	...	...	...	...	264.00	264.00
6. Oil India Limited	12802	...	1788.95	1788.95	...	2166.55	2166.55	...	1705.68	1705.68
7. Oil & Natural Gas Corporation Videsh Ltd.	12802	...	6654.25	6654.25	...	6919.06	6919.06	...	5287.87	5287.87
Total - Exploration & Production		...	25377.06	25377.06	...	28015.09	28015.09	...	28243.44	28243.44
II. Refining & Marketing Sector										
8. Indian Oil Corporation Ltd.	12802	...	3194.01	3194.01	...	2260.60	2260.60	...	2379.34	2379.34
9. Hindustan Petroleum Corporation Ltd	12802	...	2365.00	2365.00	...	2583.82	2583.82	...	2593.00	2593.00
10. Bharat Petroleum Corporation Ltd	12802	...	927.70	927.70	...	1165.55	1165.55	...	1439.90	1439.90
11. Chennai Petroleum Corporation Ltd.	12802	...	124.50	124.50	...	90.00	90.00	...	284.00	284.00
12. Kochi Refineries Ltd.	12802	...	326.15	326.15	...	...	...	...	...	...
13. Bongaigaon Refinery and Petro Chemicals Ltd.	12802	...	110.04	110.04	...	88.71	88.71	...	518.86	518.86
14. IBP Co. Ltd	12802	...	200.00	200.00	...	200.00	200.00	...	...	...
15. Numaligarh Refinery Ltd.	12802	...	147.00	147.00	...	113.00	113.00	...	178.00	178.00
16. Mangalore Refineries and Petrochemicals Ltd.	12802	...	291.58	291.58	...	265.33	265.33	...	727.02	727.02
Total - Refining & Marketing Sector		...	7685.98	7685.98	...	6767.01	6767.01	...	8120.12	8120.12
III. Petro-Chemicals Sector:										
17. Indian Oil Corporation Ltd.	12856	...	2433.99	2433.99	...	1703.40	1703.40	...	2175.00	2175.00
18. Hindustan Petroleum Corporation Ltd	12856	...	15.00	15.00	...	5.10	5.10	...	57.00	57.00
19. Bharat Petroleum Corporation Ltd	12856	...	0.10	0.10

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(In crores of Rupees)

	Head of Dev.	Budget 2006-2007			Revised 2006-2007			Budget 2007-2008		
		Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total
20. Chennai Petroleum Corporation Ltd.	12856	...	0.50	0.50	...	...	...	...	5.00	5.00
21. Bongaigaon Refinery and Petro-Chemicals Ltd.	12856	...	6.85	6.85	...	8.13	8.13	...	7.50	7.50
22. Gas Authority of India Ltd.	12856	...	387.70	387.70	...	326.50	326.50	...	171.00	171.00
23. Manglore Refineries and Petrochemicals Ltd.	12856	...	66.15	66.15	...	19.67	19.67	...	83.00	83.00
24. Numaligarh Refinery Ltd.	12856	...	...	...	...	...	...	...	10.00	10.00
Total - Petro-Chemicals Sector		...	2910.29	2910.29	...	2062.80	2062.80	...	2508.50	2508.50
IV. Engineering Sector:										
25. Balmer Lawrie & Co. Ltd.	12858	...	25.00	25.00	...	13.75	13.75	...	25.00	25.00
26. Biecco Lawrie Ltd.	12858	...	5.00	5.00	...	5.00	5.00	...	5.00	5.00
Total - Engineering Sector		...	30.00	30.00	...	18.75	18.75	...	30.00	30.00
Total		...	36003.33	36003.33	...	36863.65	36863.65	...	38902.06	38902.06
C. Plan Outlay										
1. Petroleum	12802	...	33063.04	33063.04	...	34782.10	34782.10	...	36363.56	36363.56
2. Petro-Chemicals	12856	...	2910.29	2910.29	...	2062.80	2062.80	...	2508.50	2508.50
3. Engineering	12858	...	30.00	30.00	...	18.75	18.75	...	30.00	30.00
Total		...	36003.33	36003.33	...	36863.65	36863.65	...	38902.06	38902.06

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 and 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 (PRB):** The provision is for Petroleum Regulatory Board. The PNGRB Act 2006, notified by the Government on 3.4.06 provides for the setting up of a Regulatory Board. 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.

5. **Society for Petroleum Laboratory:** Earlier the provision for this Society was included in the Head "Professional Services".

7.1 **Oil & Natural Gas Corp. Ltd.:** Oil & Natural Gas Corporation Ltd. (ONGC) was set up with the object 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, Rig upgradation, JVC participation, exploration in frontier areas, feasibility study etc.

7.2 **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 Dahej Uran pipeline project, various other Pipeline projects, Globalisation, project Blue Sky, Mergers & Acquisitions, Assam Gas Cracker, exploration & production, etc.

7.3 **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 Bottling Plants at various locations, crude oil and product pipelines, Punjab Refinery, Visakh & Mumbai Refinery Modernisation project, Oil Exploration & Production, Joint venture projects, naptha cracker, underground cavern storage etc.

7.4 **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 made provisions for investment in Bharat Oman Refinery, Bottling Plants at various locations, Production of high quality LOBs-Mumbai Refinery, Refinery modernization, Product pipelines, partnership in NELP blocks, etc.

7.5 **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 Grass Root Refinery in Eastern Sector, Expansion of Panipat Refinery, Residue upgradation & MS quality improvement at Barauni, Panipat and Gujarat, various pipeline projects, LPG bottling plants at various locations etc.

7.6 **Oil India Ltd.:** OIL is engaged in oil exploration and production in the country. It has made provisions in its Annual Plan for drilling and surveys, overseas exploration development projects, NELP participation, Ganga Valley exploration, expansion of Crude Oil Trunk pipeline overseas projects etc.

7.7 **ONGC Videsh Ltd.:** ONGC-VL is 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, Russia, Iraq, Sudan, Libya, Qatar, Myanmar, Cuba, Egypt, etc.

7.11 **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 Desalination project at Manali, crude oil pipeline, Revamping of CDU/VDU, NHDT/CRU, Auto fuel project to meet Euro IV specifications, residue upgradation project etc.

7.13 **Bongaigaon Refinery and Petro-Chemicals Ltd.:** This company was set up to refine crude oil. Provisions have been made for diesel quality upgradation, Indmax, MS maximization & quality upgradation etc.

7.14 **IBP Co. Ltd. :** This company is engaged in marketing of petroleum products.

7.15 **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 Wax Plant, Assam Gas Cracker Project, Natural Gas Pipelines; Duliajan-Numaligarh, Diesel quality upgradation etc.

7.16 **MRPL:** This is a subsidiary company of ONGC. Provision have been made in Annual Plan for Euro Projects (Euro III), Mix Xylene Projects, Revamping of units etc.

7.25 **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.

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