

## Ministry of Petroleum and Natural Gas

### Flagship Scheme Details of MoPNG

(Details upto and including 9<sup>th</sup> April 2018)

#### 1. LPG

Name of the Key initiatives/flagship Scheme	<b>PAHAL</b>		
Launch Date	15 <sup>th</sup> November, 2014		
Objectives	<ul style="list-style-type: none"> <li>• Protect entitlement and ensure subsidy to the consumer.</li> <li>• Ensure saving of precious public money by eliminating diversion.</li> <li>• Improve the availability/delivery of LPG cylinders for genuine users.</li> <li>• Weed out fake/duplicate connections</li> <li>• Allow Self selection in subsidy.</li> </ul>		
Target Beneficiaries	Registered LPG consumers.		
Physical Targets (if any)	NA		
No. of beneficiaries (actual)	20.11 crore		
Performance and achievement in last four years (2014-17)	Year	Subsidy savings ( in cr.)	Consumers joined Scheme ( in cr.)
	2014-15	14,418,	12.26
	2015-16	6,443	3.04
	2016-17	1,654	1.30
	2017-18		
Compare with performance during 2011-14	This Scheme has entered the Guinness Book of World Record for being the largest direct benefit transfer scheme. Earlier Scheme launched in 2012 was discontinued in 2013.		

Name of the Key initiatives/flagship Scheme	<b>Pradhan Mantri Ujjwala Yojana (PMUY)</b>		
Launch Date	1 <sup>st</sup> May, 2016.		
Objectives	<ul style="list-style-type: none"> <li>• Empowering women and protecting their health.</li> <li>• Reducing the serious health hazards associated with cooking based on fossil fuel/bio-mass.</li> <li>• Preventing young children from significant number of acute respiratory illnesses caused due to indoor air pollution by burning the fossil fuel/bio-mass.</li> </ul>		
Target Beneficiaries	BPL Household identified through SECC List and other categories recently added by the Government.		
Physical Targets (if any)	8 crore from 2016-17 to 2020		
No. of beneficiaries (actual)	3.55 crore in 2016-17 and 2017-18.		
Performance and achievement in last four years (2014-17)	Year	Target	Achievement
	2016-17	1.5 crore	3.55 crore
	2017-18	1.5 crore	

Name of the Key initiatives/flagship Scheme	<b>GiveltUp</b>
Launch Date	27 <sup>th</sup> March 2015
Objectives	<ul style="list-style-type: none"> <li>To motivate well-off LPG consumers to voluntarily give up their LPG subsidy. .</li> </ul>
Target Beneficiaries	Well-off LPG consumers for GiveltUp and BPL families for Give back.
Physical Targets (if any)	NA
No. of beneficiaries (actual)	1.04 crore
Performance and achievement in the three years (2015-18)	1.04 crore consumers have gave up their subsidy.
Compare with performance during 2011-14	Not launched earlier.

## 2. Flagship Programme

<b>Scheme/ Initiative</b>	Start - Up India
<b>Details of Scheme/ Objectives (not more than 100 words)</b>	To stimulate, foster and enhance strategic research and innovation capabilities in the oil & gas industry for addressing its short term needs and building a sustainable eco system as a long term objective.
<b>Eligibility criteria</b>	<p>An individual or entity (Private Limited Company or Registered Partnership Firm or Limited Liability Partnership) with-</p> <ol style="list-style-type: none"> <li>I. Up to 5 years from the date of its incorporation/ registration.</li> <li>II. Turnover not exceeding INR 25 crore for any of the preceding financial years.</li> <li>III. Working towards innovation, development, deployment or commercialization of new products, processes or services driven by technology or intellectual property.</li> <li>IV. The entity should not have been formed by splitting up or reconstruction of a business already in existence.</li> </ol>
<b>Target Beneficiary</b>	All States/ UTs
<b>Target Acheived (Current Status)</b>	<p>The CPSEs under the Ministry of Petroleum and Natural Gas are facilitating an innovation ecosystem and promoting Start-Ups in their respective fields.</p> <p>The CPSEs have set up their Start Up fund aggregating to Rs. 320 Crore for 3 years. The participating CPSE's are ONGC,</p>

	<p>OIL, IOCL, BPCL, HPCL, GAIL, EIL, MRPL, NRL and Balmer Lawrie. The CPSE's have launched their websites and have also tied up with various educational institutes for mentoring support.</p> <p>A program on StartUp initiative "STARTUP Sangam" was organized on 25th October, 2017 at New Delhi. The program was held in the presence of Hon'ble Union Minister of PNG and SDE, and attended by CEO NITI Aayog, Secretary P&amp;NG, Secretary, DIPP, JS(R), MoPNG, and senior officials of MoPNG; CEOs, Directors and senior officials of Oil &amp; Gas PSUs; Professor in-charges of IIT Delhi &amp; IIT Mumbai incubators and 29 start-Up companies. During the program, Oil &amp; Gas PSUs exchanged MoU with their Start-Up companies.</p>
<b>Total Outlay (Budget Details year-wise)</b>	NA
<b>Benefits accrue to Beneficiary</b>	The Oil and gas PSUs under this Ministry have selected a total of 55 Start-Up Projects for funding, incubation and mentoring support and signed MOU with various IITs/IIMs/other academic institutions for mentoring support.
<b>Whether initiative linked to any other Central Scheme</b>	NIL

<b>Scheme/ Initiative</b>	Make in India
<b>Details of Scheme/ Objectives (not more than 100 words)</b>	A national programme designed to facilitate investment, foster innovation, enhance skill development, protect intellectual property and build best-in-class manufacturing infrastructure in India.
<b>Eligibility criteria</b>	Local Manufacturing Companies
<b>Target Beneficiary</b>	All States/ UTs
<b>Target Acheived (Current Status)</b>	<p>A Policy to provide Purchase Preference (linked with Local Content (PP-LC)) in all Public Sector Undertakings under Ministry of Petroleum &amp; Natural Gas has been approved by the Government on 12.04.2017. The policy aims to incentivize the growth in local content in goods and services by implementing oil and gas projects in India by providing purchase preference to the manufacturers/service providers who meet the local content targets in oil and gas business activities.</p> <p>Under the policy, progressively increasing targets of Local Content are stipulated for procurement of goods, services and EPC contracts for oil and gas business activities. To give fillip to 'Make in India' campaign in the complex and high technology deep water operations, deep water operations with 5% of Local Content target has been included by this Ministry on 14.09.2017.</p> <p>Upstream, Midstream and Downstream companies of Oil</p>

	and Gas sector have formed Indigenous Development Group (INDEG) to promote indigenization and are working towards import substitution. Oil and Gas PSUs have also signed MoUs with Global players with the aim of enhancing production and progressive import substitution.
<b>Total Outlay (Budget Details year-wise)</b>	NA
<b>Benefits accrue to Beneficiary</b>	The manufacturers/ service providers having the capability of meeting/ exceeding the local content targets (i.e. LC manufacturers/ LC service providers respectively) shall be eligible for 10% purchase preference.
<b>Whether initiative linked to any other Central Scheme</b>	NIL

<b>Scheme/ Initiative</b>	National Skill Development Mission
<b>Details of Scheme/ Objectives (not more than 100 words)</b>	To enable a large number of Indian youth to take up industry-relevant skill training.
<b>Eligibility criteria</b>	As per the criteria decided by individual Skill Development Institutes.
<b>Target Beneficiary</b>	All States/ UTs
<b>Target Acheived (Current Status)</b>	<p>Hydrocarbon Sector Skill Council (HSSC) has been set up under Societies Registration Act, 1860 on 26-04-2016. An MoU for collaboration in the area of skill development was signed between Ministry of Petroleum &amp; Natural Gas and Ministry of Skill Development &amp; Entrepreneurship on 28th November, 2016.</p> <p>In line with National Skill Development Mission of the Govt. of India, Ministry of Petroleum &amp; Natural Gas (MoP&amp;NG) has taken a unique initiative of setting up Skill Development Institutes (SDIs) that will focus on imparting skill training of Hydrocarbon sector, sub-sector to cater the sector need in different part of the country.</p> <p>Six Skill Development Institutes (SDIs) at Bhubaneswar, Vizag, Kochi, Ahmedabad, Guwahati and Rae Bareli have been started by IOCL, HPCL, BPCL, ONGC, OIL and GAIL respectively. Ministry of Petroleum &amp; Natural Gas in consultation with the Industry members have identified high priority 12 trades for National Occupational Standard (NOS)/ Qualification Pack (QP) development. All 12 QPs have been approved by National Skill Qualification Committee (NSQC) and NSDC's Qualification Registration Committee (QRC).</p>
<b>Total Outlay (Budget Details year-wise)</b>	NA

<b>Benefits accrue to Beneficiary</b>	Add on skilling to the individuals holding base level qualification and re-skilling of existing workforce.
<b>Whether initiative linked to any other Central Scheme</b>	NIL

### **3. Exploration & Production**

#### **3.1 Discovered Small Fields (DSF) Policy**

The First bidding round under the Discovered Small Field Policy was launched on 25<sup>th</sup> May 2016 in New Delhi thereby offering 67 discovered small fields in 46 contract areas of ONGC and OIL for international bidding. Total 30 contracts for 43 discovered small fields were signed with 20 companies in March, 2017

The Cabinet has approved the Discovered Small Field Policy Bid Round-II on 7<sup>th</sup> February, 2018, an extension of the Discovered Small Field Policy notified on 14.10.2015. Under DSF-II, 60 discovered small fields/unmonitized discoveries will be offered for bidding. These discoveries are estimated to have 194.65 Million Metric Ton (MMT) Oil and Oil equivalent gas in place.

#### **3.2 National Seismic Programme (NSP) of Unapprised Areas**

The Government has taken up an ambitious programme of undertaking 2D seismic survey of entire un-apprised areas. National Seismic Programme was launched on 12<sup>th</sup> October, 2016. Under the programme, Government has approved the proposal for conducting 2D seismic survey for data Acquisition, Processing and Interpretation (API) of 48,243 Line Kilo Metres (LKM). The estimated cost of the project is Rs.2932.99 crore and the project is proposed to be completed by 2019-20. As on 31.03.2018 surface coverage of 21824.06 LKM out of 48,243 LKM has been achieved under 2D Seismic data acquisition under National Seismic Programme.

#### **3.3 Gas Pricing Reforms**

Government approved the New Gas Pricing Formula in October, 2014 leading to resolution of this long pending issue. The new gas pricing guidelines has struck a fine balance between the requirements of both producing and consuming sectors. To incentivize gas production from difficult areas such as High Pressure High Temperature (HPHT) reservoirs and deepwater and ultra deepwater areas, government has given marketing and pricing freedom. The marketing freedom so granted would be capped by a ceiling price arrived at on the basis of landed price of alternative fuels.

#### **3.4 Reform Initiatives for PSC to Enhance Domestic Production**

Policy Framework for Relaxations Extensions and clarifications for early Monetization of Hydrocarbon Discoveries in November, 2014, have helped in resolving around 40 pending issues in different contracts.

#### **3.5 Hydrocarbon Exploration and Licensing Policy (HELP)**

Government notified the Hydrocarbon Exploration & Production Policy (HELP) on 30<sup>th</sup> March, 2016. This policy is a paradigm shift from the earlier policies and based on a simple to administer Revenue Sharing Contract which includes – single License for exploration and production of conventional as well as non-conventional Hydrocarbon resources, option to bidders to carve out blocks of their choice under Open Acreage Licensing Policy (OALP), marketing & pricing freedom, etc. National Data Repository (NDR) and Open Acreage Licensing Policy (OALP) are integral part of HELP policy. The operation of NDR was formally launched on 28<sup>th</sup> June, 2017 and Open Acreage Licensing Policy was notified on 30.06.2017. With the operationalization of modalities of Open Acreage Licensing Policy (OALP), the first round of seeking Expression of Interests (EOIs) was opened from 1<sup>st</sup> July, 2017 to 15<sup>th</sup> November'2017.. Government has received 57 “Expression of Interest” (EOIs) under Open Acreage Licensing Policy (OALP) in the first window from 1st July, 2017 to 15th November, 2017. Out of these EOIs, 55 blocks having admissible area of 59,282 Sq Kms have been carved out for bidding in January, 2018 under International competitive bidding process (ICB). The bid closing date is 2<sup>nd</sup> May, 2018. The second window has started from 16<sup>th</sup> November 2017 and will continue till 15<sup>th</sup> May, 2018.

### **3.6 Permission of Extraction of CBM to Coal India Limited (CIL) & its subsidiaries in coal Mining area.**

Government has permitted Coal India Limited (CIL) & its subsidiaries to undertake CBM operations in the coal mining lease areas held by them. This decision will not only help augmenting CBM gas production in the country but will also make the mines safe for operations.

### **3.7 Hydrocarbon Vision 2030 for North East**

The Vision aims at doubling Oil & Gas production by 2030, making clean fuels accessible, fast tracking projects, generating employment opportunities and promoting cooperation with neighbouring countries and targets an investment of Rs.1.30 lakh crore till 2030 in North East India.

### **3.8. National Data Repository**

The NDR was established by the Government to assimilate, preserve and upkeep the vast amount of data which could be organized and regulated for use in future exploration and development, besides use by R&D and other educational institutes. The operation of NDR was formally launched on 28<sup>th</sup> June, 2017. Currently, NDR is in operational phase with a 24X7 online portal for viewing, ordering and trading data to Exploration and Production (E&P) players. As on 31<sup>st</sup> March, 2018, 18.03 Lakh Line kilometre(LKM) of 2D Seismic data, 6.51 Lakh Sq. KM of 3D Seismic data and 14,415 well log data have been loaded in NDR system. NDR is hosting physical data room at DGH office Noida for 55 blocks on offer under OALP Bid Round-I. During March 2018, two E&P companies utilized the services of physical data room at DGH. Data packages preparation of DSF-II is in progress. Data package of 17 DSF-II Blocks have been finalized and loaded in G&G software (Decision Space Geoscience) for visualization. A total of 03 data orders out of 06 have been delivered in the month of March 2018, however, for another 03 orders of foreign vendors payments are awaited. Till date, 144 data orders have been delivered to 17 Indian, 07 Foreign and 1 Institute, worth of INR

10.71 crore. This also includes data packages of OLAP Bid Round-I, delivered to five E&P companies as per their request.

### **3.9 Re-assessment of Hydrocarbon Resources**

The last Hydrocarbon resources assessment exercise was carried out approximately two decades ago. A Multi Organization Team (MOT) comprising of representatives of ONGC, OIL and DGH has carried out estimation of hydrocarbon resource potential in the country. The exercise of re-assessment of hydrocarbon resources for all the sedimentary basins in the country has been completed in 2017. The prognosticated conventional hydrocarbon resources in 26 sedimentary basins of the country are of the order of 41.87 billion tonnes (oil and oil equivalent of gas), which is about 49% increase as compared to earlier estimates of 28.08 billion tonnes.

### **3.10 Policy for grant of Extension to the Production Sharing Contracts for small, medium sized discovered fields, 2016**

The Government of India has approved the policy to grant extension for 10 years or economic life of the field, whichever is earlier, to small and medium sized discovered fields in March, 2016. The Government share of Profit Petroleum during the extended period of contract would be 10% higher for these fields. This extension policy is applicable for 28 discovered fields, out of which extension has already been granted for 4 fields. Operators of 5 fields have applied extension.

### **3.11 Policy for the Grant of extensions to Pre-NELP Exploration Blocks, 2017**

Government has approved a policy to grant extension for 10 years or economic life of the field, whichever is earlier, to the Production Sharing Contracts (PSC) signed by Government of India awarding Pre-NELP Exploration Blocks in March, 2017. This extension policy is applicable for 10 fields. The operators/contractors are yet to apply for extension.

### **3.12 Policy Framework for Early Monetization of CBM**

The Government notified the marketing and pricing freedom for CBM in April, 2017 to develop alternate sources of natural gas and promote gas economy. Measures to streamline operational issues were also notified. CBM may be sold on arm's length basis while discovering the market price, subject to the stipulations brought out in the notification. This is with an objective that best possible price is realized to the benefit of all the parties to the Contract.

### **3.13 Policy on Testing Requirements for discoveries in NELP blocks**

During April 2015, Government of India approved a clear policy on testing requirements for discoveries made under New Exploration and Licensing Policy (NELP) Blocks. The policy settled the long pending issue with regard to 13 discoveries in five blocks pertaining to ONGC (Seven discoveries) and Reliance Industries (six discoveries).

The approval given by CCEA provided a way forward for development of these 12 discoveries. The policy approved by CCEA allows the contractors to choose one of the following three options with regards to discoveries which are stuck on account of testing requirement:

- Relinquish the blocks

- Develop the discoveries after conducting Drill Stem Test (DST) with 50 percent cost of DST being disallowed as penalty for not conducting the test on time. The cost recovery for carrying out DST would be capped at US \$ 15 million.
- Develop the discoveries without conducting DST in a ring fenced manner.

If the contractor does not opt for any one of these options suggested above within 60 days of the CCEA approval then the area encompassing these discoveries shall automatically be relinquished.

### **3.14 Good International Petroleum Industry Practices (GIPIP):**

They were developed and notified in the year 2016 to help Indian operators carry out petroleum operations efficiently, safely, prudently and in an environmentally sustainable manner aligned with global best-in-class practices.

### **3.15 Monetization of Ratna Offshore Field**

Ratna offshore field was returned back to ONGC after 20 years, in March, 2016 after cancellation of Letter of Award to Essar Oil Limited and Premier Oil Limited. Ratna offshore field has remained without exploitation for over 20 years since its initial tendering due to a number of administrative and legal uncertainties. The field was tendered out and tentatively awarded to ESSAR Oil Ltd. in 1996. The contract was never finalized. Finally, government has decided to return back the field to its original licensee (i.e.ONGC) on nomination basis. ONGC has initiated necessary action for development of the Field. Field Development Plan (FDP) for the fields under development has been approved by the ONGC Board. Sanctioned capital investment for development of the field is about Rs. 4,000 crore with estimated oil and gas production of about 7 MMT of oil and 0.88 BCM of gas by 2035-36. Government would realize the revenue through cess and royalty from the field.

### **3.16 National Gas Hydrate**

National Gas Hydrate Project -2 was conducted successfully in Eastern offshore from 9th March 2015 to 31st July 2015. This massive R&D exercise with participation of 100 scientists has led to very encouraging results and producible gas hydrates have been discovered in KG deep offshore areas. National Gas Hydrate R&D expedition - 2 was successfully executed wherein 42 Gas Hydrate well were completed and 2 world classes Gas Hydrate reservoir have been discovered in ultra deepwater of KG basin. As per preliminary estimates, 134 Trillion Cubic Feet of gas hydrates are present in KG-Basin.

## **4. Natural Gas**

- (i) The Government has taken a decision to provide a capital Grant of Rs. 5176 crore (i.e. 40% of the estimated capital cost of Rs. 12,940 crore) to GAIL for development of Jagdishpur-Haldia/Bokaro-Dhamra Gas Pipeline (JHBDPL) project, popularly known as the “PradhanMantriUrja Ganga” of Eastern India. Out of 5176 crore, Rs. 850 crore has been released to GAIL till date (Rs. 450 crore FY 2016-17 and Rs. 400 crore for FY 2017-18)”



- (ii) Petroleum and Natural Gas Regulatory Board (PNGRB) has approved GAIL's request for laying, building, operating or expanding Barauni-Guwahati Natural Gas Pipeline as an integral part of JHBDPL project under Regulation 17(1) of the Petroleum and Natural Gas Regulator Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008.
- (iii) During Advantage Assam Global Investor Summit 2018, at Guwahati on 3<sup>rd</sup>February, 2018, five CPSEs, i.e. ONGC, OIL, GAIL, IOCL and NRL, have been signed a MoU for formation of a Joint Venture Company to develop a Gas Grid in the North-Eastern Region.
- (iv) PNGRB has webhosted a list of 86 Geographical Areas consisting of 174 districts in the country for 9<sup>th</sup>Round City Gas Distribution bidding in order to increase the Gas Grid network in the country.
- (v) The scheme "Other subsidy payable including for North Eastern Region (Natural Gas)" was formulated in order to provide 40% subsidy for selling APM (Administered Pricing Mechanism) Gas to APM customers in the NE region of the country by Participating companies, i.e. OIL and ONGC. The details of the funds released during last Four years are as under:

Sl. No	Financial Year	Amount Released (Rs. in Crore)
1	2017-18	282.39
2	2016-17	744.55
3	2015-16	660.00
4	2014-15	661.00

## 5. Refinery

### 5.1 Refining Capacity (MMTPA-Million Metric Tonne Per Annum)

The total refining capacity of refineries in India has increased from 213.066 to 247.566 since 2014.

### 5.2. Mega Refinery in West Coast

Oil PSUs namely, Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL), Hindustan Petroleum Corporation Limited (HPCL) and Engineers India Limited (EIL) have announced the plan to jointly set up an integrated refinery-cum- petrochemical complex with a refining capacity of 60 MMTPA in 2 phases in Maharashtra. EIL is carrying out detailed feasibility study. Oil PSUs and EIL have finalized the location of Refinery at Babulwadi, Taluka Rajapur, District Ratnagiri in consultation with Govt. of Maharashtra. IOCL, BPCL and HPCL have formed a Joint Venture (JV) Company viz. Ratnagiri Refinery Petrochemicals Limited (RRPL) for setting

up of a 60 MMTPA Grass root Refinery cum Petrochemical Complex in Maharashtra at an estimated cost of Rs. 3.5 Lakh crore.

### **5.3. HPCL Rajasthan Refinery at Barmer**

Government of India had approved HPCL's 9 MMTPA Refinery cum Petrochemical Complex at Barmer, Rajasthan on 20.09.2013. Further, Government of Rajasthan vide letter dated 05.02.2014 had intimated that the project was under review and accordingly the Project was kept on hold. Now, a revised MoU has been signed between Government of Rajasthan & HPCL on 18.04.2017 for setting up of 9 MMTPA Refinery-cum-Petrochemical Complex. As per the revised MoU, the 9 MMTPA Refinery-cum-Petrochemical Complex will be set up as a Joint Venture at an estimated cost of Rs. 43,129 crore (February, 2017 prices) with the same equity participation with a debt equity ration 2:1. MoP&NG has approved the proposal of HPCL on 9.10.2017 for implementation of the project with revised cost of Rs 43129 Crore. Hon'ble Prime Minister unveiling the plaque to mark commencement of work of Refinery on 16.01.2018.

### **5.4. Green-Field Petrochemical Complex at Kakinada, Andhra Pradesh**

Government of Andhra Pradesh (GoAP), GAIL India Limited (GAIL) and HPCL signed a MoU on 27th January, 2017 at Vishakhapatnam for the Petrochemical Complex with an estimated cost of Rs. 32901 crore at Kakinada, Andhra Pradesh. Feasibility study has been carried out for the Petrochemical Complex. Oil PSUs have indicated to the GoAP that Viability Gap Funding is necessary to make the project viable.

## **6. Auto Fuel Policy**

**6.1** Ministry of Petroleum & Natural Gas vide order dated 19.01.2015 has notified for implementation of BS-IV Auto Fuels in the entire country w.e.f. 01.04.2017 in a phased manner. Accordingly, BS-IV Auto Fuels has been implemented in the entire country w.e.f 01.04.2017.

It has also been decided that the country will leap frog directly from BS-IV to BS-VI fuel standards and BS-VI standards will be implemented in the country w.e.f. 01.04.2020. Accordingly, a notification containing specification for BS-VI auto fuels has been issued by Ministry of Road Transport & Highways on 16.09.2016. Further, BS-VI Auto Fuels in NCT & Delhi supply has commenced on 01.04.2018.

### **6.2 EBP Programme**

The Government, through Oil Marketing Companies (OMCs), is implementing the Ethanol Blended Petrol (EBP) Programme under which, OMCs sell ethanol blended petrol with percentage of ethanol upto 10%.

2. In order to improve the availability of ethanol, the Government in December, 2014 introduced the administered price mechanism for procurement of ethanol by OMCs. On 1.11.2017, the Government revised the ex-mill price of ethanol for the ethanol supply year 2017-18 at Rs.40.85/per litre. Additionally, GST and transportation charges are being paid by OMCs.

3. During the ethanol supply year 2015-16, OMCs procured 111 crore litres of ethanol (till 30.11.2016), which is an all time record in the history of EBP. For the

ongoing ethanol supply year 2017-18, the suppliers have offered quantities of 156.5 crore litres of ethanol.

### **6.3 Biodiesel Programme**

5. The Government, vide notification dated 29<sup>th</sup> June, 2017, has allowed for direct sale of Biodiesel (B-100) for blending with High Speed Diesel to all consumers, in accordance with the specified blending limits and the standards specified by the Bureau of Indian Standards.

### **6.4 2<sup>nd</sup> Generation Ethanol through Lignocelluloses Route:**

On 10.12.2014, the Government allowed procurement of ethanol produced from other non-food feedstocks besides molasses, like cellulosic and ligno cellulosic materials including petrochemical route.

In furtherance of this decision, Oil PSUs are establishing twelve 2G Ethanol plants in 11 States of the country. On 7.12.2016, six MoUs have been signed between Oil Marketing Companies and Technology Providers (5 MoUs) / State Government (1 MoU) for setting of 2G ethanol plants in five locations viz. Dahej (Gujarat), Bina (Madhya Pradesh), Panipat (Haryana), Bathinda (Punjab) and Bargarh (Odisha). On 25.12.2016, foundation stone of the first Biofuel refinery set up by Hindustan Petroleum Corporation Limited in Bathinda, Punjab, has been laid.

## **7. Marketing**

### **7.1 Deregulation of price of Diesel**

Price of Diesel has been made market-determined effective 19.10.2014. Since then, the Public Sector Oil Marketing Companies (OMCs) take appropriate decision on pricing of Diesel in line with international product prices and other market conditions.

### **7.2 Daily revision of retail selling price of Petrol and Diesel**

Public Sector OMCs have implemented daily revision of retail selling price of Petrol and Diesel in the entire country effective 16<sup>th</sup> June, 2017. Daily pricing has been introduced to bring more transparency & efficiency in pricing to benefit the consumers.

### **7.3 Direct Benefit Transfer in PDS Kerosene (DBTK) Scheme**

The Ministry of Petroleum & Natural Gas has launched Direct Benefit Transfer in PDS Kerosene (DBTK) Scheme with effect from 01.04.2016. The need to implement DBTK was felt 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. Under the DBTK, 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. Implementation of DBTK will

result in better subsidy management and would result in reducing expenditure on subsidy and also help in curbing diversion of subsidized kerosene.

Jharkhand has become the first State in the country to implement DBTK in all the districts of the State. The States of Karnataka, Haryana, Telangana, Nagaland, Bihar, Gujarat and Goa have responded favourably by undertaking voluntary cut in their PDS SKO allocation. Further, the UTs of Delhi, Chandigarh, Daman & Diu, Dadra & Nagar Haveli and Puducherry have become Kerosene Free and all the remaining UTs are also likely to become Kerosene Free shortly. The State(s) of Haryana, Punjab and Andhra Pradesh have also become Kerosene Free.

## **8. INTERNATIONAL COOPERATION**

### **2014:**

(i) The 19<sup>th</sup> India-Russia Working Group on Energy and Energy Efficiency under the India Russia Inter-Governmental Commission on Trade, Economic, Scientific and Technological and Cultural Cooperation was held in New Delhi on 30<sup>th</sup> and 31<sup>st</sup> October, 2014.

A protocol on cooperation in Energy and Efficiency as signed by both the side. Subsequently a Programme of Cooperation in the oil and Gas sector has been signed at the Ministerial level on 11<sup>th</sup> December, 2014.

(ii) A Memorandum of Understanding was signed on 28.11.2014 between India and Mozambique for Cooperation in the field of Oil and Gas Sector.

### **2015:**

1. Shri Saurabh Chandra, Secretary, Ministry of Petroleum and Natural Gas inaugurated the 12<sup>th</sup> International Joint Organization Data Initiative (JODI) Conference. The Conference was held from 8<sup>th</sup> to 10<sup>th</sup> April, 2015. It was attended by officers of International Organizations dealing with the energy sector. Participants from 25 countries and Indian participants from across the energy sector joined the event.
2. Shri Dharmendra Pradhan Minister of State (I/C) for Petroleum and Natural Gas accompanied Hon'ble Vice President Hamid Ansari to Turkmenistan from 11-13 December 2015 for the 'ground-breaking' ceremony of the Turkmenistan-Afghanistan-Pakistan-India (TAPI) Gas Pipeline in Mary (Merv), Turkmenistan and the 20<sup>th</sup> Anniversary of Turkmenistan's Permanent Neutrality. During the visit, all four countries formally agreed to set up TAPI Ltd. Afghan President Ashraf Ghani and Pakistan PM Nawaz Sharif also attended the events.
3. 1<sup>st</sup> JWG meeting between India and Iran on Oil, Gas and Petrochemicals was held on 26<sup>th</sup> December 2015 at New Delhi and the issues related to export of crude oil from Iran, development of Farzad – B gas field, setting up of petrochemical industry at Chabahar FTZ, pipeline and CNG projects; and NICO stocks and CPCL dividend

were discussed and both the sides agreed to explore ways and means to expedite these projects

4. A Memorandum of Understanding (MoU) was signed between India and Government of Nepal for the construction of Petroleum Products Pipeline from Raxaul (India) to Amlekhgunj (Nepal) and re-engineering of Amlekhgunj Depot and Allied Facilities on 24<sup>th</sup> August, 2015.

## 2016:

- I. 4<sup>th</sup> India-Africa Hydrocarbon Conference was held from 21-22 January 2016 in New Delhi. This was a follow up of the 3<sup>rd</sup> India Africa Forum Summit held in October 2015. A total of 21 African countries, including 9 at Ministerial level Viz. Mauritius, Morocco, Algeria, Sudan, South Sudan, Tunisia, Senegal, Equatorial Guinea and Liberia participated in the Conference. Other delegations led by Senior Officials included Nigeria, Ghana, South Africa, Egypt, Tanzania, Kenya, Mozambique, Uganda, Libya, Cote d'Ivoire, Gabon and Sierra Leone.
- II. In March 2016, India supplied 2200 MT of High Speed Diesel as a goodwill gesture to Bangladesh from Siliguri Marketing Terminal of Numaligarh Refineries Ltd (NRL) to Parbatipur storage depot of Bangladesh Petroleum Corporation (BPC) in Bangladesh.
- III. In March 2016, a Memorandum of Understanding (MoU) was signed between ONGC Videsh Ltd. (OVL) and Rosneft of Russia regarding acquiring of additional 11% share in Vankorneft in addition to earlier 15% share by OVL.
- IV. Share Purchase Agreement (SPA) was signed between the consortium of Indian companies (OIL, IOCL and BPRL) and Rosneft of Russia on acquiring 29.9% share in Taas-Yuryakh by the consortium in March, 2016. Heads of Agreements was signed between the consortium of Indian companies (OIL, IOCL, BPRL) and Rosneft of Russia on acquiring of 23.9% share by the consortium in Vankorneft in March, 2016.
- V. The 24<sup>th</sup> Meeting of Steering Committee was held on 07<sup>th</sup> April, 2016 in Ashgabat, Turkmenistan. During the meeting, TAPI Investment Agreement (IA) was signed on 7<sup>th</sup> April, 2016 among Galkynysh Pipeline Company, TurkmenGas, Afghan Gas Enterprise Inter State Gas Systems (Private) Ltd. GAIL (India) Ltd. and TAPI pipeline Company Ltd.
- VI. 1<sup>st</sup> India-Bangladesh Energy Dialogue was held on 13<sup>th</sup> June, 2016 at New Delhi at the level of Secretary, Petroleum & Natural Gas, Government of India and Secretary, Energy & Mineral Resources, Government of Bangladesh. During the meeting areas of mutual interest to further strengthen bilateral cooperation in the hydrocarbon sector were discussed.
- VII. 21<sup>st</sup> Meeting of the Joint Working Group (JWG) on cooperation in the field of energy and energy efficiency under the India-Russia Inter-Governmental

Commission on Trade, Economic, Scientific & Technological and cultural cooperation was held on 7<sup>th</sup> September, 2016 at New Delhi.

- VIII.** 3<sup>rd</sup> India-Canada Ministerial Level Energy Dialogue was held on 8<sup>th</sup> September, 2016 at New Delhi. The Indian delegation led by Shri Dharmendra Pradhan, Hon'ble Mos(I/C) for Petroleum and Natural Gas and the Canadian delegation led by Hon James Carr, Minister of Natural Resources.
- IX.** Following the approval from Cabinet, Indian consortium comprising OIL, IOCL and BPRL, acquired 29.9% stake in Tass Yuryakh oil and gas field at a total cost of US \$ 1,124.20 million and 23.9% stake in Vankorneft oil and gas field at a total cost of US \$ 2,020.35 million from Rosneft, Russian National Oil Company, in October 2016.
- X.** A meeting was held in Tehran, Iran from 24-25 October, 2016 to discuss matters related to Iranian investment in CPCL & OVL's proposed investment in Farzad -B Block. Joint Secretary (International Cooperation), Ministry of Petroleum & Natural Gas (MoPNG) participated in that meeting.
- XI.** Following the approval from Cabinet, ONGC Videsh acquired 11% stake in Vankorneft at a total cost of US \$ 930 million from Rosneft, Russian National Oil Company in October 2016. This was in addition to 15% stake acquired by OVL in May 2016 at a total cost of US \$ 1,268 million.
- XII.** Petrotech-2016 was organised under the aegis of the Ministry of Petroleum & Natural Gas from 5<sup>th</sup>-7<sup>th</sup> December, 2016 in New Delhi. This provided a platform for overseas Ministers of oil and gas, CEOs of Indian and overseas companies and Hydrocarbon experts to discuss oil and gas related issues and mutually understand the growth potential and trends of the global oil & gas industry. The theme of the conference was "Hydrocarbons to fuel the future: Choices & Challenges". Hon'ble Prime Minister Shri Narendra Modi inaugurated the Conference on 5<sup>th</sup> December, 2016. Hon'ble Prime Minister, in his opening address, said that ENERGY ACCESS, ENERGY EFFICIENCY, ENERGY SUSTAINABILITY AND ENERGY SECURITY were the four pillars of India's energy vision. The Conference was accompanied by an Exhibition at Pragati Maidan from Dec 4-7, 2016 showcasing a broad spectrum of upstream, downstream and midstream hydrocarbon sector from over 50 countries. Over 19 overseas ministers participated in the conference apart from over 70 CEOs of national and international oil and gas companies. The conference saw a participation of over 7278 delegates. Sh. Arun Jaitely, Hon'ble Finance Minister presided over the concluding session.
- XIII.** International Energy Forum (IEF) Executive Board (EB) was held in Riyadh, Saudi Arabia on 14<sup>th</sup> December, 2016. Joint Secretary (International Cooperation), Ministry of Petroleum & Natural Gas participated in the Board Meeting as the Chair of Executive Board (EB). India will be hosting the next IEF ministerial conference in India in 2018.
- XIV.** The Minister of State (I/C) for Petroleum and Natural Gas, Shri Dharmendra Pradhan met Dr. Fatih Birol, Executive Director of International Energy Agency (IEA) 30.3.2017 jointly with Minister of State (I/C) for Power, Coal & New and

Renewable Energy and Mines Shri Piyush Goyal. Dr. Birol is visiting India to jointly announce the Activation of 'Association Status' of India with IEA.

### 2017:

- I. Crown Prince of Abu Dhabi, Sheikh Mohammed bin Zayed, visited India from 24<sup>th</sup> to 26<sup>th</sup> January, 2017. During his visit a Definitive Agreement on Oil Storage and Management to fill up 0.81 MMT of crude oil at Mangalore SPR facility, was signed between Indian Strategic Petroleum Reserves Limited (ISPRL) and Abu Dhabi National Oil Company (ADNOC) of UAE.
- II. A delegation led by Shri Kapil Dev Tripathi, Secretary, Ministry of Petroleum & Natural Gas visited Bangladesh from 17-18 March, 2017 to attend 2<sup>nd</sup> India-Bangladesh Energy Dialogue. The Energy Dialogue is also an institutionalized mechanism at Secretary level for periodic discussions between the two sides. It was created during the visit of Prime Minister of India to Bangladesh in June 2015.
- III. A delegation from Ministry of Petroleum & Natural Gas visited Jakarta, Indonesia from 20-21 April, 2017 for the 2<sup>nd</sup> India-Indonesia JWG meeting on Oil and Gas. During the visit, the MoU on cooperation in the field of Oil and Gas with Indonesia was signed.
- IV. A delegation led by Shri Dharmendra Pradhan, Hon'ble Minister of Petroleum & Natural Gas visited Vienna, Austria to co-chair the 2<sup>nd</sup> India-OPEC Institutional Dialogue from 22-23 May, 2017.
- V. Minister (P&NG) held a one-to-one meeting with the Secretary General of OPEC Mr. Mohammad Sanusi Barkindo and emphasised on 'Asian Dividend rather than paying Asian Premium'. Minister (P&NG) stressed OPEC to work towards "Responsible Pricing" which is also important to India for its socio-economic and developmental reasons.
- VI. A delegation led by Shri Dharmendra Pradhan, Hon'ble Minister of Petroleum & Natural Gas visited Istanbul, Turkey from 10-12 July to attend 22<sup>nd</sup> World Petroleum Congress. Shri Dharmendra Pradhan chaired a Ministerial Session on 'Current Economic Strategies in the Oil and Gas Sector' and a Plenary Session on 'Supply, Demand challenges for Oil, Gas and Products'. Shri Pradhan flagged the importance of "Responsible Price" for crude oil and highlighted the importance of producers to understand the perspective of consumers and demand centers.
- VII. A delegation from Ministry of Petroleum & Natural Gas visited Israel from 22-24<sup>th</sup> August, 2017 to hold 1<sup>st</sup> meeting of the Joint Working Group to discuss bilateral engagement in the hydrocarbon sector.
- VIII. A delegation led by Shri Dharmendra Pradhan, Minister for Petroleum and Natural Gas and Skill Development & Entrepreneurship, visited Astana, Kazakhstan from 19-20 September, to co-chair the 13<sup>th</sup> meeting of the India-Kazakhstan Inter-Governmental Commission (IGC). Shri Kanat Bozumbayev, Minister of Energy of Republic of Kazakhstan co-chaired the meeting from Kazakh side. The meetings were aimed to follow up on the agenda set between India and Kazakhstan during the two visits of Prime Minister of India to Kazakhstan in July 2015 and June 2017.
- IX. A Memorandum of Understanding (MoU) was signed between India and Government of Belarus in the oil and gas sector, on 12<sup>th</sup> September, 2017 and Memorandum of Cooperation (MoC) was signed between India and Government of

Japan on establishing a liquid, flexible and global liquefied natural gas market, on 18<sup>th</sup> October, 2017.

## 2018:

- I. Indian Strategic Petroleum Reserves Limited (ISPRL) and Abu Dhabi National Oil Company (ADNOC) of UAE have signed a Restated Definitive Agreement on Oil Storage and Management for filling up the second cavern at Mangalore SPR facility. The Agreement provides ADNOC to fill up the cavern with crude oil at its own cost.
- II. On 10<sup>th</sup> February, 2018, an Indian Consortium comprising ONGC Videsh, Indian Oil Corporation Ltd and Bharat PetroResources Ltd jointly acquired 10% Participating Interest (PI) in Lower Zakhum offshore oil field from Abu Dhabi National Oil Company (ADNOC) of UAE at a cost of US \$ 600 million
- III. IndianOil has acquired 17% participating interest in Mukhaizna Oil Field by acquiring 100% equity stake of Shell Exploration & Production Oman Ltd. ("SEPOL") from Shell Overseas Holdings Ltd. ("Shell"), for a transaction value of US\$ 329 million. IndianOil has made this acquisition through its wholly owned subsidiary, IOCL Singapore Pte. Ltd. The estimated production from this field is approx. 1 MMT per annum.
- IV. The 16<sup>th</sup> International Energy Forum (IEF16) Ministerial Meeting was held in New Delhi from 10-12 April 2018. Hon'ble Prime Minister inaugurated the event on 11<sup>th</sup> April 2018. The meeting saw participation from 53 countries out of which 38 were at Ministerial level. External Affairs Minister delivered the valedictory remarks on 12<sup>th</sup> April 2018.

## **9. Swachh Bharat Abhiyan**

### **9.1 Ministry of Petroleum & Natural Gas conferred with Swachh Bharat Inter-Ministerial Award on October 2, 2017**

Ministry of Petroleum & Natural Gas (MoPNG) was awarded the Swachh Bharat Inter-Ministerial Award by Hon'ble Minister of State, Ministry of Drinking Water & Sanitation in the presence of Hon'ble Minister of State (I/C), Ministry of Housing and Urban Affairs and Hon'ble Minister of State, Ministry of Drinking Water & Sanitation, in Swachh Bharat National Award ceremony held on Gandhi Jayanti, 02<sup>nd</sup> October 2017 in Vigyan Bhawan, New Delhi.

The award in the inter-Ministerial category was presented to MoPNG on the basis of the activities undertaken in the past three years. This event was



organized to mark the third anniversary of the Swachh Bharat Mission, Swachh Bharat Diwas, and the conclusion of Swachhata Hi Seva fortnight.

## **9.2 Swachhta Action Plan (SAP):**

Swachhta Action Plan (SAP) of the Ministry of Petroleum and Natural Gas with an earmarked allocation of Rs 335.68 crore for 2017-18 ranks as the 4<sup>th</sup> highest after Ministry of Railways, D/o School Education & Literacy and D/o Health & Family Welfare.

With the help of continuous monitoring through various meetings including apex level review meetings, Ministry of Petroleum & Natural Gas including Oil & Gas CPSEs, has achieved an expenditure figure of Rs 400.59 crore (provisional) as against a target of Rs 335.68 crore, showing an achievement of around 120%.

## **9.3 Innovative Activities**

Some of the innovative activities undertaken by Oil & Gas CPSEs, under the administrative control of MoPNG, inter-alia include, launch of Project Saraswati to tap the ground water resources along the course of Paleo-channel of river Saraswati in Haryana to tide over severe water crisis in summer; construction of unique zero energy based vegetable cellars in Nang village near Leh for helping potato farmers by preventing rotting of farm produce due to extreme temperatures; construction of bio-toilets in Leh (J&K) and Mahanandpur (Bihar), making ODF localities such as Bharatnagar (Maharashtra), Gandhigaon (Assam) etc., cleaning Himalayas in collaboration with Indian Mountaineering Foundation and organizing competitions on Swachhta Apps.

## **9.4 Inter-refinery Swachhta Ranking:**

An inter refinery competition based on Swachhta Index, keeping in view various parameters linked to cleanliness was undertaken, wherein a team consisting of MoPNG official and OMCs visited different refinery complexes to arrive at inter-refinery ranking.

Panipat Refinery of IOCL emerged as the winner; Guru Gobind Singh Refinery, Bhatinda of HMEL and Mumbai Refinery of BPCL shared the second position and Paradip Refinery of IOCL stood third.

## **9.5 Construction of School Toilets**

Oil & Gas CPSEs have constructed 21,750 school toilets during and after Swachh Vidalya Abhiyan.

## **9.6 RO Toilets**

Out of 56,601 Retail Outlets (ROs) of Oil Marketing Companies (OMCs) in India, 55,784 ROs has been provided with toilet facilities.

In addition, out of 56,601 ROs; 33,381 ROs are having separate toilet facilities for ladies and gents.

With a view to provide enhanced coverage, OMCs have constructed 4544 separate toilets for men & women in ROs on National/State Highways during the year 2017-18. Further, OMCs have targeted to construct separate toilets facilities on all National/State Highways at all feasible RO sites during the year 2018-19

### **9.7 Consumer Empowering Initiative: Swachhta@petrolpump**

The state-owned oil companies have launched a swachhta app positioning consumer at a forefront to monitor, report and ensure cleanliness of the toilets at nation-wise ROs, on real time basis.

Total 2377 complaints came up during 2017-18 (April-Feb), which were attended and closed.

### **9.8 Swachh Iconic Places:**

- I. As part of Swachh Bharat Mission, the Ministry has identified ten Iconic Places to improve the cleanliness at the following places
- II. Tirumala Tirupati Devasthanam, Tirupati;
- III. Kamakhya Temple, Guwahati;
- IV. Taj Mahal, Agra;
- V. Mata Vaishno Devi, Katra, Jammu;
- VI. Meenakshi Temple, Madurai;
- VII. Golden Temple, Amritsar;
- VIII. Gangotri, Uttarkashi
- IX. Yamnotri, Uttarkashi
- X. Gaya
- XI. Kalady, Ernakulam

The best iconic place award at Swachh Bharat Awards ceremony held on 02.10.2017 was given to Golden Temple, Amritsar and special awards were given to Mata Vaishno Devi Temple, J&K and Meenakshi Temple, Tamil Nadu, adopted by HPCL, IOCL and BPCL respectively.

## 10. Indian Institute of Petroleum and Energy (IIPE), Visakhapatnam

- (i) As committed under the 13 Schedule of Andhra Pradesh Reorganisation Act, 2014, it has been decided to set up “Indian Institute of Petroleum and Energy” (IIPE) at Visakhapatnam, Andhra Pradesh with an objective to meet the quantitative and qualitative gap in the supply of skilled manpower for the petroleum as well as other conventional and renewable Energy sectors and to promote research activities needed for the growth of the Energy sector.
- (ii) The Union Cabinet in its meeting held on 12.4.2017 has approved for establishment of IIPE as “an Institute of National Importance” through an Act of Parliament having governance structure as well as legal mandate to grant degrees in a manner similar to that enjoyed by IITs. The Cabinet has also approved Rs 655.46 crore as capital expenditure to set up IIPE and contribution of Rs 200 crore towards its Endowment Fund (in addition to a contribution of Rs 200 crore from Oil Companies towards the Endowment Fund).
- (iii) The Indian Institute of Petroleum and Energy Bill, 2017 has been passed by Lok Sabha on 04.08.2017 (Bill No.111-C of 2017) and declared the Indian Institute of Petroleum and Energy as an Institution of National Importance. The Bill, as passed by Lok Sabha, has been passed by Rajya Sabha on 27.12.2017. The Indian Institute of Petroleum and Energy Act, 2017 (No.3 of 2018) has been notified in the Gazette of India on 8<sup>th</sup> January, 2018. Subsequent Gazette notification regarding implementation of IIPE Act, 2017 with effect from 22<sup>nd</sup> January, 2018 has been issued on 17.1.2018.
- (iv) As evident from the name of the Institute, i.e., Indian Institute of Petroleum and Energy, it will provide high quality of education and research in the entire gamut of energy sector such as conventional and non-conventional hydrocarbon, LNG, biofuels and renewable energy like solar, wind, etc.
- (v) The academic and research activities of IIPE will derive strength from the Institute’s proximity to sector-related activities such as KG-Basin, Visakhapatnam refinery and the planned Petrochemical complex at Kakinada.
- (vi) Government of Andhra Pradesh has allocated 200 acres of land, free of cost, for setting up of IIPE at Sabbavaram Mandal in Visakhapatnam district. IIPE has been registered as a Society under the AP Society Registration Act, 2001 on 18/04/2016.
- (vii) A temporary campus of IIPE has been set up from academic session 2016-17 from the Andhra University Campus with two undergraduate programmes namely, Petroleum Engineering and Chemical Engineering (with capacity of 50 students each). IIT, Kharagpur has taken up the responsibility of mentoring the Institute.
- (viii) As on date, 10 faculty members and 9 non-faculty posts (office staff) are in position. Advertisements have been given for 9 faculty and 8 non-faculty posts. The number of students are 176 [93 students are from first year (2016-17) and 83 students in second year (2017-18)]

(ix) So far, an amount of Rs.33.00 crore has been released to IIPe from Gross Budgetary Support (GBS) and Rs.199.40 crore has been received by the Institute from Oil PSUs (ONGC Rs.60 crore, IOCL Rs.60 crore, HPCL Rs.35 crore, OIL Rs.15 crore and GAIL Rs.29.40 crore) as Endowment Fund

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