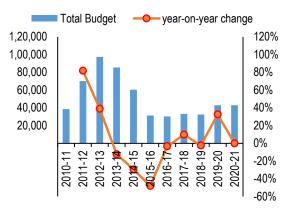


# Demand for Grants 2020-21 Analysis

# Petroleum and Natural Gas

The Ministry of Petroleum and Natural Gas is concerned with exploration and production of oil and natural gas, refining, distribution and marketing, import and export, and conservation of petroleum products. The Ministry has been allocated Rs 42,901 crore for 2020-21. The allocation for the ministry has remained unchanged from the allocation from the revised estimates for the year 2019-20.

Figure 1: Expenditure of Ministry (Rs Crore)

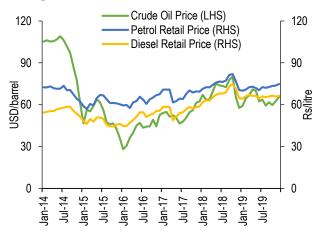


Note: Figures for 2019-20 are Revised Estimates and for 2020-21 are Budget Estimates.

Sources: Union Budget 2020-21; PRS.

The Ministry's expenditure, historically, has been following the trend in global crude oil prices. The crude oil prices have risen steadily from 28 USD/barrel in January 2016 to 80 USD/barrel in October 2018, before showing a volatile trend thereafter. The global crude oil price was 66 USD/barrel in December 2019.

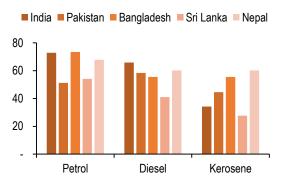
Figure 2: Trend of Global Crude Oil Price with respect to Petrol and Diesel Retail Price



Sources: Petroleum Planning and Analysis Cell; PRS.

Note that the price of petrol and diesel in India is higher compared to neighbouring nations, such as Pakistan, Sri Lanka and Nepal. On the other hand, the price of Kerosene is lower in India, compared to these nations.

Figure 3: Price of Petrol, Diesel and Kerosene with respect to neighbouring nations (Rs/litre)

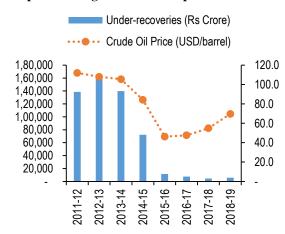


Note: Price as on November 1, 2019. Petrol, Diesel price is the price at Delhi, whereas price for Kerosene is the price at Mumbai.

Sources: Oil Industry Information at a Glance, Petroleum Planning and Analysis Cell, November 2019; PRS.

Rise in crude oil prices usually also leads to rise in under-recoveries. Under-recovery refers to the difference in the cost of producing petroleum products, and the price at which they are delivered to consumers. It indicates the loss incurred by oil marketing companies while supplying these products. Central government compensates the oil marketing companies by sharing some of this incurred loss through a burden sharing mechanism. Figure 4 shows the trend of under-recoveries with the price of global crude oil.

Figure 4: Trend in under-recoveries of oil companies and global crude oil prices



Sources: Petroleum Planning and Analysis Cell; PRS.

**Anurag Vaishnav** anurag@prsindia.org

February 14, 2020

#### **Overview of finances**

Table 1: Allocation for the Ministry of Petroleum and Natural Gas (in Rs Crore)

Major Head	Actual 18-19	Revised 19-20	Budgeted 20-21	% change (RE to BE)
LPG subsidy	20,268	34,086	37,256	9.3%
Kerosene subsidy	4,569	4,483	3,659	-18.4%
PDH pipeline	1,207	1,552	728	-53.1%
NSP	1,300	575	207	-64.0%
Others	5,027	2,206	1,051	-52.4%
Total	32,371	42,901	42,901	0.0%

Note: NSP = National Seismic Programme. Sources: Union Budget Documents 2020-21; PRS.

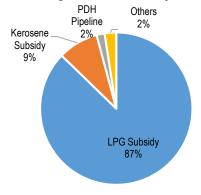
**LPG Subsidy:** The Ministry provides subsidy on LPG cylinders to beneficiaries. Prior to 2013, this subsidy was provided in the form of subsidized cylinders. Following the launch of the PAHAL scheme in 2013, this subsidy is directly credited to the bank accounts of the beneficiary. In 2020-21, the Ministry is estimated to spend Rs 37,256 crore on LPG subsidy, which is 9.3% higher than the revised estimates of 2019-20.

**Kerosene Subsidy:** The Ministry provides subsidized kerosene through the Public Distribution System (PDS). In 2020-21, the Ministry has allocated Rs 3,659 crore for Kerosene subsidy, which is 18.4% lower than the revised estimates of 2019-20.

**PDH Pipeline:** The Phulpur-Dhamra-Haldia (PDH) Pipeline is being developed by GAIL India to transport natural gas.<sup>2</sup> The project will connect five states to the National Gas Grid. In 2020-21, Rs 728 crore has been allocated for the project.

**National Seismic Programme:** The Ministry is conducting a seismic survey of all sedimentary basins of India, where such data is available. The Programme was launched in October 2016 with an estimated expenditure of Rs 5,000 crore.<sup>3</sup> The Programme has been allocated Rs 207 crore for 2020-21. This is 64% lower than the revised estimates of 2019-20.

Figure 5: Composition of Ministry's budget



Sources: Union Budget 2020-21; PRS.

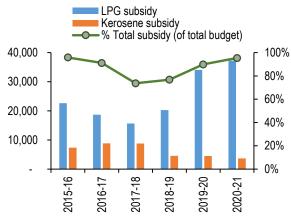
# **Key issues and analysis**

#### Subsidy on LPG and Kerosene

The subsidy on LPG is the largest component of the Ministry's expenditure, with approximately 87% of its total budget allocated to it. For 2020-21, the budget allocation for LPG subsidy has increased by 9.3% from the revised estimate for the same in 2019-20. Further, the revised estimate for 2019-20 also marked a 3.3% increase from the budgeted estimates of 2019-20.

The total amount allocated for subsidies in 2020-21 is Rs 40,915 crore which is a 6% increase from the revised estimates of 2019-20 and constitutes 95% of the total allocation to the ministry.

Figure 6: Trend of expenditure on subsidies



Sources: Union Budget Documents; PRS.

The expenditure on subsidies can be divided in three major heads: (i) Direct Benefit Transfer (DBT-PAHAL scheme) for LPG and (ii) Pradhan Mantri Ujjwala Yojana (PMUY) scheme for LPG, and (iii) Kerosene subsidy.

Table 2 highlights the expenditure for subsidies in the above three heads for 2018-19, revised estimate of expenditure for 2019-20 and the budgeted allocation for 2020-21.

Table 2: Allocation for subsidy on LPG and Kerosene (in Rs Crore)

Major Head	Actual 18-19	Revised 19-20	Budgeted 20-21	% change (RE to BE)
DBT-PAHAL	16,478	29,628	35,605	20.2%
PMUY	3,200	3,724	1,118	-70.0%
Kerosene subsidy	4,569	4,483	3,659	-18.4%
Total	24,247	37,835	40,382	6.7%

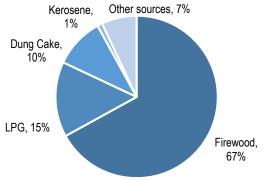
Sources: Union Budget 2020-21; PRS.

#### Pradhan Mantri Ujjwala Yojana scheme

According to the National Sample Survey (2011-12), more than 67% of the rural households in the country used firewood as the primary source of energy for cooking.<sup>4</sup> This is shown in Figure 7.

February 14, 2020 - 2 -

Figure 7: Primary source of energy for cooking in rural areas (2011-12)



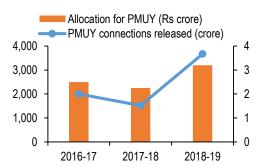
Sources: Energy Sources of Indian Households for Cooking and Lighting, 2011-12, NSS 68th Round; PRS.

The PMUY scheme was launched in May 2016 with the objective of providing LPG connections to women from below poverty line households with a support of Rs.1,600 per connection.<sup>5</sup> The scheme aimed to target five crore households, which was later (February 2018) revised to target eight crore households by 2020.<sup>6</sup> The ambit of the scheme was also expanded to cover all SC/ST households, beneficiaries of Pradhan Mantri Awas Yojana (Gramin), forest dwellers, backward classes, in addition to households identified under the Socio Economic and Caste Census (SECC).<sup>6</sup>

According to the Ministry, as of September 2019, a total of 8.03 crore PMUY connections were released across 715 districts in the country. Of these, the maximum connections were released in Uttar Pradesh (1.48 crore), followed by West Bengal (89 lakh) and Bihar (86 lakh). State-wise details on number of connections released under the scheme (as of September 2019 and December 2017) are provided in Table 6 in the Annexure. Nearly all states have seen a rapid increase in connections released under the scheme.

The Comptroller and Auditor General (CAG) submitted a performance audit report on the PMUY scheme in December 2019. In its Report, CAG found that as of March 31, 2019, 7.2 crore connections were released under the scheme.<sup>8</sup>

Figure 8: Amount allocated for PMUY scheme and connections released under the scheme

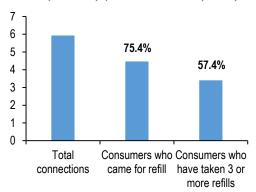


Sources: CAG Performance Audit, December 2019; Union Budget Documents; PRS.

The CAG also raised concerns related to lack of sustained usage of cylinders released under the scheme. As per Ministry data, till December 2018, there were nearly 5.9 crore beneficiaries under the scheme and the total number of refills under the scheme was nearly 28.8 crore. Figure 9 highlights the proportion of consumers who opted for refill under the scheme.

75% of consumers opted for a refill under the scheme and 57% opted for 3 or more refills (from date of getting the connection till December 2018). State-wise details (including UTs) on the proportion of consumers who opted for refill under the scheme are noted in Table 7 in the Annexure. The refill proportion was highest in Delhi (97%), Haryana (94%), Uttarakhand (88%). The proportion was lowest in Chhattisgarh (48%), Jharkhand (56%), Assam and Odisha (64%).

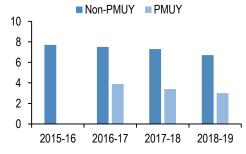
Figure 9: Refill of cylinders under the PMUY scheme (in crore) (till December 31, 2018)



Sources: Refill data, PMUY website, Ministry of Petroleum & Natural Gas; PRS.

The CAG performance audit report noted that the average annual refill rate for PMUY beneficiaries is low compared to the refill rate for non-PMUY beneficiaries (shown in Figure 10).<sup>8</sup> The CAG recommended that since the target of releasing connections has broadly been achieved, the scheme should now be focused towards sustained usage of LPG cylinders.

Figure 10: Average annual refill consumption for PMUY and non-PMUY consumers



Sources: CAG Performance Audit, December 2019; PRS.

The Standing Committee on Petroleum and Natural Gas (2019) also noted disparity in the

February 14, 2020 - 3 -

average refill of domestic cylinders (6.3 cylinders during last year) and the average refill of LPG cylinders by PMUY beneficiaries (3.1 cylinders). It recommended a scheme to incentivise PMUY beneficiaries to increase refills of LPG cylinders. Further, it recommended that the government should broaden the scope of the scheme to cover poor families residing in urban and semi-urban areas, with eventually aiming to provide LPG connections to all eligible households. <sup>10</sup>

An assessment report by the Petroleum Planning and Analysis Cell (2016) pointed out the key barriers for not applying for LPG connection are: (i) high initial cost, including security deposit / price of gas stove and, (ii) high recurring cost of the cylinder. The Report also identified easy availability of firewood in the vicinity of forests as another primary barrier to adoption of LPG. The top five states where over 40% of the households procure firewood for free are Gujarat, Madhya Pradesh, Jharkhand, Uttar Pradesh and Nagaland.

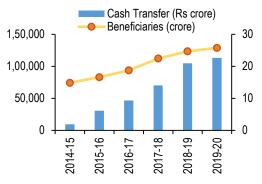
The CAG also highlighted issues related to implementation of the scheme. It noted that there were various cases of: (i) discrepancies in identification of beneficiaries, (ii) delay in installation of connections, (iii) diversion of cylinders for commercial purposes, and (iv) noncompliance with safety standards. Further, the CAG noted that there are no parameters under the scheme to assess outcomes related to performance of the scheme (such as improvement in health of women and reduction in air pollution). It recommended that the Ministry should develop a roadmap to assess these outcomes.

# Pratyaksha Hastaantarit Laabh (PAHAL)

PAHAL Scheme was launched in 2014 (54 districts in first phase) and launched in rest of the country in 2015. Under the scheme, a consumer (with annual income up to Rs 10 lakh) can avail Direct Benefit Transfer (DBT) cash-subsidy for a LPG cylinder. The beneficiaries buy LPG cylinders at market rate and subsequently receive subsidy directly in their bank accounts. The average subsidy per cylinder on domestic LPG during the year 2016-17, 2017-18 and 2018-19 (up to 1st half) was Rs 108.8, Rs 173.4 and Rs 219.1, respectively. The effective cost of a domestic LPG cylinder (14.24 kg) after DBT subsidy, as of November 2019, was Rs 546.6. 14

As of September 2019, nearly 25.7 crore LPG consumers had joined the scheme (state wise details in Annexure). Figure 11 below shows cumulative cash transfer and beneficiaries under the scheme for 2014-15 to 2019-20.

Figure 11: Cumulative cash transfer and number of beneficiaries under the scheme



Sources: Direct Benefit Transfer website, accessed on February 8, 2020; PRS.

Note: Numbers for a year are cumulative transfers till that year.

The CAG (in 2019) noted that the coverage of LPG in the country has increased from 62% in May 2016 to 94.3% in March 2019. Table 3 details the coverage of LPG in the country.

Table 3: Coverage of LPG in the country

As on	Total connections (in crore)	Households (in crore)	Coverage (in %)
May-16	16.7	26.9	62.0%
Mar-17	19.7	27.3	72.8%
Mar-18	22.4	27.7	80.9%
Mar-19	26.5	28.2	94.3%

Sources: CAG Performance Audit, December 2019; PRS.

As per Direct Benefit Transfer web portal, the implementation of PAHAL scheme has resulted in an estimated savings of Rs 65,661 crore (up to December 2019). A 54 crore duplicate, fake, non-existent and inactive LPG connections have been eliminated under the scheme. The 'GiveItUp' campaign was started by the Ministry with the aim to motivate consumers who can afford to pay the market price for LPG to voluntarily surrender their subsidy. 17 1.03 crore consumers have opted out of the scheme under the 'GiveItUp' campaign (as of December 2018). 13

The CAG report on 'Implementation of PAHAL Scheme' (2016) noted that the scheme appears to have addressed the concern regarding diversion of subsidised LPG cylinders to commercial consumers. However, the risk of diversion of nonsubsidised domestic LPG to commercial consumers still remains as there is a significant difference in the cost of non-subsidised domestic LPG and commercial LPG.

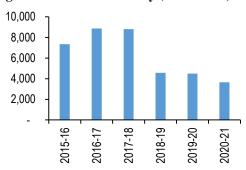
There have also been complaints of supply of underweight cylinders and non-transfer of subsidy due to deseeding of Aadhaar from payments databases. <sup>19,20</sup> The consumer has now been given the option of receiving subsidy through bank account transfer without the use of Aadhaar.

February 14, 2020 - 4 -

#### Kerosene Subsidy

Over the last few years, the Ministry's expenditure on providing subsidy for kerosene has reduced from Rs 7,339 crore in 2015-16 to an estimated Rs 3,659 crore in 2020-21 (see Figure below).

Figure 12: Kerosene subsidy (in Rs crore)



Sources: Union Budget Documents; PRS. Note: Figures for 2019-20 are Revised Estimates and Figures for 2020-21 are Budget Estimates.

Note that the government has stated that with the increase in LPG coverage and electrification in villages, the allocation for kerosene has been rationalised.<sup>21</sup> The Standing Committee on Petroleum and Natural Gas (2017) had recommended that the Ministry should reduce the expenditure on this subsidy and work towards the eventual withdrawal of the subsidy.<sup>22</sup>

The Committee noted that an increase in the coverage of LPG beneficiaries is necessary to reduce dependence on kerosene.<sup>22</sup> This will result in the usage of cleaner fuel, promote the health of users, and address the problem of adulteration. The Committee also recommended that states should be encouraged to move towards the direct cash transfer of kerosene subsidy to reduce inefficiencies in the delivery.

# **Dependence on imports**

India's import of crude oil has increased from 1,63,775 TMT (Thousand Metric Tons) in 2010-11 to 2,26,498 TMT in 2018-19. Crude oil is refined in oil refineries to transform oil into useful petroleum products such as high speed diesel, LPG and kerosene. These petroleum products are used as raw materials in various sectors and industries such as transport (fuel) and petrochemicals. Further, they may also be used in factories to operate machinery or fuel generator sets. In 2018-19, India's total export of petroleum products was 61,096 TMT.

Table 4 shows the total import of crude oil and petroleum products, consumption of petroleum products in the country and India's exports of petroleum products for the last 10 years.

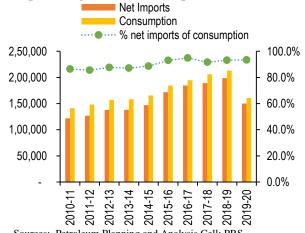
Table 4: Import, export and consumption of petroleum products in the country (in TMT)

Year	Crude Oil imports	Petroleum products import	Petroleum products export	Petroleum products consumption
2010-11	1,63,595	17,379	59,077	1,41,040
2011-12	1,71,729	15,849	60,837	1,48,132
2012-13	1,84,795	16,354	63,408	1,57,057
2013-14	1,89,238	16,697	67,864	1,58,407
2014-15	1,89,435	21,301	63,932	1,65,520
2015-16	2,02,850	29,456	60,539	1,84,674
2016-17	2,13,932	36,287	65,513	1,94,597
2017-18	2,20,433	35,461	66,833	2,06,166
2018-19	2,26,498	33,348	61,096	2,13,216
2019-20	1,68,589	31,619	50,055	1,60,603

Note: Data for 2019-20 is till December 2019. Sources: Petroleum Planning and Analysis Cell; PRS.

Note that the India's net import (total imports exports) as a fraction of consumption has risen from 86.4% in 2010-11 to 93.5% in 2019-20. Figure 13 shows the variation of net imports of petroleum products as a percentage of total consumption in the country.

Figure 13: Net imports of Petroleum Products as percentage of total consumption (in TMT)



Sources: Petroleum Planning and Analysis Cell; PRS.

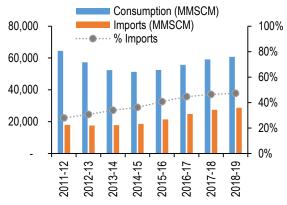
The Standing Committee on Patroleum and

The Standing Committee on Petroleum and Natural Gas (2019) noted that the Middle East accounts for more than two-thirds of India's crude oil imports, and urged the government to continue its crude oil import diversification efforts. <sup>10</sup>

For Natural Gas, the total imports as a fraction of consumption has risen from 28% in 2011-12 to 47% in 2018-19. Figure 14 shows the variation of net imports of Natural Gas as a percentage of total consumption of Natural Gas.

February 14, 2020 - 5 -

Figure 14: Imports of Natural Gas as percentage of total consumption



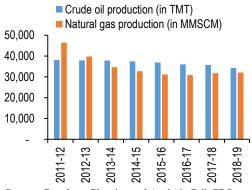
Sources: Petroleum Planning and Analysis Cell; PRS. Note: MMSCM = Million Metric Standard Cubic Meters.

The Standing Committee on Petroleum and Natural Gas (2018) had noted that it does not find any concrete action taken by the ministry and a clear strategy with stipulated timelines to achieve the target of reduction in import dependence by 10% by 2022.<sup>23</sup>

# **Production and Exploration**

India's Crude Oil and Condensate production has fallen from 38,082 TMT in 2011-12 to 34,203 TMT in 2018-19. Similarly, the production of Natural Gas has fallen from 46,453 MMSCM (Million Metric Standard Cubic Meters) in 2011-12 to 32,058 MMSCM in 2018-19. The Standing Committee on Petroleum and Natural Gas (2018) also noted that crude oil production has been stagnant for the last few years, which is a matter of serious concern.<sup>23</sup>

Figure 15: Crude Oil and Natural Gas production in India



Sources: Petroleum Planning and Analysis Cell; PRS.

#### Oil and Natural Gas

The Cabinet approved a policy framework for reforms in the exploration and licensing policy for

<sup>1</sup> About the Scheme, PAHAL – Direct Benefits Transfer for LPG, Ministry of Petroleum and Natural Gas, http://petroleum.nic.in/dbt/whatisdbtl.html. oil and gas fields in February 2019.<sup>24</sup> The reforms aimed to enhance domestic exploration and production of oil and gas. Previously, Cabinet had approved policy framework for exploration and exploitation of unconventional hydrocarbons such as shale oil and gas, and coal bed methane (CBM). Note that CBM production in India has shown an upward trend. (Figures in Table 5).

**Table 5: Coal Bed Methane production** 

Year	Production (in MMSCM)
2015-16	1.07
2016-17	1.54
2017-18	2.23
2018-19 (P*)	4.93
2019-20 (P*)	6.24
2020-21 (P*)	7.29

Sources: Standing Committee on Petroleum and Natural Gas, Lok Sabha, Twenty-fifth Report, August 2018; PRS. Note: P\* = Provisional.

# Mergers and disinvestment of Oil PSUs

The government has stated that it proposes to create an integrated public sector oil company to match the performance of international and domestic private sector oil and gas companies.<sup>25</sup>

In January 2018, the government entered into an agreement with the Oil and Natural Gas Corporation (ONGC) for the sale of its 51% equity share-holding in Hindustan Petroleum Corporation Ltd (for Rs 36,915 crore).<sup>26</sup> Through this acquisition, ONGC became the country's first vertically integrated 'oil major' company, with presence across entire value chain.

Further, in November 2019, the Union Cabinet approved disinvestment of its 53.3% share in Bharat Petroleum Corporation Ltd along with transfer of management control to a strategic buyer.<sup>27</sup> The Ministry of Petroleum and Natural Gas has held that mergers and acquisitions of PSUs will result in synergies and optimisation of logistics costs and refinery operations.<sup>28</sup>

The Standing Committee on Petroleum and Natural Gas (2017) noted that the creation of a 'oil major' will be helpful to strengthen balance sheet of PSUs.<sup>29</sup> Further, it would lead to sharing of skills and research and development, and improve overall competitiveness of oil PSUs on global stage. However, the Committee recommended that the government needs to proceed with caution as there are several challenges such as integration of human resources and creating synergies in companies having diverse operations.

http://environmentclearance.nic.in/writereaddata/Online/TOR/1 1\_Jan\_2017\_125110330F858KUXWProjectSummaryJHBDPL PhaseII.pdf.

February 14, 2020 - 6 -

<sup>&</sup>lt;sup>2</sup> Brief Report on Jagdishpur- Haldia & Bokaro- Dhamra Pipeline (JHBDPL Phase-II) Project, Environment Clearance,

<sup>&</sup>lt;sup>3</sup> Annual Report 2016-17, Ministry of Petroleum and Natural Gas, <a href="https://petroleum.nic.in/sites/default/files/AR16-17.pdf">https://petroleum.nic.in/sites/default/files/AR16-17.pdf</a>.

<sup>8</sup> Report of the Comptroller and Auditor General of India on Pradhan Mantri Ujjwala Yojana, Performance Audit, No. 14 of 2019, Ministry of Petroleum and Natural Gas, December 11, 2019,

https://cag.gov.in/sites/default/files/audit\_report\_files/Report\_No\_14\_of\_2019\_Performance\_Audit\_of\_Pradhan\_Mantri\_Ujjwala\_Yojana\_Ministry\_of\_Petroleum\_and\_Natural\_Gas\_0.pdf.

<sup>9</sup> Refill Data, Pradhan Mantri Ujjwala Yojana, accessed on February 6, 2020, https://pmuy.gov.in/registereduser.html.

<sup>10</sup>1st Report of the Standing Committee on Petroleum and Natural Gas on the Demands for Grants of the Ministry of Petroleum and Natural Gas (2019-20), December 2019,

http://164.100.47.193/lsscommittee/Petroleum%20&%20Natural%20Gas/17\_Petroleum\_And\_Natural\_Gas\_1.pdf

11 Assessment report: Primary survey on

household cooking fuel usage and willingness to convert to LPG, Petroleum Planning & Analysis Cell, Ministry of Petroleum and Natural Gas, June 2016, <a href="http://ppac.org.in/WriteReadData/Reports/201710310449342512219PrimarySurveyReportPPAC.pdf">http://ppac.org.in/WriteReadData/Reports/201710310449342512219PrimarySurveyReportPPAC.pdf</a>.

<sup>12</sup> PAHAL-Direct Benefits Transfer for LPG(DBTL) Consumers Scheme, Ministry of Petroleum and Natural Gas, http://petroleum.nic.in/dbt/whatisdbtl.html.

13 '1.03 crore LPG Consumers have voluntarily Surrendered LPG Subsidy', Press Information Bureau, Ministry of Petroleum and Natural Gas, December 17, 2018.

<sup>14</sup> Oil Industry Information at a Glance, Petroleum Planning and Analysis Cell, November 2019, <a href="https://www.ppac.gov.in/WriteReadData/Reports/201912060336500305462ReadyReckonerNov2019WebVersion.pdf">https://www.ppac.gov.in/WriteReadData/Reports/201912060336500305462ReadyReckonerNov2019WebVersion.pdf</a>.

<sup>15</sup> "Pahal Scheme", Unstarred Question No. 2016, answered on December 6, 2019, Ministry of Petroleum and Natural Gas, Lok Sabha, <a href="http://164.100.24.220/loksabhaquestions/annex/172/AU2106.pdf">http://164.100.24.220/loksabhaquestions/annex/172/AU2106.pdf</a>.

<sup>16</sup> Estimated Gains, Direct Benefit Transfer, as accessed on February 8, 2020, <a href="https://dbtbharat.gov.in/estimatedgain">https://dbtbharat.gov.in/estimatedgain</a>.

<sup>17</sup> 'GiveItUp', About the GiveItUp campaign, Ministry of Petroleum and Natural Gas, <a href="http://www.givitup.in/about.html">http://www.givitup.in/about.html</a>.

<sup>18</sup> CAG Report on Implementation of PAHAL (DBTL) Scheme, Report No. 25 of 2016, Ministry of Petroleum and Natural Gas, <a href="https://cag.gov.in/sites/default/files/audit\_report\_files/Union\_Commercial\_Compliance\_Full\_Report\_25\_2016\_English.pdf">https://cag.gov.in/sites/default/files/audit\_report\_files/Union\_Commercial\_Compliance\_Full\_Report\_25\_2016\_English.pdf</a>.

19 'DBTL under Implementation in 715 Districts', Press Information Bureau, Ministry of Petroleum and Natural Gas, December 31, 2018.

<sup>20</sup> '23.24 Crore Consumers joined Direct Benefit Transfer of LPG subsidies', Press Information Bureau, Ministry of Petroleum and Natural Gas, January 2, 2019.

<sup>21</sup> Unstarred Question No. 2295, Lok Sabha, Ministry of Petroleum and Natural Gas, Answered on January 1, 2018, http://164.100.47.190/loksabhaquestions/annex/13/AU2295.pdf.

<sup>22</sup> 18<sup>th</sup> Report of the Standing Committee on Petroleum and Natural Gas on the Demands for Grants of the Ministry of Petroleum and Natural Gas (2017-18), March 2017,

http://164.100.47.193/lsscommittee/Petroleum%20&%20Natural%20Gas/16 Petroleum And Natural Gas 18.pdf.

<sup>23</sup> Standing Committee on Petroleum and Natural Gas, Lok Sabha, Twenty-fifth Report, August 2018, <a href="http://164.100.47.193/lsscommittee/Petroleum%20&%20Natural%20Gas/16">http://164.100.47.193/lsscommittee/Petroleum%20&%20Natural%20Gas/16</a> Petroleum And Natural Gas 25.pdf.

<sup>24</sup> "Exploration and Licensing Policy for Enhancing Domestic Exploration and Production of Oil and Gas", Press Information Bureau, Ministry of Petroleum and Natural Gas, February 21, 2019.

 $^{25}\ Budget\ Speech,\ Union\ Budget\ 2017-18,\ \underline{https://www.indiabudget.gov.in/budget2017-2018/ub2017-18/bs/bs.pdf.}$ 

<sup>26</sup> "The Government of India enters into an agreement with ONGC today for the Strategic Sale of its 51.11% equity share-holding in HPCL at a consideration of Rs. 36,915 crore", Press Information Bureau, Ministry of Finance, January 20, 2018.

<sup>27</sup> "Cabinet approves strategic disinvestment of CPSE", Press Information Bureau, Cabinet Committee on Economic Affairs, November 20, 2019

<sup>28</sup> "Acquisition of State PSUs", Unstarred Question No. 871, Ministry of Petroleum and Natural Gas, Lok Sabha, <a href="http://164.100.24.220/loksabhaquestions/annex/15/AU871.pdf">http://164.100.24.220/loksabhaquestions/annex/15/AU871.pdf</a>.

<sup>29</sup> Standing Committee on Petroleum and Natural Gas, Lok Sabha, Eighteenth Report, March 2017, <a href="http://164.100.47.193/lsscommittee/Petroleum%20&%20Natural%20Gas/16">http://164.100.47.193/lsscommittee/Petroleum%20&%20Natural%20Gas/16</a> Petroleum And Natural Gas 18.pdf.

DISCLAIMER: This document is being furnished to you for your information. You may choose to reproduce or redistribute this report for non-commercial purposes in part or in full to any other person with due acknowledgement of PRS Legislative Research ("PRS"). The opinions expressed herein are entirely those of the author(s). PRS makes every effort to use reliable and comprehensive information, but PRS does not represent that the contents of the report are accurate or complete. PRS is an independent, not-for-profit group. This document has been prepared without regard to the objectives or opinions of those who may receive it.

February 14, 2020 - 7 -

<sup>&</sup>lt;sup>4</sup> Energy Sources of Indian Households for Cooking and Lighting, 2011-12, NSS 68<sup>th</sup> Round, July 2011-June 2012, Ministry of Statistics and Programme Implementation, <a href="http://mospi.nic.in/sites/default/files/publication\_reports/nss\_report\_567.pdf">http://mospi.nic.in/sites/default/files/publication\_reports/nss\_report\_567.pdf</a>.

<sup>&</sup>lt;sup>5</sup> About PMUY, Pradhan Mantri Ujjwala Yojana, Ministry of Petroleum and Natural Gas, https://www.pmujjwalayojana.com.

<sup>&</sup>lt;sup>6</sup> 'Cabinet approves enhancement of target under Pradhan Mantri Ujjwala Yojana', Press Information Bureau, Cabinet Committee on Economic Affairs, February 7, 2018.

<sup>&</sup>lt;sup>7</sup> State-wise PMUY connections released, Pradhan Mantri Ujjwala Yojana, Ministry of Petroleum and Natural Gas, as accessed on February 10, 2020, <a href="https://pmuy.gov.in/released-connections.html">https://pmuy.gov.in/released-connections.html</a>.

# **Annexure**

Table 6: Number of connections released under PMUY scheme

Sr. No.	State/UT	PMUY connections (as of December 2017)	PMUY connections (as of September 2019)	Total LPG consumers
1	Andaman & Nicobar Islands	1,697	13,103	1,07,10
2	Andhra Pradesh	79,743	3,90,998	1,34,65,37
3	Arunachal Pradesh	3,985	44,668	2,59,20
4	Assam	5,78,494	34,93,730	70,29,23
5	Bihar	44,81,284	85,71,668	1,73,25,77
6	Chandigarh	NA	88	2,75,87
7	Chhattisgarh	17,35,640	29,98,629	51,45,25
8	Dadra and Nagar Haveli	11,437	14,438	88,16
9	Daman and Diu	201	427	61,31
10	Delhi	519	77,051	48,61,82
11	Goa	978	1,082	4,87,61
12	Gujarat	12,32,009	29,07,682	1,03,71,35
13	Haryana	3,44,195	7,30,702	67,31,52
14	Himachal Pradesh	23,074	1,36,084	18,25,40
15	Jammu and Kashmir	3,57,855	12,03,246	31,54,27
16	Jharkhand	9,98,804	32,93,035	55,80,57
17	Karnataka	7,86,370	31,51,238	1,57,49,69
18	Kerala	28,676	2,56,303	86,92,50
19	Lakshadweep	108	292	7,98
20	Madhya Pradesh	30,16,371	71,79,224	1,48,30,58
21	Maharashtra	16,87,784	44,37,624	2,71,42,63
22	Manipur	20,415	1,56,195	5,39,94
23	Meghalaya	21,756	1,50,664	3,14,08
24	Mizoram	579	28,123	2,93,99
25	Nagaland	7,021	55,143	2,58,49
26	Odisha	18,59,230	47,50,478	85,09,32
27	Puducherry	2,116	13,566	3,70,29
28	Punjab	3,63,372	12,25,067	83,65,30
29	Rajasthan	24,48,313	63,92,482	1,60,92,75
30	Sikkim	545	8,747	1,40,83
31	Tamil Nadu	8,52,810	32,43,190	2,08,73,13
32	Telangana	41	10,75,202	1,07,35,47
33	Tripura	27,555	2,72,323	7,30,96
34	Uttar Pradesh	63,27,936	1,47,86,745	3,96,08,33
35	Uttarakhand	1,32,729	4,04,703	25,83,17
36	West Bengal	48,05,919	88,76,053	2,18,07,61
	Total	3,22,39,561	8,03,39,993	27,44,17,00

Sources: State-wise PMUY connections released, Pradhan Mantri Ujjwala Yojana, Ministry of Petroleum and Natural Gas, as accessed on February 10, 2020; Unstarred Question No. 1093, answered on December 27, 2017, Ministry of Petroleum and Natural Gas, Rajya Sabha; Unstarred Question No. 182, answered on November 18, 2019, Ministry of Petroleum and Natural Gas, Rajya Sabha; PRS.

February 14, 2020 - 8 -

Table 7: Number of consumers who opted for refill under the PMUY scheme (in Crore)

State/UT	Total connections till 2018	No. of consumers who came for refill	No. of consumers who have taken 3 or more refills	% of consumers who came for refill	% of consumers who came for 3 or more refill
Andaman and Nicobar	7,294	5,935	4,770	81.4%	65.4%
Andhra Pradesh	1,93,104	1,57,171	1,14,878	81.4%	59.5%
Arunachal Pradesh	36,818	29,155	21,875	79.2%	59.4%
Assam	23,68,650	15,15,196	10,19,589	64.0%	43.0%
Bihar	69,98,869	56,48,273	45,10,597	80.7%	64.4%
Chandigarh	46	33	28	71.7%	60.9%
Chhattisgarh	26,53,521	12,66,113	8,17,612	47.7%	30.8%
Dadra and Nagar Haveli	13,012	12,522	9,125	96.2%	70.1%
Daman and Diu	412	400	330	97.1%	80.1%
Delhi	63,894	61,698	58,568	96.6%	91.7%
Goa	1,052	1,019	949	96.9%	90.2%
Gujarat	19,07,333	16,05,729	13,44,138	84.2%	70.5%
Haryana	6,16,511	5,82,233	5,24,923	94.4%	85.1%
Himachal Pradesh	91,071	78,287	60,100	86.0%	66.0%
Jammu and Kashmir	8,46,553	6,03,958	3,92,480	71.3%	46.4%
Jharkhand	24,68,589	13,89,968	9,11,168	56.3%	36.9%
Karnataka	18,35,054	14,77,278	11,07,696	80.5%	60.4%
Kerala	1,56,533	1,32,512	96,271	84.7%	61.5%
Lakshadweep	287	243	196	84.7%	68.3%
Madhya Pradesh	52,98,247	35,65,379	24,98,803	67.3%	47.2%
Maharashtra	34,80,922	27,32,926	20,01,046	78.5%	57.5%
Manipur	1,03,903	90,939	77,413	87.5%	74.5%
Meghalaya	1,32,965	81,010	53,192	60.9%	40.0%
Mizoram	25,080	21,522	17,111	85.8%	68.2%
Nagaland	46,555	34,979	24,103	75.1%	51.8%
Odisha	35,51,904	22,82,374	16,33,126	64.3%	46.0%
Puducherry	12,814	11,786	9,949	92.0%	77.6%
Punjab	11,44,478	9,49,338	7,47,130	82.9%	65.3%
Rajasthan	44,08,608	36,00,336	28,05,270	81.7%	63.6%
Sikkim	5,442	4,458	3,393	81.9%	62.3%
Tamil Nadu	28,07,171	22,18,648	15,96,572	79.0%	56.9%
Telangana	5,22,787	3,67,634	2,01,789	70.3%	38.6%
Tripura	1,89,895	1,05,446	71,150	55.5%	37.5%
Uttar Pradesh	1,00,96,085	86,30,768	71,13,651	85.5%	70.5%
Uttarakhand	2,74,256	2,41,597	2,03,801	88.1%	74.3%
West Bengal	68,94,558	51,57,709	39,85,937	74.8%	57.8%
Total	5,92,54,273	4,46,64,572	3,40,38,729	75.4%	57.4%

Sources: Refill data, PMUY website, Ministry of Petroleum & Natural Gas, accessed on February 6, 2020; PRS.

February 14, 2020 - 9 -

Table 8: Number of consumers who have joined the PAHAL scheme

Sr. No.	State/UT	PAHAL scheme consumers (as on September 20, 2019)
1	Andaman and Nicobar Islands	87,115
2	Andhra Pradesh	1,27,51,343
3	Arunachal Pradesh	2,00,666
4	Assam	68,46,061
5	Bihar	1,66,81,327
6	Chandigarh	2,48,310
7	Chhattisgarh	49,22,045
8	Dadra and Nagar Haveli	81,859
9	Daman and Diu	57,618
10	Delhi	41,08,419
11	Goa	4,18,565
12	Gujarat	94,86,981
13	Haryana	62,14,026
14	Himachal Pradesh	15,92,392
15	Jammu and Kashmir	29,81,157
16	Jharkhand	53,13,783
17	Karnataka	1,44,91,085
18	Kerala	81,00,093
19	Lakshadweep	7,000
20	Madhya Pradesh	1,41,89,879
21	Maharashtra	2,45,85,778
22	Manipur	5,11,234
23	Meghalaya	3,01,176
24	Mizoram	2,33,001
25	Nagaland	1,82,130
26	Odisha	81,53,094
27	Puducherry	3,50,098
28	Punjab	77,56,468
29	Rajasthan	1,51,52,931
30	Sikkim	1,28,853
31	Tamil Nadu	1,94,85,501
32	Telangana	1,00,06,967
33	Tripura	7,16,146
34	Uttar Pradesh	3,74,25,995
35	Uttarakhand	23,33,244
36	West Bengal	2,08,75,314
	Total	25,69,77,654

Sources: "Pahal Scheme", Unstarred Question No. 2016, answered on December 6, 2019, Ministry of Petroleum and Natural Gas, Lok Sabha; PRS.

February 14, 2020 - 10 -