

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM & NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO. 625
ANSWERED ON 12TH DECEMBER, 2022

NATURAL GAS RESERVES IN THE COUNTRY

625 SHRI JOSE K. MANI:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether any survey/exploration has been made regarding the total natural gas reserve in each region of the country;
- (b) if so, the periods when the survey was made and the total reserve of natural gas;
- (c) whether it has been revealed from any of the surveys that India has huge reserves of natural gas when compared to India's annual consumption of natural gas;
- (d) whether there is any policy to exploit fully the natural gas reserve so as to reduce the import of petroleum products; and
- (e) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS

(SHRI RAMESWAR TELI)

(a) to (c) : Exploration and surveys are continuous processes and are carried out on an ongoing basis by Oil and Gas Companies to establish oil and gas prospectivity in their operational areas. Based on exploration and surveys completed as on 01.04.2022, 2P (Proven+ Probable) Gas Reserves of the country is 649.8 Billion Cubic Meter (BCM) whereas the total consumption of natural gas was 63.91 BCM in Financial Year 2021-22.

(d) & (e): Government has *inter-alia* taken the following measures to exploit natural gas reserve and reduce import of petroleum products:-

A. Major Policy Initiatives towards Natural Gas Reforms:

- i. 'New Domestic Natural Gas Pricing Guidelines', 2014.
- ii. Marketing including pricing freedom with a price ceiling for gas production from difficult areas such as High Pressure- High Temperature (HP-HT) and deepwater areas, 2016.
- iii. Marketing and pricing freedom for Coal Bed Methane (CBM), 2017.

- iv. Marketing including pricing freedom for natural gas for operators in the North-Eastern Region (NER) where commercial production commenced on or after 1st July, 2018.
- v. The Policy reforms announced in February 2019 to enhance domestic production of oil and gas, inter-alia provides the following gas reforms:-
 - a) Full marketing and pricing freedom at arm's length basis for unexplored/unallocated areas. Further, marketing and pricing freedom at arm's length sales through competitive bidding to new gas discoveries under Field Development Plan (FDP) approved for first time after date of policy i.e., 28.02.2019.
 - b) Incentives in the form of reduction in Royalty by 10% for additional gas production over and above Business As Usual (BAU) scenarios to Administered Price Mechanism (APM) fields of NOCs.
- vi. 'Natural Gas Marketing Reforms' announced in October 2020 inter-alia prescribes standard procedure to discover market price of gas to be sold by gas producers, through a transparent and competitive process. Detailed guidelines for Discovery of Market Price for Domestically Produced Natural Gas through e-bidding were issued vide Notification dated 03.12.2020 and agencies empanelled by DGH for carrying out e-bidding also been notified.
- vii. An additional mechanism provided vide OM dated 19.08.2021, to gas producers having pricing and marketing freedom, for selling small quantity of gas, upto 500 MMSCM or 10% of annual production from Contract Area, whichever is higher, per year through gas exchanges authorized by Petroleum and Natural Gas Regulatory Board.
- viii. Detailed guidelines for monetization of Ad-hoc/Test Gas produced during the Testing of oil and gas well in November, 2021.
- ix. Complete Pricing and Marketing Freedom to gas produced from fields/blocks awarded under Hydrocarbon Exploration Licensing Policy (HELP).

B. Other Policy/ Initiatives:

- i. Policy for Relaxations, Extensions and Clarifications under Production Sharing Contract (PSC) regime for early monetization of hydrocarbon discoveries, 2014.
- ii. Policy for Extension of Production Sharing Contracts, 2016 and 2017.
- iii. Policy to Promote and Incentivize Enhanced Recovery Methods for Oil and Gas, 2018.
- iv. Policy framework for exploration and exploitation of Unconventional Hydrocarbons, 2018.
- v. Oil and Gas acreages awarded regularly under Open Acreage Licensing Policy. Further, Discover Small Field bid round-III and Special CBM Bid round have been launched to enhance domestic gas production.
