

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO.- 1418
ANSWERED ON-13/03/2023

INCREASING OIL PRODUCTION

1418. SHRI SUSHIL KUMAR GUPTA:

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

- (a) whether Government has taken any new initiatives to cut country's excessive reliance on imported crude oil;
- (b) the steps being taken to boost stagnant domestic production to meet continuously rising demand for petroleum products; and
- (c) the efforts being made for making exploration and production contracts more lucrative for oil companies and opening vast areas for hydrocarbon exploration?

ANSWER

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

(SHRI RAMESWAR TELI)

- (a) & (b): With the objective to reduce import dependency through increase in domestic oil production, the government has undertaken several transformational policy reforms, which inter-alia include:
- i. Policy for Relaxations, Extensions and Clarifications under Production Sharing Contract (PSC) regime for early monetization of hydrocarbon discoveries, 2014.
 - ii. Discovered Small Field Policy, 2015.
 - iii. Hydrocarbon Exploration and Licensing Policy (HELP), 2016.
 - iv. Policy for Extension of Production Sharing Contracts, 2016 and 2017.
 - v. Policy for early monetization of Coal Bed Methane 2017
 - vi. Setting up of National Data Repository, 2017.
 - vii. Appraisal of Un-appraised areas in Sedimentary Basins under National Seismic Programme, 2017
 - viii. Re-assessment of Hydrocarbon Resources 2017
 - ix. Policy framework to streamline the working of Production Sharing Contracts in Pre- NELP and NELP Blocks, 2018.
 - x. Policy to Promote and Incentivize Enhanced Recovery Methods for Oil and Gas, 2018.
 - xi. Policy framework for exploration and exploitation of Coal Bed Methane (CBM) from areas under Coal Mining Lease allotted to Coal India Limited (CIL) and its subsidiaries 2018.

- xii. Policy Framework for exploration and exploitation of Unconventional Hydrocarbons under Existing Production Sharing Contracts (PSCs), Coal Bed Methane (CBM) Contracts and Nomination Fields, 2018.
- xiii. Reforms in Hydrocarbon Exploration and Licensing Policy for enhancing domestic exploration and production of oil and gas 2019.
- xiv. Natural Gas Marketing Reforms 2020.

In addition, Government has also launched National Biofuel Policy, 2018, to boost availability of biofuels in country and use of alternative clean fuels like ethanol, bio-diesel and bio-CNG through schemes for Ethanol Blending, Bio-diesel blending and Sustainable Alternative Towards Affordable Transportation. Ethanol blending in Petrol during the Ethanol Supply Year (ESY) 2021-22 (December 2021-November 2022) is estimated to have had impact of over Rs. 22,500 Crore on the import bill of crude oil and petroleum products.

(c) Government of India has notified HELP on 30th March 2016 for the award of exploration acreages to boost the Indian E&P Sector shifting from Production Sharing mechanism to Revenue Sharing mechanism. To make policy more attractive, Government further notified policy reforms on 28th February 2019, where many of the processes and approvals were relaxed to promote “Ease of Doing Business”, Revenue Share from Category II & III type of basins were removed, except for windfall gains, 7 years Royalty Holiday for Deep & Ultra-deep blocks and concessional Royalty Rates- 3.5% for Deepwater and 1.4% for Ultra-deep water blocks. So far since 2017, Seven Open Acreage Licensing Policy (OALP) Round have been successfully concluded with award of 134 exploration blocks covering 2,07,691 sq. km. area for E&P activities.
