

**LOK SABHA**  
**UNSTARRED QUESTION NO. 4734**  
**TO BE ANSWERED ON 22<sup>nd</sup> July, 2019**

**Production of Oil and Natural Gas**

**4734. SHRI SRIRANGA APPA BARNE:**  
**SHRI GIRISH BHALCHANDRA BAPAT:**  
**SHRI VINAYAK RAUT:**  
**SHRI CHANDRA SEKHAR SAHU:**

पेट्रोलियम व प्राकृतिक गैस मंत्री

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

- (a) whether all the energy load is coming on liquid petroleum and the country has not been able to produce sufficient crude oil and natural gas to meet its energy requirement and if so, the details thereof;
- (b) whether the country is not seeing results of the last licensing rounds and if so, the details thereof;
- (c) the steps taken/being taken by the Government to deal with those investor challenges removing ambiguities of the licensing operating regimes and ensuring that our contracts are investor-friendly; and
- (d) if so, the details of the steps taken/ being taken by the Government to address the bottle-necking/hindrances of oil and gas production and supply in the country?

**ANSWER**

पेट्रोलियम और प्राकृतिक गैस मंत्री (श्री धर्मेन्द्र प्रधान)

**MINISTER OF PETROLEUM AND NATURAL GAS**  
**(SHRI DHARMENDRA PRADHAN)**

**(a)** As per the Energy Statistics, 2019 report published by the Ministry of Statistics and Programme Implementation, out of total energy consumption from various sources in 2017-18, 34.32% was from crude oil. The details of domestic crude oil production in Million Metric Tonnes (MMT), natural gas production in Million Metric Standard Cubic Meters (MMSCM) and import dependency thereon for the last three years are as under:

	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Domestic crude oil production (including condensate) in MMT	36.0	35.7	34.2
Import dependency on crude oil	81.7 %	82.9 %	83.7 %
Domestic natural gas production (in MMSCM)	31,897	32,649	32,873
Import dependency on natural gas	44.6 %	46.4 %	47.2 %

**(b)** In the first Bid Round of Hydrocarbon Exploration Licensing Policy (HELP)/Open Acreage Licensing Policy (OALP), 55 Blocks having an acreage area of 59,282 sq. km. have been awarded in October, 2018. Under OALP Bid Round-II and III, 32 blocks having acreage area of 59000 sq. km. have been awarded on 16<sup>th</sup> July, 2019. In the first Bid Round of Discovered Small Field (DSF) Policy, total 30 contracts for 43 discovered small fields were signed with 20 companies in March, 2017. In DSF Round-II, 23 Contract Areas spread over 3,000 sq.km. have been awarded on 7<sup>th</sup> March, 2019.

**(c) & (d)** Steps taken by the Government to deal with investor challenges and removing ambiguities in the licensing operating regimes are as follows:

- i. Policy for Relaxations, Extensions and Clarifications under Production Sharing Contract (PSC) regime for early monetization of hydrocarbon discoveries
- ii. Discovered Small Field Policy
- iii. Hydrocarbon Exploration and Licensing Policy
- iv. Policy for Extension of Production Sharing Contracts
- v. Policy for early monetization of Coal Bed Methane
- vi. Policy framework to streamline the working of Production Sharing Contracts in Pre-NELP and NELP Blocks
- vii. Policy to Promote and Incentivize Enhanced Recovery Methods for Oil and Gas
- viii. Policy framework for exploration and exploitation of Unconventional Hydrocarbons under existing Production Sharing Contracts, Coal Bed Methane contracts and Nomination fields
- ix. The Government in February, 2019 approved major reforms in exploration and licensing policy to enhance exploration activities, attract domestic and foreign investment in unexplored/unallocated areas of sedimentary basins and accelerate domestic production of oil and gas from existing fields. The policy reforms *inter alia* aim to boost exploration activities with greater weightage to work programme, simplified fiscal and contractual terms, bidding of exploration blocks under Category II and III sedimentary basins without any production or revenue sharing to Government, early monetization of discoveries by extending fiscal incentives, incentivizing gas production including marketing and pricing freedom, induction of latest technology and capital, more functional freedom to National Oil Companies for collaboration and private sector participation for production enhancement methods in nomination fields, streamlining approval processes and promoting ease of doing business including electronic single window mechanism.
- x. Ease of doing business: Formulation of Standard Operating Procedures (SOPs), online processing and electronic single window for expeditious approval of contractual/statutory clearances. Constitution of Empowered Coordination Committee (ECC) under the chairmanship of Cabinet Secretary for streamlining and expediting grant of approval/clearances from various Ministries/Departments/Agencies.

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