

**LOK SABHA
UNSTARRED QUESTION NO. 106
TO BE ANSWERED ON 20th July, 2023**

Domestic Oil and Gas Production

106. DR. (PROF.) KIRIT PREMJI BHAI SOLANKI:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) whether the Government can provide an update on the efforts made by the Government to enhance the domestic oil and gas production, reduce imports and improve energy security and if so, the details thereof;
- (b) the measures taken/being taken by the Government to ensure the smooth transition to cleaner fuels and promote the use of natural gas in the sectors like transportation, industry and households; and
- (c) whether any steps have been taken/being taken by the Government to address issues related to fuel pricing, the impact of global crude oil prices and to mitigate the burden on consumers and if so, the details thereof?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्य मंत्री
(श्री रामेश्वर तेली)

**MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS
(SHRI RAMESWAR TELI)**

(a) The Government has taken various long/short term policy initiatives to increase domestic oil and gas production which *inter-alia* include:

1. Long term Policy initiatives:

- i. Discovered Small Field Policy, 2015.
- ii. Hydrocarbon Exploration and Licensing Policy, 2016.
- iii. Policy for early monetization of Coal Bed Methane 2017
- iv. Setting up of National Data Repository, 2017.
- v. Re-assessment of Hydrocarbon Resources 2017
- vi. Policy to Promote and Incentivize Enhanced Recovery Methods for Oil and Gas, 2018.
- vii. 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.
- viii. Policy Framework for Exploration and Exploitation of Unconventional Hydrocarbons under Existing Production Contracts and Nomination Fields, 2018.

- ix. Reforms in Hydrocarbon Exploration and Licensing Policy for enhancing domestic exploration and production of oil and gas 2019.

2. Short and medium term initiatives:

- i. Early Monetization of Existing Discoveries.
- ii. Improving Recovery Factor through implementation of Improved Oil Recovery (IOR) and Enhanced Oil Recovery (EOR) techniques.
- iii. Revival of sick wells.
- iv. Renewal of Facilities and other infrastructure.
- v. Monetization of small and marginal discoveries in onshore through service contract and outsourcing.
- vi. Redevelopment of existing matured fields and development of new fields/marginal fields.
- vii. Induction of suitable technologies on selective fields.

Further, to reduce imports and improve energy security, the Government has adopted strategy comprising, promoting energy efficiency and conservation measures, giving thrust on demand substitution, promoting biofuels and other alternate fuels/ renewables, and refinery process improvements.

(b) Various steps taken by the Government to ensure the smooth transition to cleaner fuels and promote the use of natural gas include expansion of National Gas Grid Pipeline, expansion of City Gas Distribution (CGD) network, setting up of Liquefied Natural Gas (LNG) Terminals, allocation of domestic gas to Compressed Natural Gas (Transport) / Piped Natural Gas (Domestic) CNG(T)/PNG(D) in no cut category, allowing marketing and pricing freedom to gas produced from high pressure/high temperature areas, deep water & ultra-deep water and from coal seams, Sustainable Alternative Towards Affordable Transportation (SATAT) initiatives to promote Bio-CNG, etc.

(c) Prices of petrol and diesel have been market-determined with effect from 26.06.2010 and 19.10.2014 respectively. Since then, the Public Sector OMCs take appropriate decision on pricing of petrol and diesel. Public Sector OMCs have not increased prices of petrol and diesel since 06.04.2022.

The Central Government has reduced Central Excise duty by a total of Rs. 13/ litre and Rs. 16/ litre on petrol and diesel respectively in two tranches in November 2021 and May 2022. The measure was aimed to give a further fillip to the economy and to boost consumption and keep inflation low, thus helping the poor and middle classes. Many States/UTs also reduced the VAT on petrol and diesel subsequently.
