

GOVERNMENT OF INDIA
LOK SABHA
STARRED QUESTION NO. 112
TO BE ANSWERED ON 25th NOVEMBER, 2019

Reforms in Oil and Energy Sector

*112. DR. PRITAM GOPINATHRAO MUNDE:

SHRIMATI RAKSHA NIKHIL KHADSE:

पेट्रो लयम और प्राकृतिक गैस मंत्री

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

- (a) Whether India is developing energy infrastructure worth \$100 billion;
- (b) if so, the details of the major investments which are in the pipeline;
- (c) whether there is a need to bring policy reforms to make it conducive for foreign players to invest in this development;
- (d) if so, the steps taken by the Government in this regard; and
- (e) whether the Government proposes to bring reforms in the oil and energy sector such as opening of retail outlets and exploration licensing policy to make the country the new destination for global energy players and if so, the details thereof?

ANSWER

पेट्रो लयम और प्राकृतिक गैस मंत्री

(श्री धर्मेन्द्र प्रधान)

MINISTER OF PETROLEUM AND NATURAL GAS
(SHRI DHARMENDRA PRADHAN)

(a) to (e): A statement is laid on the Table of the House.

**STATEMENT REFERRED IN REPLY TO PARTS (a) to (e) OF THE LOK SABHA
STARRED QUESTION NO.*112 ASKED BY DR. PRITAM GOPINATHRAO
MUNDE AND SHRIMATI RAKSHA NIKHIL KHADSE, M.P. TO BE ANSWERED
ON NOVEMBER 25, 2019 REGARDING REFORMS IN OIL AND ENERGY
SECTOR.**

(a) & (b) Development of India's energy infrastructure will involve huge investments in oil and gas infrastructure of more than 100 billion dollars including in exploration and production of oil & gas, oil refining, pipelines, city gas distribution networks and LNG terminals. Important sectors having thousands of crores of investment potential include, upstream oil and gas exploration and production, gas pipelines infrastructure for connecting national gas grid, city gas distribution networks in the newly authorized geographical areas, LNG terminals, compressed bio-gas plants, capacity addition of refineries, fertilizer plants and petro-chemical parks and ancillary industries and CNG auto sector.

(c) to (e) Policy reforms by the Government in the Hydrocarbon sector are a continuous process and a series of policy decisions have been taken in the last five years. The Government in February, 2019 approved major reforms in exploration and licensing policy to enhance exploration activities, attract domestic and foreign investment and accelerate domestic production of oil and gas from existing fields. The policy reforms inter-alia aims 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. The Government has also recently notified new guidelines for granting authorisation for marketing transportation fuels which will further liberalise the retail fuel sector in the country.
