

LOK SABHA
UNSTARRED QUESTION NO. 18
TO BE ANSWERED ON 18.07.2016
AUCTION OF OIL AND GAS FIELDS

18 SHRI SUMEDHANAND SARSWATI:
SHRI R. GOPALAKRISHNAN:

पेट्रो लयम एवं प्राकृतिक गैस मंत्री

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

- (a) whether the Government has offered / proposes to offer 67 oil and gas fields for auction through international bidding and give them pricing and marketing freedom;
- (b) if so, the details thereof along with the salient features of the new auction policy announced by the Government;
- (c) whether any reserve price has been fixed by the Government for each of the oil and gas blocks;
- (d) if so, the details thereof; and
- (e) whether the hydrocarbon sector is under performing in the country and if so, the details thereof and the reasons therefor along with the remedial measures taken/being taken by the Government in this regard?

ANSWER

पेट्रो लयम एवं प्राकृतिक गैस मंत्रालय में राज्य मंत्री (श्री धर्मेन्द्र प्रधान) (स्वतंत्र प्रभार)

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS
(SHRI DHARMENDRA PRADHAN) (INDEPENDENT CHARGE)

a) Yes Madam

b) The policy has been notified vide Ministry of Petroleum and Natural Gas's resolution dated 14.10.2015 which is available at <http://www.petroleum.nic.in>.

Salient Features of the Policy are :-

- Revenue Sharing contract: A simple and easy to administer contractual model in line with Government's effort to promote 'Ease of doing business'.
- Upto 100% FDI participation by foreign companies, joint ventures.
- Single license for Conventional & Non-conventional hydrocarbon.
- No restriction on exploration activity during contract period: Contractor will be allowed to carry out exploration during entire contract duration.
- Crude Oil & Gas Pricing and Sale: Freedom to sell crude oil exclusively in domestic market. For Gas pricing, contractor will have freedom for pricing of gas produced.

- Custom duty: Customs duty is exempted on import of goods and services for Petroleum operations
- Oil Cess : No Oil Cess will be applicable on crude oil production

(c) & (d) No Madam.

(e) In spite of natural decline from existing ageing mature fields, oil & gas companies have been able to maintain the level of Production as can be seen from the oil & gas Production details placed at **Annexure-I**.

Government has taken various policy and administrative initiatives to enhance the performance of hydrocarbon sector in the country. Some of the policy decisions taken by the Government in recent years are as under:

- Government has approved a new Hydrocarbon and Exploration Licensing Policy (HELP) and same has been notified on 30th March 2016.
- Marketing and Pricing freedom for new gas production from Deepwater, Ultra Deepwater and High Pressure-High Temperature areas subject to certain conditions.
- Policy for grant of extension to the Production Sharing Contracts of 28 Small and medium sized discovered blocks.
- Policy Framework for relaxation, extensions and clarifications at the development and production stage under PSC regime for early monetization of hydrocarbon discoveries.
- New Domestic Natural Gas price Guidelines, 2014: Under these guidelines, gas price has been linked to the market/ important hub prices.
- Appraisal of about 1.5 million sq. km un-appraised area of the Indian Sedimentary Basins.
- Re-assessment of Hydrocarbon Resources.
- National Data Repository has been setup.
- Policy for exploration and exploitation of Shale Gas/Shale Oil resources by NOCs under the Nomination Regime.
- Policy for exploration in the Mining Lease (ML) areas after the expiry of exploration period.
- Policy on Non-exclusive Multi-client Speculative Survey for assessment of unexplored sedimentary basins has been operationalized

Details of oil and gas production in the last five years**Country Crude Oil Production in last 5 Years (MMT)**

Year	2011-12	2012-13	2013-14	2014-15	2015-16
ONGC	23.71	22.56	22.24	22.26	22.37*
OIL	3.85	3.66	3.466	3.41	3.22*
Pvt/JVs	10.53	11.64	12.08	11.78	11.36
Total	38.09	37.86	37.79	37.46	36.95

Country Natural Gas Production in last 5 Years (BCM)

Year	2011-12	2012-13	2013-14	2014-15	2015-16
ONGC	23.316	23.548	23.284	22.02	21.18*
OIL	2.633	2.642	2.626	2.72	2.84*
Pvt/JVs	21.609	14.49	9.497	8.91	8.23
Total	47.558	40.68	35.41	33.66	32.25