

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:560
ANSWERED ON:11.11.2010
OIL AND GAS BLOCK AUCTION UNDER NELP
Biju Shri P. K.;Ray Shri Rudramadhab

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

- (a) whether the Government plans to launch the ninth round of oil and gas block auction under the New Exploration Licensing Policy (NELP);
- (b) if so, the details thereof;
- (c) the reasons for giving 7 years tax incentives in the eighth round of bidding;
- (d) the number of oil blocks awarded to public and private sectors out of total oil fields awarded;and
- (e) the total tax loss due to 7 year tax incentives in eight round of bidding to the oil companies?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI JITIN PRASADA)

- (a) & (b) Yes, Madam. The ninth bid round of New Exploration Licensing Policy (NELP-IX) was launched on 15th October, 2010 in New Delhi. 34 exploration blocks (8 deepwater, 7 shallow water and 19 onland blocks) have been offered under NELP -IX. The bid closing date is 18.03.2011.
- (c) As seven year Income Tax holiday for commercial production of "mineral oil" was available in the previous rounds of NELP, the same has been continued under the eighth round of NELP(NELP-VIII) with explicit provision for making it applicable to natural gas also.
- (d) Under the eight rounds of NELP held so far, total 235 exploration blocks have been awarded to various companies. Out of these, 135 blocks were awarded to National/State Oil Companies and 100 blocks were awarded to Private and Foreign Companies.
- (e) The provision of seven year Income Tax holiday for commercial production of "mineral oil" including natural gas in the eighth round of NELP(NELP-VIII) is an incentive to attract companies to invest in exploration and production of hydrocarbons in order to enhance energy security of the country.