

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

UNSTARRED QUESTION NO:1977

ANSWERED ON:11.08.2011

CONSISTENCY AND TRANSPARENCY IN THE REGULATORY PROCESS

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

(a) whether India can do better by infusing consistency and transparency in the regulatory process governing key sector in the petroleum and natural gas; and

(b) if so, the details thereof and the steps taken in this direction so far?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI R.P.N.SINGH)

(a) & (b) The regulatory process in the petroleum and natural gas sector is governed as per the Oilfield Regulation and Development (ORD) Act, 1948 and Petroleum and Natural Gas Rules 1959. The Act and Rules provide for regulation of Petroleum operations and grant of license and leases for exploration and development of Petroleum activities in a transparent manner. The blocks for oil and gas under New Exploration Policy (NELP) and the blocks for Coal Bed Methane (CBM) under CBM Policy are awarded through a transparent international competitive bidding process. Steps taken to ensure transparency in the bidding process, inter alia, would include:

(i) Before the launch of NELP or CBM round, Investors' Conferences are organized to invite suggestions for making improvements in the bidding parameters.

(ii) Bidding parameters are finalized and provided in advance to all bidders and bids received are opened in the presence of the bidders.

(iii) Exploration contracts are monitored on the basis of the Production Sharing Contracts executed by the Operators with Government and other related policies/guidelines, which are in Public domain.