

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

STARRED QUESTION NO:313  
ANSWERED ON:15.12.2011  
OIL AND GAS PRODUCTION  
Mani Shri Jose K.

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

- (a) the details of the growth achieved in the oil and gas sectors during the last three years and the expected growth likely to be achieved in the next three years;
- (b) the steps being taken by the Government to accelerate the growth in the coming years;
- (c) whether the oil and gas production is stifled due to regulatory bottlenecks in the petroleum sector; and
- (d) if so, the steps being taken to expedite prompt approval of projects so as to facilitate energy security of the country?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI S. JAIPAL REDDY)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. 313 ASKED BY SHRI JOSE K. MANI TO BE ANSWERED ON 15.12.2011 REGARDING OIL AND GAS PRODUCTION.

The Ministry of Petroleum and Natural Gas is mandated to take measures for exploitation of petroleum resources including natural gas, coal bed methane, and distribution, marketing and pricing of petroleum products. With the efforts of the Ministry, all-round progress has been made in the petroleum sector. The details of growth in upstream, midstream and downstream sectors during the last three years and next 03 years are as under:

S. No. Item Last 03 Years Expected in Next 3 years

2008-09 2009-10 2010-11 2011-12 2012-13 2013-14

1. Production of oil (MMT) 33.50 33.50 37.68 38.18 42.30 45.57

2. Production of gas (BCM) 32.845 47.509 52.221 51.671 52.276 61.652

3. Refining Capacity (MMTPA) 148.9 177.9 184.3 193.4 232.3 240.6

4. Number of Retail Outlets 36971 37952 39430 42730 44130 45530

5. Number of 10.68 11.63 12.69 13.59 14.64 15.58  
LPG consumers  
(Crore)

There are no regulatory bottlenecks in the growth of oil and gas production.

In order to increase the production of oil and gas and increase in refining capacity, the following steps have been taken by the Government:-

#### A. Production of oil and gas

(i) Implementation of New Exploration Licensing Policy (NELP) - 8 rounds of NELP have already been completed. Through these rounds, 235 exploration blocks have been awarded and 103 oil and gas discoveries have been made. The bidding of 9th round of NELP has also been completed in which 74 bids have been received for 33 exploration blocks against the 34 blocks offered.

(ii) Coal Bed Methane (CBM) - Coal Bed Methane is an environment friendly clean fuel similar to Natural Gas. 33 CBM contracts have been signed for exploration of CBM. As of now, 250 BCM reserves have been established in 5 CBM blocks. At present CBM gas production is about 2.3 lakh cubic metres per day.

(iii) Implementation of Oil Recovery Scheme - To increase the oil and gas production in the country, the oil companies are implementing Improved Oil Recovery (IOR) and Enhanced Oil Recovery (EOR) Schemes.

#### B. Refining Sector

In order to give boost to refining capacity in the country, Refining Sector has been delicensed since 1998. Refineries can now be established by any public or private sector entity based on techno commercial feasibility.

After delicensing of the sector in 1998, the refining capacity in the country increased from 62 MMTPA in 1998 to 148.96 in 2008-09 and to 193.386 MMTPA in 2011. Further, Bharat Petroleum Corporation Limited (BPCL) has recently commissioned a 6.0 MMTPA refinery at Bina, Madhya Pradesh in joint venture with Oman Oil Company, Oman and enhanced the capacity of its Kochi Refinery from 7.5 MMTPA to 9.5 MMTPA. Hindustan Petroleum Corporation Limited (HPCL) is setting up a 9.0 MMTPA refinery at Bhatinda, Punjab in joint venture with Mittal Energy Investment Pvt. Ltd. and has commissioned a study on pre-project activities for 9.0 MMTPA grassroot refinery at Ratnagiri district in the State of Maharashtra. Indian Oil Corporation Limited (IOCL) is also setting up a 15.0 MMTPA refinery at Paradip, Odisha.