

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

STARRED QUESTION NO:184
ANSWERED ON:03.08.2015
FDI Inflow
M. Smt. Vasanthi

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

- (a) whether adequate investment has been made by domestic and foreign companies for the promotion and development of Petroleum and Natural Gas Sector and if so, the details of investment made during the 12th Five Year Plan period;
- (b) whether exploration and production of oil and natural gas and laying of gas pipelines for LNG Regasification infrastructure are some of the key areas prioritised for Foreign Direct Investment (FDI);
- (c) if so, FDI inflow along with the investment made by foreign companies in such activities during the last three years and the current year; and
- (d) the concrete steps taken/being taken by the Government to attract FDI inflow in this sector?

Answer

MINISTER OF STATE (I/C) IN THE MINISTRY OF PETROLEUM & NATURAL GAS
(SHRI DHARMENDRA PRADHAN)

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

Statement referred to part (a) to (d) of Lok Sabha Starred Question No.184 for reply on 03.08.2015

There has been substantial investment for promotion and development of petroleum and natural gas sector during the 12th Five Year Plan period as may be seen from the following table:

(Rs. in crore)

Year Plan Capital Investment FDI Inflows

1. 2012-13 68079.69 1192.57
 2. 2013-14 107092.38 678.39
 3. 2014-15 69828.81 6473.22
 4. 2015-16 (April-June,2015) 14277.95 31.35
- Total 259278.83 8375.53

There is highest investment in exploration and production of oil and natural gas, followed by refineries and marketing including pipelines network and LNG regasification infrastructure. The Government is encouraging foreign investment to supplement domestic investment and technological capabilities.

The present Foreign Direct Investment (FDI) policy for petroleum & natural gas sector allows 100% automatic route for exploration and production, refining by the private companies (for public sector companies 49% on automatic route without any divestment or dilution of domestic equity in the existing PSUs), marketing of petroleum products, pipelines, storage and LNG regasification infrastructure and all related services, subject to existing sectoral policy and regulatory framework in the oil and gas sector sector.