

LOK SABHA
UNSTARRED QUESTION NO. 330
TO BE ANSWERED ON 24th June, 2019

Production of Oil and Gas

330. SHRI PANKAJ CHAUDHARY:
SHRIMATI RAMYA HARIDAS:

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

- (a) whether the Government proposes to increase indigenous oil and gas production to reduce imports in view of the substantial increase in oil prices globally;
- (b) if so, the details thereof along with the further steps taken/being taken by the Government for oil extraction from new oil fields in the country; and
- (c) the concrete measures/steps being taken by the Government to expedite for providing gas in the cities through pipeline?

ANSWER

MINISTER OF PETROLEUM AND NATURAL GAS
(SHRI DHARMENDRA PRADHAN)

(a) & (b) The policy initiatives taken by the Government to increase domestic production of oil and gas include:-

- i. Policy for Relaxations, Extensions and Clarifications under Production Sharing Contract (PSC) regime for early monetization of hydrocarbon discoveries
- ii. Discovered Small Field Policy
- iii. Hydrocarbon Exploration and Licensing Policy
- iv. Policy for Extension of Production Sharing Contracts
- v. Policy for early monetization of Coal Bed Methane
- vi. Setting up of National Data Repository
- vii. Appraisal of Unappraised areas in Sedimentary Basins.
- viii. Re-assessment of Hydrocarbon Resources.
- ix. Policy framework to streamline the working of Production Sharing Contracts in Pre-NELP and NELP Blocks
- x. Policy to Promote and Incentivize Enhanced Recovery Methods for Oil and Gas
- xi. Policy framework for exploration and exploitation of Unconventional Hydrocarbons under existing Production Sharing Contracts, Coal Bed Methane contracts and Nomination fields

The Government in February, 2019 approved major reforms in exploration and licensing policy to enhance exploration activities, attract domestic and foreign investment in unexplored/unallocated areas of sedimentary basins and accelerate domestic production of oil and gas from existing fields. The policy reforms *inter alia* aims to boost exploration activities with greater weightage to work programme, simplified fiscal and contractual terms, bidding of exploration blocks under Category II and III sedimentary basins without any production or revenue sharing to Government, early monetization of discoveries by extending fiscal incentives, incentivizing gas production including marketing and pricing freedom, induction of latest technology and capital, more functional freedom to National Oil Companies for collaboration and private sector participation for production enhancement methods in nomination fields, streamlining approval processes and promoting ease of doing business including electronic single window mechanism.

(c) Supply of Natural Gas in form of Piped Natural Gas (PNG) to households, commercial units and industries and supply of Natural Gas in form of Compressed Natural Gas (CNG) to vehicles are part of development of City Gas Distribution (CGD) network and the same is carried out by the entities authorized by Petroleum and Natural Gas Regulatory Board (PNGRB). So far, PNGRB has authorized 228 Geographical Areas (GAs) for development of CGD network across country till 10th CGD Bidding Round. 298 districts have been covered under 9th and 10th CGD Bidding Round for supply of PNG and CNG.
