

- (i) Government and Exploration and Production (E&P) companies have taken several steps to enhance oil and gas production in the country, which *inter-alia*, includes:
- Offering of exploration blocks under New Exploration Licensing Policy (NELP) - 254 exploration blocks awarded.
 - Implementation of improved oil recovery and enhanced oil recovery schemes by E&P companies for ageing fields.
 - Development of unconventional sources of hydrocarbon such as Coal Bed Methane (CBM) and Shale Gas.
 - Policy for geo-scientific data acquisition through public funding.
- (ii) Pursuing various E&P opportunities in India and abroad to have a balanced portfolio of exploratory, developing and producing oil and gas assets.
- (iii) Pursuing transnational oil and gas pipeline projects.
- (iv) Construction of strategic crude oil reserves of 5.33 million metric tonnes capacity.

(c) Our oil companies have E&P assets in 24 countries namely, Australia, Azerbaijan, Bangladesh, Brazil, Canada, Colombia, East Timor, Gabon, Indonesia, Iran, Iraq, Kazakhstan, Libya, Mozambique, Myanmar, Nigeria, Russia, South Sudan, Sudan, Syria, USA, Venezuela, Vietnam and Yemen. OVL is currently producing oil and gas from 13 projects in 8 countries *viz.*, Russia, Sudan, Vietnam, Azerbaijan, Myanmar, Colombia, Venezuela and Brazil. During 2013-14, OVL's share in production of oil and oil-equivalent gas was 8.36 MMTOE.

(d) and (e) India is actively engaged in bilateral and multilateral cooperation with foreign countries. To strengthen the country's energy security, the Ministry of Petroleum & Natural Gas is engaged in oil diplomacy. India's oil PSUs in particular are being encouraged to adopt a global vision in their pursuit of raw materials and raw material-producing assets abroad, and to vigorously pursue acquisition of oil and gas assets overseas.

Per unit cost of gas supplied by Reliance to Bangladesh and India

†1634. SHRI MAHENDRA SINGH MAHRA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

†Original notice of the question was received in Hindi.

- (a) the cost of the gas per unit being supplied in Bangladesh and India by Reliance company, at present;
- (b) whether the company has made any request to the Central Government regarding increasing the per unit cost of gas;
- (c) if so, when this request was received;
- (d) whether a decision in this regard is likely to be taken soon; and
- (e) if so, by when?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) The gas produced from KG-DWN-98/3 block in Eastern Offshore is being sold domestically in India as per the allocation made by the Government and no gas is being supplied to Bangladesh from this block. The current gas sales price from this block is US\$ 4.205 per mmbtu as approved by the Government.

Further, Article 21.1 of the Production Sharing Contract (PSC) in respect of Block KG-DWN-98/3 states that the Indian domestic market shall have the first call on the utilization of Natural Gas discovered and produced from the Contract Area. Accordingly, any proposal by the Contractor relating to Discovery and production of Natural Gas from the Contract Area shall be made in the context of the Government's policy for the utilization of Natural Gas and shall take into account the objectives of the Government to develop its resources in the most efficient manner and to promote conservation measures.

(b) and (c) By letter dated 6th January, 2012, RIL has requested to seek an opportunity to discuss a revision of the price formula. Since, then consultation with various stakeholders has been taking place and a Committee under the Chairmanship of Dr. C. Rangarajan has deliberated on this issue and has recommended a formula for pricing of Domestically produced Natural Gas.

(d) and (e) The formula approved in 2007 was valid for a period of 5 years from the date of commencement of supply and was to remain valid up to 31st March, 2014. Accordingly, the formula was due for revision. The new Government has decided that the whole issue of gas pricing will need comprehensive re-examination. The Domestic Natural Gas Pricing Guidelines, 2014 have been kept in abeyance upto 30.09.2014, and till that time, the domestically produced gas would continue to be priced at the rate prevailing on 31.03.2014.