

conditions. The prices of petroleum products are linked to the price of respective products in the international market and not to crude oil. Oil Marketing Companies take a decision on retail selling price after considering various aspects including international product prices, exchange rate, tax structure, inland freight and other cost elements.

(c) Article 279A (5) of the Constitution provides that Goods and Services Tax Council shall recommend the date on which goods and services tax shall be levied on petroleum crude, high speed diesel, motor spirit, natural gas and aviation turbine fuel. Thus while, petroleum products are constitutionally included under GST, the date on which GST shall be levied on such goods, shall be as per the decision of the GST Council. As per the section 9(2) of the CGST Act, inclusion of all excluded petroleum products, including petrol and diesel in GST will require recommendation of the GST Council.

#### **Reducing crude oil and gas imports**

1215. SHRI RAM KUMAR KASHYAP: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether Government has taken steps to reduce the import of crude oil and gas in the country;
- (b) if so, the details thereof; and
- (c) what steps have been taken for enhancing the production of Coal Bed Methane and Shale gas in the country and the steps being taken to maximize the use of natural gas in all sectors with a view to reduce the import of crude oil?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) and (b) The import reduction strategy of the Government includes increasing production of oil and gas, improving energy efficiency and productivity, demand substitution, improving refinery processes and promotion of bio and alternate fuels. The major policy initiatives taken by Government during the last about four years to enhance production include finalization of Hydrocarbon Exploration Licensing Policy (HELP)/ Open Acreage Licensing Policy (OALP), formulation of Discovered Small Field (DSF) Policy, survey of un-appraised area of sedimentary basins, setting up of National Data Repository, policy framework for exploration and exploitation of unconventional hydrocarbons, streamlining of production contracts and fiscal incentives etc. Under Bid round-I of OALP, 55 blocks having an acreage area of 59,282 sq. km. have been awarded

in October 2018. Under OALP Bid round-II, bid for 14 blocks having an acreage area of 29,233 sq. km. is launched on 7th January, 2019. Government has also taken a number of initiatives to encourage the use of alternative fuels and incentivize production of ethanol and Bio-Diesel. Government has notified the National Bio Fuel Policy 2018 to boost availability of biofuels and promotion of advanced biofuels in country.

(c) The major steps taken for enhancing the production of Coal Bed Methane (CBM) and Shale Gas in the country include:—

- (i) Formulation of CBM Policy in 1997 for exploration and exploitation of CBM being natural gas. A Memorandum of Understanding (MoU) was signed between Ministry of Petroleum & Natural Gas and Ministry of Coal in this regard.
- (ii) Completion of four rounds of CBM bidding, resulting in allocation of 33 CBM blocks (including 2 nominations and 1 through FIPB route) spreading over 16,613 square kilometers.
- (iii) Granting permission to Coal India Limited (CIL) and its subsidiaries to explore and exploit CBM from its areas under coal mining lease and dispensing the requirement of having additional License from Ministry of Petroleum and Natural Gas.
- (iv) Introduction of Unified Licensing Policy under Hydrocarbon Exploration and Licensing Policy (HELP) wherein all types of hydrocarbon resources, both conventional and unconventional can be explored and exploited.
- (v) Notification of policy framework for early monetization of CBM gas, which *inter alia* provides for marketing and pricing freedom.
- (vi) Notification of policy framework for exploration and exploitation of unconventional hydrocarbons including CBM and Shale gas/oil in existing acreages under Production Sharing Contracts (PSCs), Coal Bed Methane (CBM) contracts and nomination fields.

#### **Functioning of Petroleum University in Andhra Pradesh**

1216. SHRI Y.S. CHOWDARY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether it is a fact that Petroleum University is functioning on temporary campus at Visakhapatnam in Andhra Pradesh since January, 2016;