GOVERNMENT OF INDIA MINISTRY OF PETROLEUM & NATURAL GAS

RAJYA SABHA UNSTARRED QUESTION NO. 2548 TO BE ANSWERED ON 17th March, 2021

Royalty given to States

2548: SHRI PRABHAKAR REDDY VEMIREDDY:

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

- (a) the details of royalty given to Category I, II and III oil and gas basins in the country;
- (b) the details of royalty paid to States in which such oil and gas blocks fall during the last ten years, year-wise, category-wise and State-wise;
- (c) whether Government of Andhra Pradesh requested for increasing royalty given to Andhra Pradesh and similar other States;
- (d) if so, the steps taken in this regard; and
- (e) when was royalty revised last time?

ANSWER

MINISTER IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)

. . . .

- (a): The details of royalty given to Category I, II and III oil and gas basins in the country are annexed as Annexure I.
- (b): Crude Oil and Natural Gas production in the country is taking place from Category I sedimentary basins and from Bengal Basin, which is a Category III basin (Oil production commenced in the year 2020-21). The details of royalty paid to states in which such oil and gas blocks falls during the last ten years, year-wise, category-wise and State-wise are annexed as Annexure II.
- (c) & (d): A request regarding sharing of Royalty with the State Government by Oil and Gas producing Organizations has been received in the Ministry from the Government of Andhra Pradesh. Royalty is paid to the State Governments in terms

of Statutory provisions of Oilfields (Regulation and Development) Act, 1948 (ORDA), Petroleum & Natural Gas (PNG) Rules 1959, Notifications issued thereunder as well as directives of Government of India (Gol).

(e): Revision of royalty rates has taken place with award of exploration blocks/fields under new regimes location wise and later basin category-wise.

ANNEXURE I

To be referred in reply of Rajya Sabha Unstarred Question No. 2548 be answered on 17.03.2021

Royalty on Oil Production

Location		Pre NELP	Pre-NELP		Discovered Small Fields (DSF)		Open Acreage Licensing Policy (OALP)					
	Nomination Blocks	Discovered Fields	Exploratory blocks	NELP blocks			OALP Bid Round I/ II/ III**	OALP Bid Round IV & V under HELP*				
					DSF-I	DSF- II		Category I basins	Category II basins	Category III Basins		
Onland	20%	Rs.481 per MT for first round and Rs.528 per	20%	12.50%	12.50%	12.50%	12.50%	11.25%	10%	8.75%		
Shallow Water	10%	MT for second round for Oil.	10%	10%	10%	7.50%	7.50%	6.75%	6%	5.25%		
Deep water first 7 years	5%	NA	5%	5%	5%	0%	0%	0%	0%	0%		
Deep water after 7 years	10%	NA	10%	10%	10%	5%	5%	4.50%	4.00%	3.50%		
Ultra-Deep water first 7 years	NA	NA	NA	5%	NA	NA	0%	0%	0%	0%		
Ultra-Deep water after 7 years	NA	NA	NA	10%	NA	NA	2%	1.80%	1.60%	1.40%		

Royalty on Gas Production

			Pre-NELP	NELP blocks	Discovered Small Fields (DSF)		Open Acreage Licensing Policy (OALP)				
Location	Nomination Blocks	Discovered Fields	Exploratory blocks			DSF-	OALP Bid	OALP Bid Round IV under HELP*			
			2.00.10		DSF- I	II	Round I/ II/ III**	Category I basins	Category II basins	Category III Basins	
Onland	10%	10%	10%	10%	10%	10%	10%	9%	8%	7%	
Shallow Water	10%	10%	10%	10%	10%	7.50%	7.50%	6.75%	6%	5.25%	
Deep water first 7 years	10%	NA	10%	5%	5%	0%	0%	0%	0%	0%	
Deep water after 7 years	10%	NA	10%	10%	10%	5%	5%	4.50%	4.00%	3.50%	
Ultra-Deep water first 7 years	NA	NA	NA	5%	NA	NA	0%	0%	0%	0%	
Ultra-Deep water after 7 years	NA	NA	NA	10%	NA	NA	2%	1.80%	1.60%	1.40%	

I. concessional royalty rates as shown above will be applicable if production is commenced within four years for onland and shallow water blocks, and five years for deep water and Ultra deep-water blocks from the effective date of contract.

II. In case commercial production is not commenced in the above prescribed time period, then royalty at existing rates** (as appliable for OALP Bid Round I/ II/ III) will be applicable.

ANNEXURE II

To be referred in reply of Rajya Sabha Unstarred Question No. 2548 be answered on 17.03.2021

Details of Royalty paid to States by the Licencee during last ten years under Contract Regime

(INR in Lakhs)

States	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total
Gujarat	6,097.05	8,180.08	8,804.03	8,163.31	7,003.91	4,008.86	3,830.53	4,566.97	4,384.75	4,745.57	59,785.06
Arunachal Pradesh	3,807.82	5,356.10	6,449.15	6,361.77	4,226.64	1,707.29	1,661.20	1,646.74	1,792.33	1,551.36	34,560.39
Assam	613.94	-	-	-	-	-	-	-	-	78.06	692.00
Rajasthan	1,83,301.58	3,55,953.62	5,07,803.34	6,03,744.46	4,51,012.03	2,21,576.67	2,36,759.05	2,65,833.29	3,89,904.93	3,05,731.48	35,21,620.45
Total - State Wise	1,93,820.39	3,69,489.80	5,23,056.52	6,18,269.54	4,62,242.57	2,27,292.82	2,42,250.78	2,72,047.00	3,96,082.00	3,12,106.48	36,16,657.90

Details of Contribution to Exchequer on account of Royalty on Natural gas from Nominated Blocks by Oil and Natural Gas Limited (ONGC) and Oil India Limited (OIL) (Rs In Crore)

STATE										
Government										
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Gujarat	95.26	106.76	118.99	107.32	112.90	119.21	86.76	88.40	99.61	100.83
Assam	106.03	138.19	157.21	174.12	209.53	226.45	158.08	162.71	192.57	211.88
Tamil Nadu	66.79	85.80	92.38	110.46	120.23	111.17	72.02	75.26	97.53	96.38
Andhra Pradesh	74.78	82.45	85.88	90.20	48.43	57.11	57.48	61.04	86.72	78.01
Tripura	28.78	35.42	39.57	49.98	72.06	90.72	80.62	74.91	92.24	95.26
Rajasthan	5.94	6.88	6.73	7.43	8.40	8.79	6.64	6.07	7.57	8.82
Total State Govt.	377.58	455.50	500.76	539.51	571.55	613.45	461.60	468.39	576.24	591.18

Details of Contribution to Exchequer on account of Royalty on Crude Oil from Nominated Blocks by Oil and Natural Gas Limited (ONGC) and Oil India Limited (OIL) (Rs In Crore)

STATE Government	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Gujarat	817.24	1,470.32	849.97	223.85	2,413.58	1,225.21	3,554.02	1,711.26	2,382.34	2,072.84
Assam	1420.54	1742	1569.63	1565.99	1368.06	1363.88	2958.93	1717.93	2313.45	2056.72
Tamil Nadu	116.63	169.97	168.33	181.47	173.93	93.24	93.26	115.55	179.20	165.65
Andhra Pradesh	52.09	104.74	14.80	10.02	235.17	98.84	193.07	143.36	169.79	100.20
Tripura	0.11	0.13	0.13	0.19	0.31	0.41	0.27	0.26	0.31	0.26
Arunachal Pradesh	3.75	4.54	9.45	8.98	3.65	1.86	5.21	3.26	4.22	11.97
Rajasthan	0.06	0.14	0.12	0.18	0.13	0.08	0.11	0.21	1.04	2.18
Total State Govt.	2410.42	3491.84	2612.43	1990.68	4194.83	2783.52	6804.87	3691.83	5051.35	4409.82