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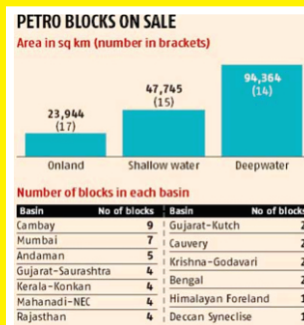
LEADERSHIP NEXT: DEFFYING GRAVITY

NELP-X: Impact of Policy Initiatives on Perceived Response to Bid Round 17TH April 2014, India International Centre, New Delhi

Introduction

India's share in world energy demand is projected to increase from 5.5 per cent in 2009 to 8.6 per cent in 2035. India has become a significant consumer of energy resources. If the government hopes to maintain a GDP growth rate of about 8 to 10 per cent, it requires to at least tripling its primary energy supply.

In an effort to debottleneck the oil and gas sector, government is wheeling out policy reforms. Initiating a series of reform measures, the government has prepared itself to auction oil and gas blocks. The Ministry proposes to launch the tenth edition of oil and gas block auctions (NELP X). Under NELP X, the government is expected to auction 86 hydrocarbon-bearing acreages; out of which 46 have received all requisite clearances of which 17 are onland, 15 shallow water and 14 are deepwater blocks. These are spread across the country in Gujarat-Kutch, Kerala Konkan, Cauvery, Krishna-Godavari and Deccan Syneclise.



The NELP-X Bid round is being watched with a sense of conundrum for many reasons:

- ✓ This would be the first time that under a newly formulated Uniform Licensing Policy, operators would be allowed to explore for all resources of hydrocarbons – oil, gas, coal bed methane and shale Gas/oil in the awarded blocks.
- ✓ This Bid round would have upward revised gas prices for the producing gas
- ✓ The model of Revenue Sharing is being adopted in place of Production sharing. Although some concerns are being expressed on this model
- ✓ Doing away with cost recovery component and its efficacy to incentivize explorers

It is longed that these initiatives being taken by the government to provide a conducive environment for doing business in India's oil and gas sector will enthuse the investors/explorers to participate in greater numbers.

Diligentia services is coming up with an RTC on "NELP-X: Impact of policy initiatives on Perceived response to Bid Round" to deliberate on the issues like NELP X and its impact over gas price, fiscal



regime of NELP X, share of the revenue between state and centre and private players conviction and readiness over the same. It is an effort to bring the industry stalwarts and policy makers together on a common platform and brainstorm over the future of Indian Hydrocarbon sector with NELP X

Focus of RTC

The Round Table Discussion will focus to rejoiner the pronounced questions like

- ✓ Will the Investors bite the Bait?
- ✓ Will the Policy changes help to attract overseas investors, particularly Global majors who have expertise and advanced technology capabilities and who have shied away from India till now?
- ✓ Unlike earlier Rounds where State Owned Companies getting major share in the pie, will the Private and overseas E & P companies reverse the trends?
- ✓ Any introspection on our Policy perspectives and procedural reforms needed?

Who should attend?

- ✓ Policy makers
- ✓ E&P Companies
- ✓ Consultants
- ✓ Financial Institutions
- ✓ Educational Institutions
- ✓ Seismic , drilling and geophysics companies
- ✓ Oil and gas players
- ✓ Rig providers



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Contact us :
Diligentia Advisors Pvt Ltd.
B-112, Himalaya House, 23 KG Marg,
Barakhamba, New Delhi 110001
Ph- 01143102635/36/37/38
Email- aparna@diligentia.net.in

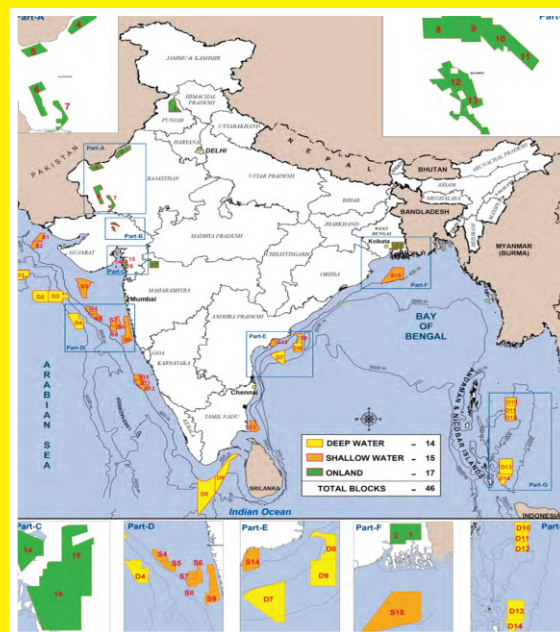


Figure: The location of the 46 blocks, falling in 13 basins are shown in the map

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aparna@diligentia.net.in