

Annexure-7

(Referred to in Para 3.3.1 (ii))

Mapping of development in hydrocarbon policies

No.	Particulars	Medium-sized discovered/producing fields	Small-sized discovered fields	Pre-NELP exploratory blocks	NELP exploratory blocks
1	Period of bidding	1992	1991 and 1993	1993 to 1995	1997 onwards
2	Rounds	One	Two	Six	Four
3	PSC signed	5	24	28	90
4	Licence-holder	All constituent of PSCs according to their participating interest	All constituent of PSCs according to their participating interest	NOCs irrespective of participating interest	Constituents of PSCs according to their participating interest
5	Participating interest by NOCs	40 per cent	Nil	Upto 40 per cent	NOCs to compete for acreage. Companies are free to have 100 per cent participating interest.
6	Carried interest of NOCs	Nil	Nil	30 per cent exercisable on commercial discovery	Nil
7	Liability for payment of royalty/Cess	Constituent of the PSCs according to their participating interest	Constituents of the PSCs according to their participating interest.	100 per cent liability on NOCs irrespective of their participating interest. Other	All constituent of PSCs according to their participating interest

				participants thus exempted from payment of royalty and cess.	
8	Rate of royalty	Royalty and cess were frozen throughout the contract period @ Rs.481/MT and Rs 900/MT respectively for crude oil. Royalty on gas was @ 10 per cent on wellhead value of gas	Royalty and cess were frozen throughout the contract period @ Rs.481/MT and Rs 900/MT respectively for crude oil. Royalty on gas was @ 10 per cent on wellhead value of gas	Royalty and cess were frozen throughout the contract period @ Rs.481/MT and Rs 900/MT respectively for crude oil. Royalty on gas was @ 10 per cent on wellhead value of gas	Exemption from payment of cess. Royalty on land areas payable at 12.5 per cent for oil and 10 per cent for gas. Royalty on offshore areas @ 10 per cent for oil as well as gas. Only half of the royalty payable in the initial seven years from commencement of commercial production in deep water areas to generate an incentive for deep water exploration.
9	Customs duty	Completely exempted	Completely exempted	Completely exempted	Completely exempted
10	Price	International price	International price	International price	International price
11	Tax structure	Rate of corporate income tax leviable as per the provisions of the Income Tax Act for Indian companies.	Rate of corporate income tax leviable as per the provisions of the Income Tax Act for Indian companies.	Rate of corporate income tax leviable as per the provisions of the Income Tax Act for Indian	Seven years tax holiday from the date of commencement of commercial production

				companies.	
12	Marketing of oil/gas	Government had first option to purchase 100 per cent PSC production	Government had first right on purchase of 100 per cent JV production	Government had first right on purchase of 100 per cent JV production	Freedom to market the crude oil/gas discovered in domestic market
13	Sharing of profit petroleum between contractor and the Government	Based on post-tax investment multiple (IM) achieved by the contractor or post tax rate of return	Based on post-tax IM achieved by the contractor or post tax rate of return	Based on post-tax IM achieved by the contractor or post tax rate of return	Based on pre-tax IM achieved and is biddable.