MoPNG Organises High-Level Upstream Engagements on Financing, Regulatory Reforms and Promotion of New Exploration Bid Rounds

प्रविष्टि तिथि: 21 JAN 2026 2:56PM by PIB Delhi

The Ministry of Petroleum and Natural Gas (MoPNG) organised a series of upstream-focused engagements in Mumbai on 19 January 2026.

The day-long programme witnessed strong and diverse participation from domestic and international upstream operators, E&P service providers, global consulting firms, leading public and private sector financial institutions, insurers, academia and industry experts, reflecting the growing interest across the ecosystem in India's upstream reform agenda and investment opportunities.

In his virtual address, the Minister for Petroleum and Natural Gas, Shri Hardeep Singh Puri highlighted that the recent legislative, regulatory and policy reforms mark a landmark and progressive transformation of India's upstream sector. He underscored that these reforms, coupled with data-led exploration initiatives, have unlocked extensive investment opportunities, particularly in India's offshore and frontier areas, and reaffirmed the Government's commitment to providing a stable, transparent and globally competitive framework to attract sustained domestic and international investment.

Key Components of the Programme

The engagements comprised:

a. A Workshop on Financing India's E&P Growth

b. A Session on the amended Oilfields (Regulation and Development) Act, revised Petroleum and Natural Gas Rules and the Model Revenue Sharing Contract (MRSC)
c. A Bid Promotion Event for Upcoming Upstream Bid Rounds

Senior officials from MoPNG and the Directorate General of Hydrocarbons (DGH) interacted extensively with participants across sessions.

a. **Financing India's E&P Growth**

The workshop on "Financing India's E&P Growth" examined the readiness of India's financing ecosystem to support the scale, depth and continuity of upstream investment envisaged under the Government's expanded exploration and production programme, including initiatives such as *Samudra Manthan*.

The session saw active participation from global consulting firms including S&P Global, Deloitte, A.T. Kearney and EY, who shared international perspectives on upstream financing models, risk allocation and capital mobilisation.

Perspectives were also shared by financial institutions and insurers including the State Bank of India, New India Assurance and Bajaj Allianz, covering risk assessment frameworks, exposure considerations, bank guarantee structures and emerging risk-mitigation instruments such as insurance-backed surety bonds.

It was highlighted that as exploration and development activities scale up, capital requirements are expected to rise sharply and become increasingly front-loaded, necessitating financing structures aligned with upstream risk profiles and investment cycles.

Discussions covered:

- Existing financing practices in upstream projects
- Constraints arising from balance-sheet-based lending
- The impact of bank guarantee requirements on capital efficiency
- Emerging risk-mitigation and financing instruments, including insurance-backed surety bonds, enabled by recent policy measures

Financial institutions and lenders, including banks and insurers, shared perspectives on risk assessment frameworks, exposure norms and institutional considerations, while emphasising the importance of risk-sharing mechanisms and policy clarity to facilitate deeper capital participation.

In his directional remarks, Sh. Neeraj Mittal (Secretary, MoPNG), underscored that timely and adequate availability of capital will be a critical determinant of upstream execution, and called for sustained engagement between policymakers, operators and financiers to strengthen financing frameworks in line with India's upstream ambitions.

b. **Amended ORD Act, PNG Rules and Model Revenue Sharing Contract**

A dedicated session was held to familiarise operators with the amended Oilfields (Regulation and Development) Act, the revised Petroleum and Natural Gas Rules, and the updated Model Revenue Sharing Contract (MRSC).

MoPNG highlighted that the recent reforms complete a decade-long effort to establish a stable, predictable and investor-aligned upstream regulatory framework, aimed at reducing interpretational ambiguities and supporting long-term planning as exploration activity expands.

DGH explained how the updated MRSC operationalises changes introduced through legislative and regulatory reforms, ensuring coherence between policy intent and contractual implementation.

The Secretary, MoPNG noted the constructive and encouraging response from industry participants, and emphasised that the focus going forward would be on effective and consistent implementation at scale, so that policy certainty translates into tangible outcomes.

c. **New Upstream Bid Rounds – Translating Reform into Opportunity**

The bid promotion event showcased the investment opportunities emerging from recent reforms and data-driven exploration initiatives, and aimed at encouraging wider domestic and global participation in India's upstream sector.

The session highlighted how:

- Regulatory evolution
- Improved data availability
- Government-led exploration initiatives
- Strengthening domestic capabilities

are together reshaping India's upstream investment landscape.

Sh. Srikant Nagulapalli (DG, Directorate General of Hydrocarbons) presented the details of forthcoming bid rounds:

- OALP Bid Round X: 25 exploration blocks covering 182,589 sq. km, with 91% offshore
- DSF Bid Round IV: 9 contract areas comprising 55 discoveries, with approximately 200 MMTOE of 2P reserves
- CBM Bid Rounds 2025–26: 16 blocks, with 74 BCM of prognosticated gas in 2025 and 200 BCM in 2026

The University of Houston presented insights on the hydrocarbon prospectivity of India's East Coast basins, drawing upon global analogues and basin evaluation methodologies.

Schlumberger presented on basin-scale investment opportunities enabled through digital solutions, demonstrating how advanced subsurface imaging, data analytics and integrated digital workflows can enhance prospectivity understanding, particularly in frontier and underexplored basins.

The session outlined the strategic investment case for India's hydrocarbon sector, including:

- Significant yet-to-find resource potential of 3.9 billion tonnes of oil equivalent
- A large and growing domestic market with full marketing and pricing freedom
- A relatively low regulatory burden under revenue-sharing contracts
- Access to high-quality E&P data through the National Data Repository
- A strong policy focus on enhancing domestic production and energy security

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