

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:3957
ANSWERED ON:18.04.2002
INCREASE IN CRUDE OIL PRICES IN INTERNATIONAL MARKET
C. SREENVAASAN;PUTTASWAMY GOWDA

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

- (a) whether the Public Sector Oil Companies are going to be hit hard due to everincreasing prices of crude oil in the international market;
- (b) if so, whether the country does not have sufficient stock of crude oil to meet even the domestic requirement of the country;
- (c) if so, the details thereof; and
- (d) the steps taken by the Government in this direction;
- (e) Whether our country propose to procure crude oil from some other sources; and
- (f) If so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS AND MINISTER OF STATE IN THE MINIS
PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR)

(a) to (c): As the APM has been dismantled effective 01-04-2002, increases in the prices of crude oil in the international market would be passed on in the consumer prices by the oil companies. The public sector oil companies have around 15 days` stocks of crude oil and 35 days` product inventories at any given point of time. However, 70% of the crude oil requirement of the country are met from imports.

(d): Several steps have been taken to increase oil production, which include the following:

(i) to improve the recovery factor from existing major fields by implementing Enhanced Oil Recovery (EOR)/Improved Oil Recovery (IOR) schemes.

(ii) to increase exploration efforts through the New Exploration Licensing Policy (NELP).

(iii) to explore in new areas, especially in deep water and difficult frontier areas, as also explore in the deeper layers of the producing fields.

(iv) to develop faster the newly discovered fields and to step up the use of new technologies for seismic surveys, work over, stimulation operations, drilling of wells etc. in producing areas.

(e) & (f): Details of Term Contracts for crude oil proposed to enter into with the national oil companies for the year 2002-03 are as follows:

Fig. In MMT

Country/Company	-	Term Volume
S. Arabia		9.7
Kuwait		7.5
Abu Dhabi	3.5	
Nigeria		1.5
Malaysia		2.0
Libya		1.0
Yeman		2.3
M/s. British Petroleum		1.0

