

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

UNSTARRED QUESTION NO:2528
ANSWERED ON:18.12.2003
ALLOCATION OF CRUDE OIL
CHANDRA NATH SINGH;GADDE RAMAMOCHAN;NIVEDITA MANE

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

- (a) whether high level meeting has been convened by petroleum secretary for allocation of crude oil for the year 2004-05;
- (b) if so, the details of the decisions taken in the matter;
- (c) whether ONGC have been directed not to sell crude oil to private refiners; and
- (d) if so, the reasons for taking such a decision?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SMT.SUMITRA MAHAJAN)

(a): Yes, Sir.

(b): It was decided that the crude oil produced in the Northeast and PSC crude oil would continue to be allocated on the existing pattern. For other crudes of ONGC, the Ministry of Petroleum and Natural Gas would decide allocation amongst the PSU refineries taking into consideration inter-alia the factors like requirement of refineries on technical considerations, past allocation etc.

(c) and (d): There is sizeable gap between the domestic production of crude oil and the requirement of domestic refineries. During the APM period, many PSU refineries came up taking into consideration domestic crude oil availability. Taking various factors into consideration, it was decided that the system of allocating domestic crude amongst PSU refineries would need to continue for the time being.