

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

STARRED QUESTION NO:343  
ANSWERED ON:19.08.2004  
CRUDE OIL CONSUMPTION  
Adsul Shri Anandrao Vithoba

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

- (a) whether a decision was taken to make a buffer stock of oil to achieve target of eight percent growth rate;
- (b) if so, the percentage of the crude oil consumed in the country, is imported;
- (c) the extent to which economy of the country was adversely affected on account of such imports;
- (d) the steps taken so far by the Government to make a buffer stock of oil to achieve the target of growth rate; and
- (e) the time by which a final decision is likely to be taken in this regard?

**Answer**

MINISTER OF PETROLEUM & NATURAL GAS AND PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) to (e) A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO. 343 BY SHRI ANANDRAO V. ADSUL TO BE ANSWERED ON 19TH AUGUST, 2004 REGARDING CRUDE OIL CONSUMPTION.

(a) to (e): It has been decided to build strategic storage of crude oil of 5 million metric tonne (MMT) capacity. This storage would be in addition to the existing storage of crude oil and petroleum products with the oil companies and would provide emergency response mechanism to oil supply disruptions. The project is at its initial stage and the proposed storage is likely to come up in the next four years.

Availability of oil is vital for the economic growth of the country. During the year 2003-04, our import dependence to meet the domestic demand of petroleum products was 70.7%. During that year 90.43 MMT of crude oil was imported. In addition, 33.73 MMT of domestic crude oil was available. The domestic consumption and net export of petroleum products were 108 MMT and 6.7 MMT respectively. The total gross turnover of the public sector oil marketing companies was Rs. 2,50,518.56 crore and the net oil import bill was Rs. 76,387 crore.