

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

UNSTARRED QUESTION NO:2482

ANSWERED ON:15.03.2007

DEMAND OF PETROLEUM PRODUCT

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

- (a) whether the demand for petroleum products was estimated at 104.80 mt during the beginning of Tenth Five Year Plan excluding the liquid fuel requirement for power generation ;
- (b) if so, the details thereof;
- (c) the growth rate of petroleum products during the Tenth Five Year Plan noticed;
- (d) whether the Government has studied the reasons of lower growth of petroleum products;
- (e) if so, the details thereof; and
- (f) the steps taken by the Union Government to intensify exploration and enhance hydrocarbon reserves to boost the growth of petroleum products?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) & (b) As per Working Group report on Petroleum & Natural Gas for the Tenth Five Year Plan, demand for petroleum products as per Base Case for the first year of Tenth Plan 2002-2003 was estimated at 107.1 MMT. However, actual consumption for 2002-2003 was 104.1 MMT.

(c) Year-wise growth rates during the Tenth Plan are as under :

2002-03	3.7%
2003-04	3.5%
2004-05	3.6%
2005-06	1.4%
2006-07 (Est.)	3.8%

(d) & (e) The Working Group on Petroleum and Natural Gas for Tenth Five Year Plan Report had projected Annual Compounded Rate of Growth of 3.7%

(Base Case) during the Tenth Five Year Plan. Actual growth for first four years has been 3.0%. However, in the current year, which is the terminal year for Tenth Plan, present growth is much higher at 5.3% for April-January. Hence, final figures for Tenth Plan may be still higher and closer to the original estimates by the Working Group.

(f) Various steps are being taken to intensify exploration and enhance hydrocarbon reserves to boost the growth of petroleum products are as follows :

i. increasing exploration efforts through the New Exploration Licensing Policy (NELP): Under NELP, 110 exploration blocks have been awarded to National Oil Companies, foreign companies and private/joint venture companies through International Competitive Bidding. This includes 20 Exploration Blocks awarded in the fifth round of NELP. Another 55 blocks have now been offered under NELP-VI.

ii. improving the recovery factor from existing major fields by implementing Enhanced Oil Recovery (EOR)/Improved Oil Recovery (IOR) schemes-in particular. Oil and Natural Gas Corporation Ltd.(ONGC) have taken up 15 fields for this purpose at an estimated investment of Rs. 10,972 crore, which would also help in accelerating oil production from these fields;

- iii. exploring new areas, especially in deep waters and difficult frontier areas, as also the deeper layers of already producing fields;
- iv. developing newly discovered fields speedily and stepping up the use of new technologies for seismic surveys, work over, and stimulation operations, drilling of wells etc. in producing areas;
- v. 26 contracts included 10 contracts under the recent third round have been signed so far for exploration of Coal Bed Methane (CBM);
- vi. With the delicensing of the refinery sector since June 1998, more petroleum infrastructure including domestic refineries have been set up in the country.