

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

STARRED QUESTION NO:353

ANSWERED ON:26.04.2007

CONSUMPTION OF PETROLEUM PRODUCTS

Adsul Shri Anandrao Vithoba;Verma Shri Ravi Prakash

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

- (a) whether the consumption of petroleum products was estimated to reach 120.4 mt. by the terminal year of the 10th Five Year Plan;
- (b) if so, the actual consumption of petroleum products at the terminal year of the 10th Five Year Plan;
- (c) the percentage of consumption of petroleum products being met by indigenous production; and
- (d) the steps taken by the Government to increase the domestic production during the Eleventh Five Year Plan?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS- (SHRI DINSHA PATEL):

(a) to (d) As per the 10 Five Year Plan, Planning Commission had projected petroleum products consumption at 120.4 million metric tonnes (MMT) in 2006-07, the terminal year of 10th Plan. As per figures available upto February, 2007, the estimated consumption during 2006-07 is projected to be around 119 MMT. As per figures available for the period April, 2006-February, 2007, 92% of demand of petroleum products was met through indigenous production as per details give below:â€”

April 2006 to February, 2007

Production of petroleum products (i): 126.989 MMT
Export of petroleum products (ii) 27.574 MMT
Product available for domestic consumption (iii)=(i)-(ii) 99.415 MMT
Consumption of petroleum products (iv): 108.272 MMT
% of consumption met by petroleum products (iii)/(iv) : 92%

As against the total installed refining capacity of 148.97 million metric tonnes per annum (MMTPA), production of petroleum products from refineries and fractionators during the period upto February, 2007 is 126.989 MMT. During the 11th Plan, an additional refining capacity of 92 MMTPA is expected to be added. With the indigenous production of crude oil not keeping pace with the domestic requirements, the import dependence of crude oil has reached about 73% in 2006-07. Following steps are being taken to accelerate hydrocarbon exploration and production activities in the country to meet the growing demand.

- (i) Carving out more and more areas for exploration for offer under various rounds of New Exploration Licensing Policy (NELP).
- (ii) Quicker development of discovered reserves for enabling commencement of production
- (iii) Use of stimulation techniques for increasing production from existing fields.
- (iv) Application of Enhanced Oil Recovery (EOR)/ Improved Oil Recovery (IOR) techniques for increasing recovery factor from existing fields.
- (v) Arresting decline from ageing fields.
- (vi) Acquisition of exploration acreages and producing properties overseas to bring in equity oil.
- (vii) Substitution of oil through use of non-conventional source of energy such as bio-r's diesel, ethanol, etc.