

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

STARRED QUESTION NO:81
ANSWERED ON:16.08.2012
DEMAND AND SUPPLY OF PETROLEUM PRODUCTS
Bali Ram Dr.

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

- (a) the details of the product-wise demand and supply of various petroleum products in the country along with the share of indigenous production to the total availability during the last three years;
- (b) the percentage increase or decrease registered in the production of crude oil in the country during each of the last three years;
- (c) the names of the oil fields in the country where exploration work is being undertaken along with the estimated reserves, prospective production and the investments made therein, oil-field wise;
- (d) the companies engaged in the said exploration along with the steps being taken by them including that of the Oil and Natural Gas Corporation (ONGC) to increase the oil production to meet the demand in the country; and
- (e) the criteria being followed to issue licence for exploration including the monitoring mechanism under New Exploration and Licensing Policy (NELP)?

Answer

MINISTER OF STATE FOR PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 81 ASKED BY SHRI BALIRAM JADHAV TO BE ANSWERED ON 16.8.2012 REGARDING DEMAND AND SUPPLY OF PETROLEUM PRODUCTS

(a): The consumption, production and percentage share of indigenous production of petroleum products in the country during the last three years are as under:

	2009-10	2010-11	2011-12
Consumption of petroleum products (MMT)	137.8	141.0	148.0

	2009-10	2010-11	2011-12
Production of petroleum products (MMT)	185	195.79	203.99

	2009-10	2010-11	2011-12
Share of indigenous crude oil production to consumption of petroleum products (%)	24.3%	26.7%	25.7%

Note: The product-wise details of consumption and production are attached as Annex-1
MMT : Million Metric Tonne

(b): Crude oil production has increased from 33.505 MMT in 2009-10 to 38.806 MMT in 2011-12 mainly on commencement of crude oil production in the State of Rajasthan. The year-wise details of crude oil production and percentage increase/ decrease in production if compared to previous year are as under:

	2009-10	2010-11	2011-12
Crude oil Production (MMT)	33.505	37.685	38.086
Increase/decrease (%)	-0.01%	12.48%	1.06%

(c): The details of oil fields operated by Oil and Natural Gas Corporation Limited (ONGC), Oil India limited (OIL) and private/JV companies are given in Annex-2, Annex-3 and Annex-4 respectively.

(d): Exploration & Production (E&P) activities are being carried out by National oil companies, Indian private and foreign companies. The names of the companies are given in Annex-5. Government and E&P companies have taken several steps to enhance oil and gas productions in the country, which inter-alia include:

- i. Offering of exploration blocks under New Exploration Licensing Policy (NELP) - 249 exploration blocks awarded,
- ii. Implementation of improved oil recovery and enhanced oil recovery schemes by ONGC for ageing fields.
- iii. Development of unconventional sources of hydrocarbons such as Coal Bed Methane (CBM) and Shale Gas.

(e) Under New Exploration Licensing Policy (NELP), exploration blocks are awarded through a competitive international bidding system wherein, Indian and foreign private companies/ consortium are required to compete with National Oil Companies (NOCs) on an equal footing to secure Petroleum Exploration Licenses (PELs). The main bidding parameters are: i) committed exploration work programme and ii) profit petroleum to the Government. The exploration blocks are awarded in a transparent manner to the highest bidder of work program and profit petroleum to the Government. In case of deepwater blocks, technical capability of the bidding companies has the weightage in bid evaluation criteria in addition to work program and profit petroleum. The bid evaluation parameters in NELP are quantified and known to the bidders in advance before bidding the exploration blocks. The awardee companies have to sign a Production Sharing Contract (PSC) with the Government of India. The exploration and production activities under NELP are monitored as per the provisions of the Production Sharing Contract.