

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

STARRED QUESTION NO:306
ANSWERED ON:10.12.2009
IMPORT OF CRUDE OIL
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- a. whether more than 70 per cent of the requirement of petroleum,oil and lubricants is met through import at present in the country;
- b. if so, whether there has been continuous rise in import of crude oil;
- c. if so, the details thereof;
- d. whether the steps taken by the Government in the recent years have made any impact on our dependency on crude oil import; and
- e. if so, the details thereof?

Answer

MINISTER OF PETROLEUM & NATURAL GAS (SHRI MURLI DEORA)

(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. 306 TO BE ANSWERED ON 10.12.2009 REG. IMPORT OF CRUDE OIL.

(a) The country's dependence on imports for meeting its crude oil requirements is more than 70%.

(b) & (c) The rise in import of crude oil during the last five years is given in the Table below.

Year Qty. (MMT#)

2004-05 95.9

2005-06 99.4

2006-07 111.5

2007-08 121.7

2008-09 (Prov.) 132.8

#MMT – Million metric tonne

(d) & (e) Several measures have been taken to accelerate hydrocarbon exploration and production :

i. Carving out more and more areas for exploration for offer under various rounds of New Exploration Licensing Policy (NELP) and Coal Bed Methane Policy (CBM). So far 203 Production Sharing Contracts (PSCs) have been signed under NELP which have resulted in 73 oil & gas discoveries. As regards production of crude oil from NELP blocks, production has commenced from KG-DWN-98/3 and CB-ONN-2000/1 blocks.

ii. Quicker development of discovered reserves for enabling commencement of production. The Mangala Oil field in Barmer District of Rajasthan, which has commenced production in August, 2009, is projected to produce 2.2 Million Tonne (MMT) of crude oil during the current financial year. At peak production, it is expected to produce 8.9 MMT per annum of crude oil during 2011-12, which will account for about 25% of the total domestic crude oil production, and reduce the country's crude oil import bill by about 8%, at current prices.

iii. Use of stimulation techniques for increasing production from existing fields.

iv. Arresting decline from ageing fields by application of Enhanced Oil Recovery (EOR)/Improved Oil Recovery (IOR) techniques for increasing recovery factor from existing fields.

v. Acquisition of exploration acreages and producing properties overseas to bring in equity oil. ONGC Videsh Limited (OVL) produced 8.77 MMT of oil and oil equivalent gas during 2008-09 from its producing assets abroad.

The increase in the country's refining capacity from about 70 MMTPA as of 01.04.1999 to about 179 MMTPA presently has necessitated greater imports of crude oil. The increase in the country's refining capacity, coupled with a steadily rising domestic demand, is not likely to bring down the country's oil import dependence significantly.