

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

STARRED QUESTION NO:186
ANSWERED ON:21.07.2014
RISING DEMAND OF CRUDE OIL
Karunakaran Shri P.;Singh Shri Rakesh

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

- (a) the current demand of crude oil and petroleum products and the quantum of crude oil being imported from various countries, country-wise;
- (b) whether adequate reserves of petroleum products including strategic reserves have been created to meet the rising crude oil prices globally particularly in the wake of ongoing international disturbances;
- (c) if so, the details thereof along with contingency plan, if any, formulated for the purpose; and
- (d) the other measures taken/being taken by the Government to meet the rising demand of crude oil and petroleum products in the country?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)

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

Statement referred to in reply to parts (a) to (d) of Lok Sabha Starred Question No. 186 asked by Shri P. Karunakaran and Shri Rakesh Singh to be answered on 21.7.2014 regarding 'Rising Demand of Crude Oil.

(a): As per Oil Import Estimates-2014-15, the current projected demand of crude oil for processing during the year 2014-15 is estimated at 223.7 MMT of which 35.5 MMT will come from indigenous production and balance 188.2 MMT shall have to be imported to bridge the gap.

The total demand of petroleum products for the year 2014-15 is projected to be 159.98 MMT. Product-wise demand of petroleum products during 2014-15 is given at Annexure-I. The details of the quantum of crude oil being imported from various countries, country-wise during last five years i.e. 2009-10 to 2013-14, are given at Annexure-II.

(b) & (c): The Government, through Indian Strategic Petroleum Reserves Limited (ISPRL), is setting up Strategic Crude Oil Reserves with storage capacity of 5.33 Million Metric Tonnes (MMT) at three locations viz. Visakhapatnam (storage capacity: 1.33 MMT), Mangalore (storage capacity: 1.5 MMT) and Padur (storage capacity: 2.5 MMT) to enhance the energy security of the country.

The Visakhapatnam Project is expected to be completed by the end of this financial year, whereas the Mangalore and Padur projects are expected to be completed next year.

Based on an approach paper prepared by the Ministry of Petroleum and Natural Gas, in December 2009, the aforesaid reserves being created in Phase-I would provide a cover of approximately 13 days on the basis of net oil imports. Based on the crude oil and product storages already existing with the oil companies and also taking into consideration the storages being built by ISPRL, it was estimated that to have a total cover of 90 days on net oil imports, as suggested in the Integrated Energy Policy (IEP), the country would require additional crude oil storage of approximately 13.32 MMT by the year 2019-20.

(d): Government and Exploration and Production Companies have taken several steps to enhance domestic oil and gas productions including:

- 1) Implementation of improved oil recovery and enhanced oil recovery schemes by ONGC from ageing fields.
- 2) Enhanced exploitation of Coal Bed Methane (CBM)
- 3) Policy for Geo-Scientific Data Generation for Hydrocarbons
- 4) Setting up of a National Data Repository.
- 5) Enhanced exploitation of Shale Gas reserves etc.

6) Increased efforts for acquisition of oil and gas assets abroad.