

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

UNSTARRED QUESTION NO:1141

ANSWERED ON:02.03.2015

IMPORT/EXPORT OF PETROLEUM PRODUCTS

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

(a) the details of domestic production and consumption of petroleum products including crude oil and gas capacity of public and private sector companies during each of the last three years and the current year, Oil Marketing Companies (OMCs)/product-wise;

(b) whether there is a demand and supply mismatch in the production of petroleum products in the country if so, the details thereof along with steps taken by the Government to meet the domestic demand of crude oil and petroleum products in the country and to reduce import dependent of crude Oil/petroleum products in the country;

(c) the quantum of petroleum products exported to various countries by public/private sector companies in the country, product/country/company-wise;

(d) the quantum of petroleum products including crude oil imported in the country along with amount paid by the Government in terms of rupee payment and percentage of imported cost out of total import in the country, during the said period, product/ country/ volume-wise;

(e) whether the political uncertainties in the Middle East region pose a serious threat to Indias energy security and if so, the details thereof along with the concrete steps taken by the Government to find out new destination; and

(f) whether the Government proposes to changed purchase/import policy of crude oil and gas through barter trade to avoid paying in dollars and if so, the details thereof and if not, the reasons therefor?

Answer

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

(a) and (b): Details of domestic production of petroleum products, consumption of petroleum products and Crude Oil and Natural Gas production during the last three years (2011-12 to 2013-14) and the current year i.e. 2014-15 (April-December 2014) are given in Tables 1, 2 and 3 respectively of Annexure-1.

The refinery sector has been delicensed since June, 1998 and a refinery can be set up anywhere in India by a private or public sector company depending on its techno-commercial viability.

The country's refining capacity has more than tripled over the last fifteen years from 69.99 MMT as of 1.4.1999 to 215.066 MMT as of 1.2.2015. The domestic consumption of petroleum products was 158.2 MMT during 2013-14. Thus the present capacity is adequate to meet the demand of petroleum products in the country in near future on an overall basis, except for LPG which is being imported, to supplement the domestic production. Overall the country is now a net exporter of petroleum products

In order to accelerate the pace of exploration and production of oil and gas in the country, various steps are being taken by the Government as under:-

i) About 1.5 million square Km of unappraised area of the Indian Sedimentary Basins are proposed to be covered under 2 D survey to gather geo-scientific data for identifying prospective blocks.

ii) Reassessment of hydrocarbon resources making use of geo-scientific data gathered over the past couple of decades has been initiated to get a better understanding of the prospectivity of Indian Sedimentary basins.

iii) A National Data Repository has been developed and is under trial now. It is a platform which will help access the geo-scientific data easily and help in carving out new hydrocarbon blocks.

iv) 52 new blocks with in-principle clearances from various agencies have been carved out for offer under the next round of bidding.

v) Policies of exploration and production are being examined to improve them thereby facilitating increased E&P activities.

vi) A policy on non-exclusive multi-client speculative survey for assessment of unexplored sedimentary basins is being implemented. Seven applications have been received from service providers for surveying almost the entire off-shore area of India.

vii) Policy framework for relaxations, extensions and clarification at the development and production stage under the PSC regime for

early monetization of hydrocarbon discoveries.

(c) Details of the export of petroleum products by oil companies during the last three years and the current year are given in Table 1 and 2 of Annexure-II.

(d) The quantity of petroleum products imported by the oil companies along with the value during last three years (2011-12 to 2013-14) and the current year i.e. 2014-15 (April-December) is given at Annexure-III. As per data available from Petroleum Planning and Analysis Cell(PPAC) for the period of April, 2014 to January, 2015, cost of petroleum imports to the total Gross imports in the country is 29.3%.

(e) To mitigate the threat to India's energy security, in case of political uncertainty in a region, India's oil companies endeavor to have a diversified portfolio of countries producing and supplying oil and gas and follow a similar approach in securing assets abroad.

(f) There is no existing barter arrangements involving import of crude oil