

**GOVERNMENT OF INDIA
LOK SABHA
UNSTARRED QUESTION NO.2735
TO BE ANSWERED ON 12th MARCH, 2018**

DEMAND OF CRUDE OIL

2735. DR. SHRIKANT EKNATH SHINDE:
DR. PRITAM GOPINATH MUNDE:
SHRI DHARMENDRA YADAV:
SHRI ADHALRAO PATIL SHIVAJIRAO:
SHRI ANANDRAO ADSUL:
SHRI SHRIRANG APPA BARNE:

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

- (a) whether the International Energy Agency (IEA) sees India to be the centre of global oil demand growth by 2030 and if so, the details thereof;
- (b) whether oil consumption in the country grew at a fast pace during the last 14 months and gasoline and diesel consumption is expected to double by 2030 even as the country aspires to sell only electric vehicles in 2030;
- (c) if so, the details thereof; and
- (d) whether the Government has assessed the reasons for higher growth in consumption of oil and if so, the details and the outcome thereof along with the steps taken/being taken by the Government to meet the growing demand of oil indigenously?

ANSWER

MINISTER OF MINISTRY OF PETROLEUM AND NATURAL GAS

(SHRI DHARMENDRA PRADHAN)

(a) As per International Energy Agency's World Energy Outlook 2017, the growth of oil consumption under the 'new policy scenario' for the major economies of the world during the period 2016 to 2030 is given below:

Country	Oil demand (Mtoe)		
	Year		CAGR (%)
	2016	2030	2016-30
China	552	711	1.82
USA	796	699	-0.92
India	222	357	3.45
Russian Federation	140	153	0.64
Japan	179	126	-2.48
World	4388	4715	0.51

Mtoe: Million tonnes of oil equivalent

(b) & (c) Average oil consumption during the last three years in India is given below:

Years	(MMT)
2015	195.84
2016(P)	216.60
2017(Jan.17 to Dec.'17)(P)	221.39

P: Provisional

The growth rate of consumption of oil during the last 14 months (November'16 – December'17) was 3.74 % when compared with the earlier corresponding (September'15-October'16) period.

As per the report of the Working Group on 'Enhancing Refining Capacity by 2040', constituted by the Ministry of Petroleum and Natural Gas, the projected demand of petrol and diesel, as per trend scenario, is as under;

(Million Metric Tonnes)

Petrol		Diesel	
2016-17	2029-30	2016-17	2029-30
23.8	49.0	76.0	163.0

(d) The major reasons for growth in consumption of oil in the country include, inter-alia, increasing share of manufacturing in GDP, thrust on infrastructure spending, growth in disposable incomes leading to higher purchase of automobiles and mechanization of agriculture.

Government has taken several steps to enhance exploration & production of oil and gas in the country which include, inter-alia, Discovered Small Fields Policy, Hydrocarbon Exploration Licensing Policy (HELP), launch of 1st bidding round under Open Acreage Licensing Policy (OALP), National Seismic Programme of unappraised areas, marketing and pricing freedom for the gas to be produced from deep/ultra deep water/ HPHT areas, reform initiatives to enhance domestic production (including inter-alia extension of Production Sharing Contracts for small and medium size fields, early monetisation of hydrocarbon discoveries, policy on testing requirements for discoveries in NELP blocks), marketing and pricing freedom for gas produced from CBM fields and operationalization of National Data Repository (NDR).
