

LOK SABHA
UNSTARRED QUESTION NO. 1976
TO BE ANSWERED ON 30th July, 2018

Forming of Oil Buyers Club

1976. SHRI SHRIRANG APPA BARNE:
SHRI RABINDRA KUMAR JENA:
DR. PRITAM GOPINATH MUNDE:
DR. SHRIKANT EKNATH SHINDE:
SHRI ANTO ANTONY:
SHRI KUNWAR PUSHPENDRA SINGH CHANDEL:
SHRI ANANDRAO ADSUL:
SHRI C.N. JAYADEVAN:
SHRI P. NAGARAJAN:
SHRI DHARMENDRA YADAV:
DR. C. GOPALAKRISHNAN:
SHRI G. HARI:

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

- (a) whether oil-related risks have risen over the past few months and with cartilisation of oil producers with OPEC the prices have gone up exorbitantly and if so, the details thereof;
- (b) whether oil imports from Iran have declined in the months of June, 2018 as compared to June, 2017 and if so, the details thereof along with percentage of oil imports from Iran from January to July 2018, month-wise;
- (c) whether both India and China have expressed their interest in having a more active role in influencing the prices at which they import crude oil and if so, the details thereof along with action taken in this regard;
- (d) whether India discussed with China the possibility of forming an “oil buyers’ club” that can negotiate better terms with sellers as well as getting more United States of America crude oil to cut dominance of the oil block and if so, the details and the outcome thereof; and
- (e) whether it would provide a better negotiation ground for two biggest Asian crude oil buyers to positively impact the oil selling price for Middle East crude oil to Asia and if so, the details thereof?

ANSWER

MINISTER OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN)

- (a) The crude oil price fluctuation is a frequent market phenomenon and the price of crude oil is determined by many factors, including demand and supply in the global market. Government continues to monitor prices of sensitive petroleum products.
- (b) Indian refineries imported 1.9 million metric tonne (MMT) crude oil from Iran in June 2017 and placed order for 2.82 MMT in June 2018. The details of crude oil imports, including from Iran during the period January to May 2018 are given below:

Crude oil imports during the year 2018 (In MMT)					
	January	February	March	April	May
Total imports	20.1	17.6	18.4	17.3	19.9
Import from Iran	1.9	2.0	2.2	2.9	3.2
% age of imports from Iran	9.5	11.2	11.8	16.5	16.0

- (c) to (e): Meetings have been held between India and China, both at Ministerial and Company levels. During these meetings both sides expressed interest to cooperate and collaborate to deal with high crude oil and gas prices, including through increased communication between companies to work towards control and reduce spikes in price.