

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO-783
ANSWERED ON-02/12/2024

INDIA'S RELIANCE ON IMPORTED OIL

783. SHRI A. D. SINGH:

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

- (a) whether country's reliance on imported oil has increased during the last five years;
- (b) the amount of increase in terms of percentage of imported oil to total consumption;
- (c) whether Government's push to electric mobility, bio-fuel and other alternatives is making any impact on reducing the import;
- (d) if so, to what extent in percentage terms;
- (e) whether the domestic production of oil in the country is stagnated;
- (f) if so, the reasons therefor; and
- (g) the efforts being made to reduce the import burden of oil?

ANSWER

THE MINISTER OF STATE IN THE MINISRTY OF PETROLEUM AND NATURAL GAS

(SHRI SURESH GOPI)

(a)to (b): Details of the demand of petroleum products, import of crude oil and import dependency on crude oil are as under:

Financial Year	Demand of Petroleum Products (in MMT)	Import of Crude Oil (in MMT)	Import Dependency on Crude Oil (%)
2019-20	214.1	227.0	85.0
2020-21	194.3	196.5	84.4
2021-22	201.7	212.4	85.5
2022-23	223.0	232.7	87.3
2023-24 (P)	234.3	234.3	87.7

Source: PPAC

(P): Provisional, MMT (Million Metric Tons)

(c) to (d) Government has adopted a multi-pronged strategy to reduce the dependency on crude oil which, inter alia, include demand substitution by promoting usage of natural gas as fuel/feedstock across the country towards increasing the share of natural gas in economy and moving towards gas based economy, promotion of renewable and alternate fuels like ethanol, second generation ethanol, compressed bio gas and biodiesel, refinery process improvements, promoting energy efficiency and conservation, efforts for increasing production of oil and natural gas through various policies initiatives, etc. For promoting the use of Compressed Bio Gas (CBG) as automotive fuel, Sustainable Alternative Towards

Affordable Transportation (SATAT) initiative has also been launched. To promote electric vehicle infrastructure, a total of 18,083 electric vehicle charging stations have been commissioned by the Oil Marketing Companies (OMCs) at their Retail Outlets. Government's push to other alternative fuels such as ethanol blended petrol (EBP) Programme has resulted in forex savings of Rs. 1.09 Lakh crore approx. from ESY 2013-14 to ESY 2023-24.

However, India's energy consumption is increasing continuously due to sustained economic growth over the last few years resulting in industrialisation, urbanisation, transportation needs, infrastructure development, rising income, improved standard of living, increased access to modern energy coupled with increase in private consumption and gross fixed capital formation, etc. resulting in increasing import of Crude Oil.

(e) to (g): The decline in production of crude oil in recent years has been due to natural decline and increase in water cut in wells of matured fields.

The government has been taking various steps to boost domestic oil and gas production which, *inter-alia*, include:

- i. Policy under PSC regime for early monetization of hydrocarbon discoveries, 2014.
- ii. Discovered Small Field Policy, 2015.
- iii. Hydrocarbon Exploration and Licensing Policy (HELP), 2016.
- iv. Policy for Extension of PSCs, 2016 and 2017.
- v. Policy for early monetization of Coal Bed Methane, 2017.
- vi. Setting up of National Data Repository, 2017.
- vii. Appraisal of Un-appraised areas in Sedimentary Basins under National Seismic Programme, 2017.
- viii. Policy framework for extension of PSCs for Discovered Fields and Exploration Blocks under Pre-New Exploration Licensing Policy (Pre-NELP), 2016 and 2017.
- ix. Policy to Promote and Incentivize Enhanced Recovery Methods for Oil and Gas, 2018.
- x. Policy Framework for exploration and exploitation of Unconventional Hydrocarbons under Existing Production Sharing Contracts (PSCs), Coal Bed Methane (CBM) Contracts and Nomination Fields, 2018.
- xi. Natural Gas Marketing Reforms, 2020.
- xii. Lower Royalty Rates, Zero Revenue Share (till Windfall Gain) and no drilling commitment in Phase-I in OALP Blocks under Category II and III basins to attract bidders.
- xiii. Release of about 1 Million Sq. Km. (SKM) 'No-Go' area in offshore which were blocked for exploration for decades.
- xiv. Government is also spending about Rs.7500 Cr. for acquisition of seismic data in onland and offshore areas and drilling of stratigraphic wells to make quality data of Indian Sedimentary Basins available to bidders. Government has approved acquisition of additional 2D Seismic data of 20,000 LKM in onland and 30,000 LKM in offshore beyond Exclusive Economic Zone (EEZ) of India.
