

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO.- 457
ANSWERED ON-06/02/2023

INCREASE IN IMPORT COST OF PETROLEUM PRODUCTS

457. SHRI ELAMARAM KAREEM:

Will the Minister of Petroleum and Natural Gas be pleased to state:-

- (a) The reasons for increase in import cost of petroleum products by 39.6 per cent between 2016- 17 and 2022-23;
- (b) the details of the volume of natural gas imported from 2016 till date, year-wise, along with the import bills for the respective years;
- (c) whether it is a fact that India's natural gas import bill increased by 61 per cent between April 2021 and December 2022; and
- (d) if so, whether this would impact Government's plan to reduce crude oil imports by 10 per cent by March 2023, if so, the details thereof?

ANSWER

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

(SHRI RAMESWAR TELI)

(a): To ensure uninterrupted supply of petroleum products in the country, oil companies import petroleum products to bridge the supply demand gap in the domestic market. The import bill of petroleum products has increased by 97% till Dec,2022 (US \$ 20912 million) in comparison to FY 2016-17 (US \$ 10614 million) primarily due to increase in import quantities due to demand growth, price increase in international market and exchange rate changes.

(b) to (c): As per information compiled by Petroleum Planning Analysis Cell, India's natural gas import bill increased by 98.8% between April, 2021 (US \$ 799.43 million) and December, 2022 (US \$ 1588.93 million). The details of import of natural gas (quantity as well as value) from FY 2016-17 to 2022-23 (April-December,2022), are as under: -

Year	LNG import quantity (MMT)	Value in US\$ (Million)
2016-17	18.75	6128
2017-18	20.71	8051
2018-19	21.69	10253
2019-20	25.57	9489
2020-21	24.93	7864
2021-22	23.23	13382
2022-23 (Apr-Dec) (P)	15.39	14300

Source: PPAC

MMT: Million Metric Tonnes

P: Provisional

(d): Ministry of Petroleum and Natural Gas works in collaboration with various Central Government Ministries/State Governments/stakeholders to achieve reduction in import dependency on oil. Since 2014, Government has taken multiple steps to reduce country's oil import dependency through refinery process improvements and various policies under Production Sharing Contract (PSC) regime, Discovered Small Field Policy, Hydrocarbon Exploration and Licensing Policy, Setting up of National Data Repository, etc. Government has also provided functional freedom to National Oil Companies and wider private sector participation by streamlining approval processes including electronic single window mechanism.

Government has launched National Biofuel Policy, 2018, to boost availability of biofuels in country and use of alternative fuels like ethanol, bio-diesel and bio-CNG through Ethanol Blending, Bio-diesel blending and Sustainable Alternative Towards Affordable Transportation (SATAT) initiative respectively.

A Committee was constituted by the Government for "Preparing a roadmap to reduce the dependency on import in energy by 10% by 2021-22". The report submitted by Committee was accepted by the Government which envisages five-pronged strategy broadly comprising of increasing domestic production of oil and gas, promoting energy efficiency and conservation measures, giving thrust on demand substitution, capitalizing untapped potential in biofuels and other alternate fuels/ renewable and implementing measures for refinery process improvements. The budget of 10% reduction in import dependency is on the quantity (MMT) terms and not on the input value as the same is dependent on the external and independent factors like the prices in the international markets, exchange rate fluctuations, etc.
