

LOK SABHA  
UNSTARRED QUESTION NO. 1540  
TO BE ANSWERED ON 05<sup>th</sup> March, 2018

**OIL WELLS MOU WITH GULF COUNTRIES/ ABU DHABI**

1540: SHRIMATI V. SATHYA BAMA:  
SHRI K.N. RAMACHANDRAN:  
SHRI VINAYAK BHAURAO RAUT:  
SHRI BHARATHI MOHAN R.K.:  
SHRI ADHALRAO PATIL SHIVAJIRAO:  
SHRI ANANDRAO ADSUL:  
SHRI PR. SENTHIL NATHAN:  
DR. SHRIKANT EKNATH SHINDE:  
DR. PRITAM GOPINATH MUNDE:  
SHRI DHARMENDRA YADAV:  
SHRI SHRIRANG APPA BARNE:

पेट्रो लयम और प्राकृतिक गैस मंत्री

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

- a) whether the Government has inked any new Memorandum of Understanding (MoU)/concession agreement to purchase/ own 10 per cent stake to develop oil wells/ hydrocarbon resources in Abudhabi/UAE/ other Gulf countries during the visit of Prime Minister in the recent past;
- b) if so, the details of the terms and conditions of the said agreement along with the expenditure to be incurred by ONGC Videsh/other companies thereon;
- c) whether the Abu Dhabi National Oil Company (ADNOC) offshore concession in favour of the Indian consortium has taken our bilateral engagement in the oil and gas sector;
- d) if so, the details thereof and the extent to which it is likely to benefit the comprehensive strategic partnership between India and UAE; and
- e) whether the Government has chalked out any comprehensive strategy to reach self-reliance in Oil and Petroleum sector and to reduce import of Oil and Petroleum products and if so, the details thereof along with the total expenditure incurred during the last three years on import of oil and petroleum products from various countries including United States of America and UAE, country/year-wise?

## ANSWER

पेट्रो लयम और प्राकृतिक गैस मंत्रालय में मंत्री (श्री धर्मेन्द्र प्रधान)

MINISTER OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN)

- a) to (b): On 10<sup>th</sup> February, 2018, an Indian Consortium comprising ONGC Videsh, Indian Oil Corporation Ltd and Bharat PetroResources Ltd jointly acquired 10% Participating Interest (PI) in Lower Zakhum offshore oil field from Abu Dhabi National Oil Company (ADNOC) of UAE at a cost of US \$ 600 million. The Agreements in this regard were signed during the State visit of Prime Minister to UAE. This is India's first investment in the upstream sector in the Gulf and the Middle East region.
- c) to (d): The acquisition of 10% PI by the Indian Consortium has taken the bilateral engagement between Indian and UAE, particularly in the oil and gas sector, to the next phase which is in sync with the comprehensive strategic partnership between the two countries. The engagement has progressed from a buyer-seller relationship to an era of mutual investments in the oil and gas sector. The 10% PI gives India an average of 1.75 MMTPA (Million Metric Ton Per Annum) of crude for the next 40 years and has augmented India's energy security.
- e) During the Financial Year 2016-17 India consumed 194.6 MMT of crude oil as against domestic production of 35.9 MMT. Since India relies on crude imports, the government has adopted a five pronged approach comprising of increasing domestic production of oil and gas, promoting energy efficiency and conservation measures, giving thrust on demand substitution, capitalizing untapped potential biofuels and other alternate fuels/renewable and measures for refinery process improvements. Further, to augment India's energy security, Government has been working towards diversifying supply sources of oil and gas and acquisition of overseas oil and gas producing assets. Year-wise Import of Crude oil & Petroleum Products, including from USA and UAE are as below:

<b>Imports of Crude Oil(In MMT)</b>			
<b>Year</b>	<b>Total</b>	<b>UAE</b>	<b>USA</b>
2014-15	189.6	16.1	-
2015-16	202.8	15.7	-
2016-17	213.9	17.6	-
2017-18(Apr-Nov)*	144.7	9.17	1.52
<b>Imports of Petroleum Products(In MMT)</b>			
2014-15	21.3	3.5	5
2015-16	29.4	5.3	6.4
2016-17	36.3	6.3	9.8
2017-18(Apr-Nov)*	29.8	3.6	4.5

*\*Provisional*

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