

LOK SABHA
STARRED QUESTION NO. 365
TO BE ANSWERED ON 7TH JANUARY, 2019

Negotiation with OPEC

*365. SHRI M.K. RAGHAVAN:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) whether the Government had negotiated with the Organisation of the Petroleum Exporting Countries (OPEC) as well as its members individually at the level of Prime Minister for reduction of petroleum prices and if so, the details thereof along with the latest decision of reduced production by OPEC leading to price rise of petroleum products in the country;
- (b) the manner in which the Government will sustain the surging prices of petroleum products in the country; and
- (c) the expected impact thereof on the Indian economy along with the measures taken by the Government to address the said issue permanently?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्री (श्री धर्मन्द्र प्रधान)

THE MINISTER OF PETROLEUM AND NATURAL GAS
(SHRI DHARMENDRA PRADHAN)

(a) to (c): A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA STARRED QUESTION NO. 365 BY SHRI M.K. RAGHAVAN TO BE ANSWERED ON 07TH JANUARY, 2019 REGARDING NEGOTIATION WITH OPEC

The Government, including at Prime Minister level, has been strongly taking up the issue of high crude oil price, bilaterally with crude oil producing countries and with Organisation of Petroleum Exporting Countries (OPEC). During his annual interaction with global oil and gas experts, on 15th October 2018, Prime Minister expressed India's concern regarding the rising global crude oil prices and highlighted the issues being faced by consuming countries due to high crude oil prices. Further, he emphasized the need for synergy and cooperation between producing and consuming countries.

India has also given a call at the level of Prime Minister for responsible and reasonable pricing at several international fora, including at the 16th International Energy Forum Ministerial meeting held in New Delhi in April 2018. During discussions with OPEC, India has stressed that it should work closely with consuming countries for the benefit of both producers and consumers.

The crude oil price fluctuation is a frequent market phenomenon and crude oil production and price depends on several factors, including demand and supply, geo-political situation and policies of crude oil producing countries. Indian refineries import crude oil from diverse sources depending on their technical and commercial considerations and keeping in view the domestic requirement. Government has also taken steps to enhance domestic oil and gas production and to reduce reliance on imports.
