

LOK SABHA
UNSTARRED QUESTION NO. 61
TO BE ANSWERED ON 03RD FEBRUARY, 2020

Consumption of Petroleum-Oil-Lubricants

61. SHRI SHIVAKUMAR C. UDASI

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

- (a) the details of current demand or estimated consumption of Petroleum-Oil-Lubricants (POL) products and relevant status of supply sources;
- (b) the details of future requirement of the country and whether the import of oil is likely to increase, if so, the details thereof along with the measures taken/likely to be taken to meet the future challenges; and
- (c) whether the Government has reckoned the views of experts that India may overtake Japan to emerge as the world's third largest consumer of POL after the US and China over the next decade?

ANSWER

MINISTER OF MINISTRY OF PETROLEUM AND NATURAL GAS

(SHRI DHARMENDRA PRADHAN)

- (a) The consumption of petroleum products for the last 3 years and estimated consumption of the current financial year 2019-20 is given below:

Country	Petroleum-Oil-Lubricants (POL) Consumption in Million Metric Tonne			
	2016-17	2017-18	2018-19	2019-20 (Estimate)
India	194.6	206.2	213.2	216.0

Source: Petroleum Planning and Analysis Cell.

Demand of petroleum products are met through domestic production and imports.

- (b) As per World Energy Outlook 2019 published by International Energy Agency (IEA), future oil demand of the country will be

Country	Oil demand in (mb/d)		
	2025	2030	2035
India	6.4	7.5	8.4

To meet the future challenges pertaining to import of oil, Ministry of Petroleum & Natural Gas is working in collaboration with various Central Government Ministries/stakeholders to reduce the dependency on import from oil. The strategies adopted include increasing domestic production of

oil and gas, promoting energy efficiency, conservation measures and demand substitution, capitalizing untapped potential in biofuels and other alternate fuels/ renewables and implementing measures for refinery process improvements.

Government has taken several steps to enhance exploration & production of oil and gas in the country which include; Policy for Relaxations, Extensions and Clarifications under Production Sharing Contract (PSC) regime for early monetization of hydrocarbon discoveries, Discovered Small Field Policy, Hydrocarbon Exploration and Licensing Policy, Policy for early monetization of Coal Bed Methane, setting up of National Data Repository, Appraisal of Unappraised areas in Sedimentary Basins, Re-assessment of Hydrocarbon Resources, Policy framework to streamline the working of Production Sharing Contracts in Pre-NELP and NELP Blocks, Policy to Promote and Incentivize Enhanced Recovery Methods for Oil and Gas, Policy framework for exploration and exploitation of Unconventional Hydrocarbons under existing Production Sharing Contracts, Coal Bed Methane contracts and Nomination fields.

The Government in February, 2019 approved major reforms in exploration and licensing policy to enhance exploration activities, attract domestic and foreign investment in unexplored/unallocated areas of sedimentary basins and accelerate domestic production of oil and gas from existing fields. The policy reforms inter alia aims to boost exploration activities with greater weightage to work programme, simplified fiscal and contractual terms, bidding of exploration blocks under Category II and III sedimentary basins without any production or revenue sharing to Government, early monetization of discoveries by extending fiscal incentives, incentivizing gas production including marketing and pricing freedom, induction of latest technology and capital, more functional freedom to National Oil Companies for collaboration and private sector participation for production enhancement methods in nomination fields, streamlining approval processes and promoting ease of doing business including electronic single window mechanism.

Government is also promoting the usage of environment friendly transportation fuel, i.e. CNG by expanding the coverage of City Gas Distribution (CGD) network in the country. Government has also taken a number of initiatives to encourage the use of alternative fuels like ethanol and bio-diesel through Ethanol Blending in Petrol (EBP) Programme and Bio-diesel blending in diesel. Government has formulated a National Bio Fuel Policy 2018 to boost availability of biofuels in country.

(c) As per World Energy Outlook 2019 published by International Energy Agency (IEA), in the year 2018, India (4.7 mb/d) has already become the world's third largest oil consumer after the United States of America (18.5 mb/d) and China (12.5 mb/d). Japan (3.6 mb/d) was the 4th largest oil consumer in 2018.
