

GOVERNMENT OF INDIA  
MINISTRY OF PETROLEUM AND NATURAL GAS

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 2366**  
ANSWERED ON- 16/12/2024

**PRIVATELY MANAGED SPR**

2366. DR. DHARMASTHALA VEERENDRA HEGGADE:

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

- (a) Whether Government plans to build its first privately managed Strategic Petroleum Reserve (SPR) and if so, the details thereof;
- (b) the details of the steps taken/proposed to be taken by Government to improve SPR storages in the country;
- (c) the financial advantages that have resulted from these initiatives;
- (d) the detailed overview of the current status of SPR in the country;
- (e) the present status of SPR –II as on 30<sup>th</sup> September, 2024; and
- (f) the current SPR structure and capacity in the country as on 30<sup>th</sup> September, 2024 ?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS

(SHRI SURESH GOPI)

(a) to (f): Government, through a Special Purpose Vehicle called Indian Strategic Petroleum Reserves Limited (ISPRL), has established Strategic Petroleum Reserves (SPR) facilities with total capacity of 5.33 Million Metric Tonnes (MMT) of crude oil at 3 locations namely (i) Vishakhapatnam (1.33 MMT), (ii) Mangaluru (1.5 MMT) and (iii) Padur (2.5 MMT). It will provide for about 9.5 days of crude oil requirement.

In July 2021, Government had also approved the establishment of two additional commercial-strategic petroleum reserve facilities with total storage capacity of 6.5 MMT at Chandikhol (4 MMT) in Odisha and Padur (2.5 MMT) in Karnataka, on a Public Private Partnership mode. The successful bidder could be from Public Sector or Private Sector. Land acquisition process is ongoing by State Government of Karnataka. In Odisha, State Government is yet to allocate land.

Government and Oil Marketing Companies (OMCs) evaluate, from time to time, the possibility of augmentation of storage capacities based on technical and commercial feasibility.

Taking advantage of low crude oil prices in April/May 2020, the Strategic Petroleum Reserves were filled to full capacity, leading to notional savings of approximately INR 5000 crore. In addition, Government has also allowed ISPRL to utilize part of the petroleum reserves created under Phase-I of Strategic Petroleum Reserves (SPR) programme for commercialisation operations, to undertake leasing/renting of 30% of overall oil storage capacity of caverns to Indian or foreign companies as well as sale/purchase of 20% of overall oil storage capacity of caverns to Indian companies. The proceeds received from the sale of crude oil, which is leased out, are returned to the Government.

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