

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO. 1889
ANSWERED ON 09/03/2026

IMPORT OF CRUDE OIL AND LNG

1889. SHRI PRAMOD TIWARI:

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

- (a) whether despite several exploration programmes, country's proven oil reserves are modest;
- (b) if so, country's dependence on imported crude oil and LNG during the last five years, year-wise;
- (c) the roadmap prepared to reduce import dependence; and
- (d) the steps taken to ensure that geopolitical conflicts do not affect oil and LNG supplies to the country?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS
(SHRI SURESH GOPI)

(a) and (b): India's proven hydrocarbon reserves have been established through sustained exploration efforts across its sedimentary basins. As on 01.04.2025, the country's proved Estimated Ultimate Recovery (EUR) is 1,948.1 Million Metric Tonnes (MMT) for crude oil and 1,844.3 Billion Cubic Meter (BCM) for natural gas as per the annual estimates under the Petroleum Resources Management System (PRMS). The proven reserves (Balance Recoverable Reserves) are 423.1 MMT for crude oil and 595.4 BCM for natural gas.

The year-wise percentage of import dependence on crude oil is ranging from 85% - 88% and on Liquefied Natural Gas (LNG) between 48% - 50% during the last 5 years.

(c): Government has taken various policy decisions and steps to boost domestic crude oil and natural gas production and reduce dependency on import of oil and gas with the objective of strengthening the country's energy security and reducing foreign exchange expenditure which, *inter alia*, include:

- i. Policy for Relaxations, Extensions and Clarifications under Production Sharing Contract (PSC) regime for early monetization of hydrocarbon discoveries, 2014;
- ii. Discovered Small Field Policy, 2015;
- iii. Hydrocarbon Exploration and Licensing Policy (HELP), 2016;
- iv. Policy for Extension of PSCs, 2016 and 2017;
- v. Policy for early monetization of Coal Bed Methane (CBM), 2017;
- vi. Policy to Promote/Incentivize Enhanced Recovery Methods of Oil/Gas, 2018;
- vii. Policy Framework for exploration and exploitation of Unconventional Hydrocarbons including CBM, Shale Oil and Gas etc under Existing Contracts and Nomination Fields, 2018;
- viii. Release of about 1 Million Sq. Km. (SKM) "No-Go" area in offshore in 2022 which were earlier blocked for exploration for decades.

- ix. Amendments to Oilfields (Regulation and Development) Act in 2025 to promote ease of doing business, contractual stability and operational efficiency.
- x. The Oilfields (Regulation and Development) Amendment Act, 2025 has expanded the definition of "mineral oils" to include a broader range of hydrocarbons including conventional as well as unconventional form of hydrocarbons allowing the production of these hydrocarbons under a single lease.
- xi. The Petroleum and Natural Gas Rules, 2025 provide for single petroleum lease system, protection in case of change in law and effective dispute resolution mechanism to support India's energy security goals.
- xii. In 2017, a policy framework for Early Monetization of CBM was formulated to provide marketing and pricing freedom for CBM and streamline the operational issues in the existing blocks.
- xiii. In 2018, Government notified terms & conditions for grant of exploration and exploitation rights to Coal India Limited (& subsidiaries) from coal bearing areas.
- xiv. Policy guidelines for promotion of exploration and production of shale gas / oil *inter-alia* include:
 - a. Allowing E&P operators in India to explore and develop all unconventional hydrocarbons (CBM, shale oil/gas and gas hydrate) under existing production sharing contracts, CBM blocks, and nominated licenses. This allows the exploration and development of shale gas/ oil in existing PML areas.
 - b. Policy framework to promote and incentivize Enhanced Recovery Methods for Oil and Gas under which various fiscal incentives are being provided to the operators for future discoveries of unconventional hydrocarbons (Shale Gas/Oil and Gas Hydrate).

(d): Government, through a Special Purpose Vehicle called Indian Strategic Petroleum Reserve Limited (ISPRL), have established Strategic Petroleum Reserves (SPR) facilities with total capacity of 5.33 MMT which can act as buffer for short-term supply shocks. This is meant to provide for about 9.5 days of crude oil requirement. In addition, Oil Marketing Companies (OMCs) in the country have storage facilities for crude oil and petroleum products for 64.5 days. Hence, current total national capacity for storage of crude oil and petroleum products currently is 74 days.

To further augment the Petroleum Reserves' capacity, Government, in July 2021, had also approved the establishment of two additional facilities with total storage capacity of 6.5 MMT at Chandikhol (4 MMT) in Odisha and Padur (2.5 MMT) in Karnataka on Public Private Partnership (PPP) mode. This expansion will increase the oil reserve equivalent to 12 days of import.

Further, Government have taken multiple steps to mitigate risk of supply disruption and to maintain uninterrupted energy supply chains during geopolitical uncertainties. This includes diversifying crude oil import sources, bypassing conflict zone and strengthening diplomatic engagements with major oil producing countries and international organisations like International Energy Agency (IEA), Organization of the Petroleum Exporting Countries (OPEC) and International Energy Forum (IEF).
