

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1709**  
**TO BE ANSWERED ON 01<sup>st</sup> August 2024**

**Energy Consumption in India**

**1709. DR. SHRIKANT EKNATH SHINDE:**

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) the factors that contribute to India being the world's third-largest consumer of energy and crude oil;
- (b) the manner in which this demand affect the country's energy security and economic stability;
- (c) the recent trends in India's import dependency for natural gas and the measures taken to reduce it;
- (d) the key drivers of this change; and
- (e) the manner in which India is preparing to meet its energy demand and reduce its import dependency?

**ANSWER**

पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्य मंत्री (श्री सुरेश गोपी)

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

(a) to (b) As per Statistical Review of World Energy, 2024 published by Energy Institute (EI), the primary energy consumption of India during 2023 was 39.02 Exajoules i.e. 6.3% of the total primary consumption of the world (619.63 Exajoules) and the growth rate of Indian oil and natural gas sector was 5.1% during 2023 (12.82 Exajoules) vis-à-vis 2022 (12.20 Exajoules).

It has been assessed by various entities that the major factors contributing towards India's increasing consumption of energy include sustained economic growth over the last few years resulting in industrialisation, urbanisation, transportation needs, infrastructure development, rising income, improved standard of living, increased access to modern energy coupled with increase in private consumption and gross fixed capital formation, etc.

Government has adopted a multi-pronged strategy to improve energy security which comprises increasing domestic production of oil and gas, promoting energy efficiency and conservation measures, giving thrust on demand substitution, promoting biofuels and other alternate fuels/ renewables, EV charging facilities and refinery process improvements. In addition, Government has launched National Biofuel Policy, 2018, to boost availability of biofuels in country and use of alternative clean fuels like ethanol, bio-diesel and bio-CNG through schemes for Ethanol Blending, Bio-diesel blending and Sustainable Alternative Towards Affordable Transportation. Government has also taken various initiatives towards economic stability through growth-promoting policies which, *inter-alia*, includes Capex-led

growth strategy, comprehensive reforms in foreign direct investment, controlling inflation, Good and Services Tax Reforms, cut in the Corporate tax rate, the Make in India and Start -up India strategies and Production linked incentive schemes, etc.

(c) to (e) The India's import dependency on Natural Gas have shown decreasing trends during the last four years:

<b>Description</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
Import Dependency on Natural Gas (%)	54.4	48.4	43.9	47.1

Source: PPAC

The reduction in import dependency is mainly due to recent initiatives taken by the Government, which, *inter-alia*, include reforms such as Hydrocarbon Exploration and Licensing Policy (HELP), Discovered Small Field (DSF) Policy, Open Acreage Licensing (OALP) Policy, Policy framework for exploration and exploitation of Coal Bed Methane (CBM), relaxing processes and approvals to promote "Ease of Doing Business", and fiscal incentives for early monetization of fields along with Marketing and Pricing freedom for natural gas, etc. Government has also launched Sustainable Alternative Towards Affordable Transportation (SATAT) initiative in 2018, with the aim of establishing an ecosystem for production of Compressed Bio Gas (CBG) from various waste/ biomass sources. These initiatives have shown results, the gross domestic production of Natural gas has increased from 28.67 billion cubic meters (BCM) in 2020-21 to 36.44 BCM in 2023-24 showing a growth of more than 27% during this period.

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