

LOK SABHA  
STARRED QUESTION NO. 558  
TO BE ANSWERED ON 2<sup>nd</sup> April, 2026

**CRUDE OIL IMPORT DEPENDENCE AND PSU INVESTMENTS**

\*558. SHRI RAMPRIT MANDAL:

**पेट्रोलियम और प्राकृतिक गैस मंत्री**

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

(a) whether the Government is aware that despite the substantial resources of major Public Sector Undertakings (PSUs) such as Oil and Natural Gas Corporation Limited and Indian Oil Corporation Limited, the country's dependence on crude oil imports remains around Eighty Five percent and if so, the details of steps taken by the Government to reduce the same;

(b) the details of expenditure made by Bharat Petroleum Corporation Limited and Hindustan Petroleum Corporation Limited on refinery capacity expansion and green energy investments during the last three years, year-wise; and

(c) whether petroleum PSUs have been directed to invest heavily in green hydrogen and biofuel projects and if so, the details and current status thereof along with the progress of such projects?

**ANSWER**

**पेट्रोलियम और प्राकृतिक गैस मंत्री  
(श्री हरदीप सिंह पुरी)**

MINISTER OF PETROLEUM AND NATURAL GAS  
(SHRI HARDEEP SINGH PURI)

(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. \*558 BY SHRI RAMPRIT MANDAL TO BE ANSWERED ON 2<sup>ND</sup> APRIL, 2026 REGARDING ‘CRUDE OIL IMPORT DEPENDENCE AND PSU INVESTMENTS’**

(a) As per data published by the Petroleum Planning and Analysis Cell (PPAC), the import dependence of crude oil [on Petroleum, Oil and Lubricants (POL) consumption basis] has remained broadly at approximately 88% during the last three financial years, with marginal variations year to year.

The high dependence on crude oil imports is primarily driven by rapid growth in energy demand that is outstripping domestic production. India’s energy consumption has increased steadily due to sustained economic growth, urbanization, and rising requirements across key sectors such as transport, petrochemicals and other industry etc.

As per the World Energy Outlook published by the International Energy Agency (IEA), India is set to be the largest contributor to incremental global energy demand growth in the coming decades, accounting for approximately 20–30% of the increase in global energy demand by 2050, under various scenarios. Further, the country’s oil demand is projected to rise from the current level of around 5.5 million barrels per day (mb/d) to upto 8.5–10.5 mb/d over the same period.

To increase domestic production and reduce the import dependence, Government of India have set the following targets for domestic production as part of Viksit Bharat 2047 vision:

<b>Year</b>	<b>2025</b>	<b>2030</b>	<b>2047</b>
Crude Oil Production (MMT)	29	35	100
Natural Gas Production (BCM)	36	45	100

The Government have also adopted a multi-pronged strategy to reduce the import dependency on crude oil which, inter alia, include demand substitution by promoting usage of natural gas as fuel/feedstock across the country towards increasing the share of natural gas in economy and moving towards gas based economy, promotion of renewable and alternate fuels like ethanol, compressed bio gas and biodiesel, creating electric vehicle charging infrastructure, refinery process improvements, promoting energy efficiency and conservation, efforts for increasing production of oil and natural gas through various policies initiatives, etc. For promoting the use of Compressed Bio Gas (CBG) as automotive fuel, Sustainable Alternative Towards Affordable Transportation (SATAT) initiative has also been launched.

Further, Government have been taking various steps to boost domestic oil and gas production and reduce dependence on crude oil imports, which, inter-alia, include the following:

- i. Policy under 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, 2017.
- vi. Setting up of National Data Repository, 2017.
- vii. Appraisal of Un-appraised areas in Sedimentary Basins under National Seismic Programme, 2017.
- viii. Policy framework for extension of PSCs for Discovered Fields and Exploration Blocks under Pre-New Exploration Licensing Policy (Pre-NELP), 2016 and 2017.
- ix. Policy to Promote and Incentivize Enhanced Recovery Methods for Oil and Gas, 2018.
- x. Policy Framework for exploration and exploitation of Unconventional Hydrocarbons under Existing Production Sharing Contracts (PSCs), Coal Bed Methane (CBM) Contracts and Nomination Fields, 2018.
- xi. Natural Gas Marketing Reforms, 2020.
- xii. Lower Royalty Rates, Zero Revenue Share (till Windfall Gain) and no drilling commitment in Phase-I in OALP Blocks under Category II and III basins to attract bidders.
- xiii. Release of about 1 Million Sq. Km. (SKM) 'No-Go' area in offshore which were blocked for exploration for decades.
- xiv. Government is also spending about Rs.7500 Cr. for acquisition of seismic data in onland and offshore areas and drilling of stratigraphic wells to make quality data of Indian Sedimentary Basins available to bidders. Government has approved acquisition of additional 2D Seismic data of 20,000 LKM in onland and 30,000 LKM in offshore beyond Exclusive Economic Zone (EEZ) of India.

The Government have also been promoting various alternative fuels in the petroleum sector, which inter-alia include Compressed Natural Gas (CNG), Piped Natural Gas (PNG), Compressed Bio Gas (CBG) and Ethanol blended Petrol. Under the Ethanol Blended Petrol (EBP) Programme, Oil Marketing Companies (OMCs) sell petrol blended with ethanol and under the 'Sustainable Alternative Towards Affordable Transportation' (SATAT) initiative, Compressed Bio Gas (CBG) is marketed along with Compressed Natural Gas (CNG).

(b) The details of year-wise expenditure made by Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) on refinery capacity expansion during the last three years are as under:

S.No.	Financial Year (FY)	Expenditure incurred by HPCL (in Rs Cr)	Expenditure incurred by BPCL (in Rs Cr)
1.	2023-24	3832	15.43
2.	2024-25	1777	1759
3.	2025-26	2564	2661

The details of the year-wise green energy investments made by Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) during the last three years are as under:

S.No	Financial Year (FY)	Expenditure incurred by HPCL (in Rs Cr)	Expenditure incurred by BPCL (in Rs Cr)
1.	2022-23	2004.84	47.98
2.	2023-24	2466.6	116.8
3.	2024-25	1981.8	162.55

(c) India has formally committed to achieving net-zero carbon emissions by 2070 and the Ministry of Petroleum and Natural Gas aligns its policies, programmes and sectoral initiatives with this national commitment. Government is implementing a range of policy measures and initiatives including promotion of biofuels, adoption of cleaner fuels, which collectively contribute towards emission reduction and the long-term Net Zero objective.

In line with India's energy transition goals, oil and gas companies are adopting several methods to decarbonize their operations and value chain, such as advancing renewable hydrogen projects, renewable energy sources, adopting cleaner technologies, and tapping low-carbon energy sources.

The Government have promoted blending of ethanol in petrol under the Ethanol Blended Petrol (EBP) Programme. The National Policy on Biofuels – 2018, as amended in 2022, inter-alia, advanced the target of 20% blending of ethanol in petrol from 2030 to Ethanol Supply Year (ESY) 2025–26 (1st November, 2025 to 31st October, 2026). This target of 20% has been achieved in December, 2025 (5 years before the initial target year) due to the concerted efforts of Government that have led to increased ethanol blending with petrol from 38 crore litres in ESY 2013-14 to over 1000 crore litres in ESY 2024-25.

Under the Strategic Interventions for Green Hydrogen Transition-2B (SIGHT-2B) mode of the National Green Hydrogen Mission (NGHM), refineries have been allocated 200 KTPA of green

hydrogen procurement capacity, of which PSU refineries have been assigned a target of 170 KTPA, up to 2030. Following a phased approach, PSU refineries have floated tenders for 42

KTPA of green hydrogen capacity. Out of this, IOCL (10 KTPA), BPCL (5 KTPA), and HPCL (5 KTPA) have already awarded contract. Under this Mission, the discovered Costs of Green Hydrogen through competitive bidding are INR 397 per kg (inclusive of 18% GST) for supply to the refinery of Indian Oil Corporation Limited and INR 387 per kg (inclusive of 18% GST) for supply to the refineries of Bharat Petroleum Corporation Limited and Hindustan Petroleum Corporation Limited.

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