

LOK SABHA
UNSTARRED QUESTION NO. 4399
TO BE ANSWERED ON 19th March 2026

Phase-II Strategic Petroleum Reserves and Crude Diversification

4399. SHRI RAO RAJENDRA SINGH:

SMT. SMITA UDAY WAGH:

DR. SANJAY JAISWAL :

SMT. APARAJITA SARANGI:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) the progress made in the construction of Phase-II Strategic Petroleum Reserves at Chandikhol and Padur and the total number of days of import cover currently maintained by the country;
- (b) the strategy of the Government for diversifying crude oil imports during 2026 in order to mitigate volatility in international prices and geopolitical tensions;
- (c) whether there is any proposal for adopting a "Commercial-cum-Strategic" storage model involving private global oil companies to enhance storage capacity without imposing additional fiscal burden; and
- (d) if so, the details thereof?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्यमंत्री
(श्री सुरेश गोपी)

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

(a) In July'2021, the Government approved the establishment of two additional facilities for commercial cum strategic storage with total storage capacity of 6.5 MMT at Chandikhol (4 MMT) in Odisha and Padur (2.5 MMT) in Karnataka.

Work for construction at Padur has been awarded on 01.10.2025.

The current total national capacity for storage of crude oil and petroleum products is 74 days which includes capacity of storage facilities of the Oil Marketing Companies (OMCs) of 64.5 days.

(b) To ensure security of crude supplies and to mitigate the risk of dependence on crude oil from single region, Oil and Gas Public Sector Enterprises (PSEs) which are Board run entities source crude oil from diverse sources depending on their technical and commercial considerations. Currently, these PSEs import crude oil from 41 countries including new suppliers like USA, Nigeria, Angola, Canada, Columbia, Brazil and Mexico in addition to traditional suppliers in the Middle East such as Iraq, Saudi Arabia, UAE, Kuwait and Qatar.

(c) & (d) In July 2021, the Government also approved the commercialization of Phase – I SPRs by allowing ISPRL to undertake following commercial activities with 50% of the total reserves capacity while keeping balance 50% capacity as Strategic:

- a. Leasing/Renting of 30% of overall oil storage capacity of caverns to Indian or foreign companies with the condition that in case of any exigency, the GOI will have the first right on the entire crude oil stored in the caverns.
- b. Sale/purchase of crude oil up to 20% quantity of overall oil storage capacity of caverns to Indian companies.
