

LOK SABHA
UNSTARRED QUESTION NO. 4427
TO BE ANSWERED ON 19th March 2026

Global Oil Price Volatility

4427. THIRU DAYANIDHI MARAN :

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) the concrete steps taken by the Union Government to shield Indian consumers from crude oil price shocks arising from the volatile geopolitical situation in the Middle East including the use of strategic petroleum reserves and diversification of sourcing;
- (b) whether the Government has reviewed its excise duty and pricing policy to prevent disproportionate retail fuel price hike during periods of global instability, if so, the details thereof,
- (c) the present status of India's Strategic Petroleum Reserves, including stock levels, drawdown protocols and replenishment plans in the event of supply disruptions;
- (d) the measures taken by the Government to diversify sources of imports and reduce overdependence on any single region vulnerable to conflict; and
- (e) whether the Government has prepared a transparent contingency framework to stabilise domestic LPG, petrol and diesel prices in the event of prolonged tensions in the Middle East, 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) to (e) 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 Million Metric Tonnes (MMT) which can act as buffer for short-term supply shocks. In order to check the preparedness of running and standby equipment, fluidity of crude oil and readiness for drawdown, monthly circulation of crude oil is being done by ISPRL on regular basis for all caverns at all locations.

Further, 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.

Prices of petrol and diesel in the country are market-determined and the PSEs take appropriate decision on pricing of petrol and diesel. India imports majority of its crude oil requirements and prices of petroleum products in India are linked to international markets. Despite volatility in global crude/petroleum prices, PSU OMCs have kept retail petrol and diesel prices stable.

Government makes fiscal interventions, whenever necessary, to calibrate the tax structure applicable for petroleum products.
