

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO. 774
ANSWERED ON-10/02/2025

**LONG TERM STRATEGIES TO REDUCE DEPENDENCE ON CRUDE OIL
IMPORTS**

774.# DR. BHIM SINGH:

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

- (a) the steps taken by Government for development of alternative fuels and green energy sources to enhance energy security in the country, the details thereof; and
- (b) the long-term strategies being adopted by Government to reduce dependence on crude oil imports and the progress made as the result of these strategies so far, the details thereof?

ANSWER

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

(a) Government has 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).

Under the EBP Programme, the blending of ethanol in petrol increased from 188.6 crore litres in Ethanol Supply Year (ESY) 2018-19 to more than 700 crore litres in ESY 2023-24, with a corresponding increase in the blending percentage from 5% in ESY 2018-19 to 14.6% in ESY 2023-24. The number of CNG stations has increased from 1742 in 2019 to 7341 in 2024 (as on 31.10.2024), improving accessibility to cleaner fuels for the transport sector. Domestic PNG connections to households have increased from 54.04 lacs in 2019 to 1.37 crore in 2024 (as on 31.10.2024). More than 740 districts have been covered under City Gas Distribution (CGD) authorisation. Around 80 CBG plants have been commissioned under the SATAT initiative in the last 5 years.

(b) Government have 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.

To increase domestic production, the Government unveiled a series of policy initiatives over the last 10 years. Reforms are aimed at reducing regulatory burden, enhancing transparency, increasing investment in exploration and consequently enhancing domestic oil and gas production. The Hydrocarbon Exploration and Licensing Policy (HELP) was notified on 30th March 2016, marking a major shift from Production sharing contract regime to Revenue sharing regime with easier regulatory compliances. Further, the Government have also focussed its approach towards generating more sedimentary basin data through projects like National Seismic Program (NSP), Exclusive Economic Zone (EEZ) survey, Andaman Offshore Project, Mission Anveshan, Extended Continental Shelf Survey and Stratigraphic wells. The Government also opened up a significant portion of its offshore area which were previously remained prohibited for exploration in the name of No-Go Area
