

Statement by Union Minister for Petroleum and Natural Gas Shri Hardeep Singh Puri in Parliament on Measures Taken to Address Global Energy Supply Disruptions Arising from the Conflict in West Asia

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Union Minister for Petroleum and Natural Gas Shri Hardeep Singh Puri today made a statement in the Lok Sabha informing the House about the steps taken by the Ministry of Petroleum and Natural Gas in response to the disruption to global energy supply arising from the ongoing conflict in West Asia. The Minister apprised the House of the measures being undertaken to ensure the continued availability of petroleum products and to safeguard India's energy security in the evolving global situation.

The statement made by the Minister is reproduced below:

Hon'ble Speaker Sir,

I rise to inform the House of steps taken in response to the disruption to the global energy supply arising from the ongoing conflict in West Asia.

Hon'ble Speaker Sir,

The world has not faced a moment like this in modern energy history. Today is the 13th day since the passage through the Strait of Hormuz, through which 20% of world's crude, 20% of world's natural gas and 20% of the world's LPG flows, was disrupted following the military operation between Iran, Israel and the US. For the first time in recorded history, the Strait of Hormuz has been effectively closed to commercial shipping. Despite India having no role in causing the conflict, like many countries, India has to navigate through its consequences.

2. The contrast with how other nations are managing this crisis places India's response in its sharpest relief. A country in our neighborhood has shut all schools for two weeks, moved government offices to a four-day work week, ordered 50 per cent of public employees to work from home, cut fuel allowances for official vehicles by half, and taken 60 per cent of government vehicles off the road. This country has experienced the largest single fuel price increase in its history, with petrol up approximately 20 per cent in a week. Another neighbor has closed universities early and brought forward the Eid-al-Fitr holiday to save fuel. Countries in SE Asia also have had to take energy rationing and conservation measures.

CRUDE and PETROL, DIESEL:

Hon'ble Speaker Sir,

3. India's crude supply position is secure, and volumes secured exceed what Hormuz would have delivered. Before this crisis, approximately 45 per cent of India's crude imports transited the Hormuz route. Thanks to Hon'ble PM's outstanding diplomatic outreach and goodwill, India has secured crude

volumes that exceed what the disrupted Strait route would have delivered in the same period. Non-Hormuz sourcing has risen to approximately 70 per cent of crude imports, up from 55 per cent before the conflict began. India sources crude from 40 countries, against 27 in 2006-07; this structural diversification, built through sustained policy over successive years, has given us options that other nations now find themselves without. Refineries are operating at high capacity utilisation; in several cases, they are exceeding 100 per cent.

4. There is no shortage of petrol, diesel, kerosene, ATF or fuel oil. The availability of petrol, diesel, aviation turbine fuel, kerosene, and fuel oil is fully assured. Retail outlets across the country are stocked and supply chains for these products are functioning normally. Additional allocation of PDS Kerosene has been issued to all the States.

NATURAL GAS:

Hon'ble Speaker Sir,

5. Natural gas supply has been managed through prioritised allocation, and the position is stable well beyond immediate need. India produces approximately 90 MMSCMD (Million Metric Standard Cubic Metres per Day) of natural gas domestically. A further 30 MMSCMD was previously imported through Gulf sources now affected by the force majeure declaration from a major Qatari processing facility. The Natural Gas Control Order issued on 9 March 2026 under the Essential Commodities Act established an immediate priority sequence. Domestic piped gas to homes and CNG for vehicles receive 100 per cent supply with no cuts. Industrial and manufacturing consumers will receive upto 80 per cent of their previous six-month average. Fertiliser plants will receive upto 70 per cent, protecting the agricultural input chain ahead of the sowing season. Refineries and petrochemical units absorb a managed reduction, with that gas redirected to higher-priority sectors. I am pleased to inform the House that the shortfall has been substantially offset through alternative procurement. Large LNG cargoes are arriving on an almost daily basis through alternative supply routes, and India has sufficient gas production and supply arrangements to sustain this position even in the event of a prolonged conflict. Power generation for every household and for industry is fully protected.

LPG:

Hon'ble Speaker Sir,

6. It should be noted that India was previously importing approximately 60 per cent of its LPG requirements from Gulf countries such as Qatar, UAE, Saudi Arabia, and Kuwait and 40 per cent is produced domestically. Procurement has now been actively diversified, with cargoes being secured from the United States, Norway, Canada, Algeria, and Russia, in addition to available Gulf sources.

The LPG Control Order issued on 8 March 2026 directed all refineries to maximise LPG yields and channel the entire output of C3 and C4 hydrocarbon streams, comprising propane, butane, propylene, and butenes, exclusively to the three Oil Marketing Companies for domestic cooking gas. Hence, in the last 5 days, LPG production has been increased by 28 per cent through refinery directives, and further procurement is actively underway.

7. Modi Govt's foremost priority is that the kitchens of India's 33+ crore families, especially the poor and the underprivileged, do not face any shortage. Domestic supply is fully protected and the delivery cycle is unchanged. The standard time from booking to delivery for domestic LPG cylinders remains 2.5 days, unchanged from pre-crisis norms. Hospitals and educational institutions have been placed on uninterrupted priority supply; their access to LPG is fully assured regardless of broader demand conditions. Field reports indicate hoarding and panic-booking at the distributor and retail level, driven by consumer anxiety rather than any actual supply shortage. The House should be clear on this: the rush-booking pressure in some localities reflects a demand distortion, not a production or supply failure.

Delivery Authentication Code coverage is being expanded from 50 per cent to 90 per cent of consumers; under this system, a cylinder can only be logged as delivered when the consumer confirms receipt through a one-time code on their registered mobile, making undocumented diversion effectively impossible to conceal. A 25-day minimum booking gap has been introduced as a demand management measure in urban areas and 45 days in rural and durgam kshetra areas. OMC field officers and the Anti-Adulteration Cell are coordinating enforcement at the distributor level. The Home Secretary has chaired a meeting with Chief Secretaries of all states to align state-level administration with the central supply and enforcement framework.

Hon'ble Speaker Sir,

8. Commercial LPG has been regulated to prevent black marketing, not to penalise the hospitality sector. Commercial LPG is sold in a completely deregulated, over-the-counter market at market price, without any government subsidy. There is no registration system, no booking requirement, no digital authentication, and no delivery confirmation mechanism. Any business or individual can purchase cylinders in any quantity at the point of sale, with no government control in normal times. In a supply-constrained environment where public anxiety is elevated, this deregulated structure creates a direct and uncontrolled pathway for hoarding, diversion, and resale at inflated prices. Had commercial supply been left entirely unrestricted, cylinders purchased over the counter could have been diverted to the grey market at the expense of genuine commercial consumers and domestic households alike. The government has therefore taken the responsible course: to regulate this channel with clear priorities and a transparent allocation mechanism. A three-member committee comprising Executive Directors from IOCL, HPCL, and BPCL was constituted on 9 March 2026. Extensive meetings have been held with state civil supply departments and restaurant associations across the country and are continuing. The committee has assessed genuine need by geography and sector to ensure available commercial volume reaches genuine users first. In a major decision, 20% of the average monthly Commercial LPG requirement will be allocated from today by OMCs, in coordination with the State Governments so that there is no hoarding or black marketing.

Hon'ble Speaker Sir,

9. Alternate fuel options are being activated to ease pressure on LPG and gas channels. Kerosene is being made available through retail outlets and PDS channels, and fuel oil is being made available for industrial and commercial consumers. The MoEFCC has advised State Pollution Control Boards to permit, for the duration of this crisis period, the use of biomass, RDF pellets, and Kerosene/coal as alternate fuels for the hospitality and restaurant segment for 1 month, which would enable a wider range of establishments to switch and free up LPG for priority consumers.

10. Consumer prices have been shielded from global market conditions. Despite the Saudi Contract Price rising 41 per cent between July 2023 and March 2026, the PMUY beneficiary price has fallen 32 per cent in the same period and stands at Rs 613 per 14.2 kg cylinder in Delhi. The non-subsidised consumer price stands at Rs 913 following the recent Rs 60 adjustment, against a market-determined price of approximately Rs 987. Of the Rs 134 per cylinder adjustment required by prevailing global market conditions, the government absorbed Rs 74. The effective additional cost for a PMUY household is under 80 paise per day. Equivalent LPG prices in the neighbourhood stand at Rs 1,046 in Pakistan, Rs 1,242 in Sri Lanka, and Rs 1,208 in Nepal. OMC compensation of Rs 30,000 crore has been approved against losses of approximately Rs 40,000 crore in 2024-25.

Hon'ble Speaker Sir,

11. State governments have responded with full cooperation and active coordination. On 11 March 2026, senior OMC officials met with state administrations across every major state: Maharashtra, Madhya Pradesh, Chhattisgarh, Gujarat, Goa, Odisha, West Bengal, Bihar, Jharkhand, Punjab, Himachal Pradesh, Jammu and Kashmir, Rajasthan, Uttar Pradesh, Delhi, Haryana, Uttarakhand, Karnataka, Tamil Nadu, Kerala, Telangana, and Andhra Pradesh. Chief Secretaries and senior officials have been briefed on the supply position, the priority sequence, and the enforcement framework. District-level monitoring committees are being established. Anti-diversion raids have been conducted and cases registered in multiple states. This is cooperative federalism responding to a national challenge with the coordination it demands.

Hon'ble Speaker Sir,

12. This is not the moment for rumour-mongering or fake narratives. India is navigating the most severe global energy disruption in recorded history. Crude supply is flowing. Gas is prioritised for homes and farms. LPG production has been stepped up by 28 per cent. Consumer prices are held far below what markets and regional comparators would dictate. Schools are open. Petrol is on the forecourt. Every citizen, regardless of political affiliation, has a stake in that. India must stand united behind its energy warriors, behind the institutions managing this crisis, and behind the national interest. The record of preparation and the record of response speak for themselves.

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