



Dr. Steve Moore

Deputy CEO,
Cairn Oil & Gas, Vedanta

Energy security crucial for Aatmanirbhar Bharat

The successful G20 Summit under India's Presidency has underscored the country's growing global influence and capability to muster consensus on divergent global issues such as climate change. The biggest takeaway for us has been the focus on energy security that will continue to be at the heart of India's impressive economic growth – now powering its way to be a USD5 trillion economy making its way to the top three global economies by the turn of the decade. This projected growth will be closely linked to India's status as an emerging global energy economy.

India needs an increased reliable energy supply to drive industrial growth and digitalisation, making agricultural processes more efficient, bolstering supply chains, and enhancing overall quality of life.

Currently, nearly 85 per cent of the country's energy requirements are met by coal, oil, and solid biomass. As the nation focuses on transitioning to Net Zero by 2070, securing reliable energy to meet domestic household consumption and power business sectors cannot be compromised. The importance of achieving energy self-sufficiency has been further accentuated by the recent geopolitical developments and resulting oil price volatility. Duly, the idea of Aatmanirbhar Bharat has never been more alive in the context of energy requirements.

The oil and gas sector has a critical role to play in guiding India towards its stated twin goals of becoming aatmanirbhar while also achieving net-zero by 2070. Currently, oil is the second-largest contributor to India's energy mix with a 24 per cent share in powering the economy. At the same time, India is a net importer with ~85 per cent of crude being imported, and with the rising Brent prices, its import bill continues to go up. Therefore, it will be prudent to empower domestic oil and gas producers by incentivising investment in the sector, to achieve self-reliance.

The Indian government has taken several laudable measures to promote clean energy production while deftly balancing

the demand-supply gap. Further, realising the crucial need to increase domestic production of oil and gas, it is pertinent to look at the high levels of taxes and levies and ensure continuity in operations through lifecycle contracts for oil and gas fields. This will further help in optimising costs while deriving more value from the assets, allowing operators to pace energy security with enough investible surplus for establishing long-term sustainability.

Various countries, including the United States, Canada, China, Thailand, Norway, and the United Kingdom, have implemented policies to augment domestic production while maintaining a commitment to clean energy. Their policies and incentives are designed to ensure that energy security is not sacrificed in the pursuit of economic growth, as the two are closely intertwined. They have also rightly recognised the role of oil and gas in not just allowing economic growth but also accommodating energy transition.

For India, this balance of energy security with energy transition is especially relevant, given the population size and economic ambition. To achieve energy security that is sustainable, it is important to maximise energy production while minimising emissions by deploying technology to decarbonise the entire value chain.

Cairn Oil & Gas today contributes 25 per cent to India's domestic crude basket and has set a firm goal to double capacity to 50 per cent while also aiming to achieve net-zero within the next five years. The goals are ambitious but pertinent in ensuring that India remains powered round-the-clock without degrading its natural ecosystems.

As India strengthens its position as a leader of the Global South, and indeed the world, energy security through sustainable and responsible ways will fuel and give wings to its ambitions. Therefore, today more than ever, we must recognise the role of the oil and gas sector in driving energy security while benefiting the triple bottom line – people, planet and purpose.