UPSC & STATE PCS CURRENT AFFAIRS · UJIYARI.COM

DAILY CURRENT AFFAIRS

Samudra Manthan: India Bets Rs 84,084 Crore on Offshore Hydrocarbons

1 August 2026 · ECONOMY SCIENCE & TECH · GS3

CURATED & WRITTEN BY

Bharat Choudhary

UPSC Educator & Content Creator

linkedin.com/in/epicbharat

Samudra Manthan: India Bets Rs 84,084 Crore on Offshore Hydrocarbons

1 August 2026 · 4 min read ·

Every fact web-verified against primary sources

> *The Union Cabinet approved Samudra Manthan, a National Offshore Exploration Scheme, on July 31, 2026, with an outlay of Rs 84,084 crore running to FY 2030-31, targeting reserve accretion of over 600 million metric tonnes of oil equivalent (MMTOE).*

THE SCHEME, IN NUMBERS

PARAMETER	DETAIL
Name	**Samudra Manthan**, National Offshore Exploration Scheme
Type	**Central Sector Scheme** (fully centrally funded)
Ministry	**Petroleum and Natural Gas**
Outlay	**Rs 84,084 crore**
Period	Up to **FY 2030-31**
Target	Reserve accretion of **over 600 MMTOE**
Approved	**31 July 2026**

WHAT THE SCHEME ACTUALLY BUNDLES

Samudra Manthan is not a single-activity programme. It consolidates what have historically been separate, uncoordinated interventions in India’s offshore exploration effort into one framework:

COMPONENT	PURPOSE
Seismic data acquisition	Building the subsurface data foundation without which exploration bidding is speculative
Deepwater and ultra-deepwater drilling support	Underwriting the highest-cost, highest-risk segment where private capital has historically been reluctant
Shared offshore infrastructure	Reducing per-operator cost by pooling rigs, supply bases and logistics
Digital monitoring	Real-time data systems for exploration and production oversight
Indigenous manufacturing	Building a domestic offshore-equipment supply chain rather than importing it
Skilling	Addressing the specialised-workforce constraint in offshore operations

WHY INDIA IS DOING THIS NOW

India imports roughly **88 per cent** of its crude oil requirement, a record 88.7 per cent in 2025-26, one of the highest import-dependence ratios among major economies. This dependence is the single largest structural vulnerability in India's external accounts: every sustained increase in global crude prices widens the current account deficit, pressures the rupee, and transmits into domestic inflation through fuel and freight costs.

The July 2026 disruption in the Strait of Hormuz has made this vulnerability acutely visible. Samudra Manthan is best read as a supply-side response to that exposure: not an attempt to achieve self-sufficiency, which is not realistically available to India on any near-term horizon, but an attempt to reduce the *marginal* import requirement and to build domestic exploration capability that is not contingent on any foreign supplier's goodwill or any chokepoint's remaining open.

INDIA'S HYDROCARBON POLICY ARCHITECTURE	RELEVANCE
HELP (Hydrocarbon Exploration and Licensing Policy)	The overarching post-2016 licensing regime with a uniform licence for all hydrocarbons and revenue-sharing contracts
OALP (Open Acreage Licensing Policy)	Lets companies select and bid for exploration acreage of their choosing, rather than waiting for government-defined bid rounds
Oilfields (Regulation and Development) Amendment Act, 2025	Statutory updating of India's upstream regulatory regime; assented March 2025
Samudra Manthan	Now adds direct fiscal support to the offshore segment specifically

THE TRANSITION TENSION

The same Cabinet meeting that approved Samudra Manthan also approved the Pradhan Mantri Surya Sarovar Yojana for floating solar. Approving an Rs 84,084-crore fossil-fuel exploration scheme and a Rs 5,070-crore renewable scheme in a single sitting is not necessarily incoherent, but the ratio, roughly sixteen to one in favour of hydrocarbons, is itself a policy statement worth examining.

The defensible framing is that India's energy transition is additive rather than substitutive in the near term: total energy demand is growing fast enough that both renewable capacity and domestic hydrocarbon production can expand simultaneously without contradiction, and that reducing import dependence for the hydrocarbons India will unavoidably consume through the 2030s is a legitimate energy-security objective distinct from climate policy. The critical counter-view is that capital committed to 2030-31-horizon offshore infrastructure creates an economic constituency for continued extraction well beyond that date, and that stranded-asset risk in a decarbonising world is real.

UPSC RELEVANCE

GS Paper 3: Infrastructure: energy; Indian economy and issues relating to planning and mobilisation of resources; conservation and environmental impact; indigenisation of technology.

Prelims pointers:

- **Samudra Manthan**: Central Sector Scheme, Ministry of Petroleum and Natural Gas, outlay **Rs 84,084 crore**, up to **FY 2030-31**.
- Target: reserve accretion of over **600 MMTOE** (million metric tonnes of oil equivalent).
- India's crude import dependence: roughly **88 per cent**.
- Related regimes: **HELP** (Hydrocarbon Exploration and Licensing Policy), **OALP** (Open Acreage Licensing Policy).
- A **Central Sector Scheme** is fully funded by the Union government, unlike a Centrally Sponsored Scheme with state cost-sharing.

FACTS CORNER, KNOWLEDGEPEDIA

SAMUDRA MANTHAN:

Approved 31 July 2026; Central Sector Scheme under the Ministry of Petroleum and Natural Gas.

Outlay Rs 84,084 crore, running to FY 2030-31.

Target: over 600 MMTOE reserve accretion.

Bundles seismic data, deepwater drilling support, shared infrastructure, digital monitoring, indigenous manufacturing and skilling.

CONTEXT:

India imports roughly 88 per cent of its crude oil.

Sits alongside HELP and OALP in India's upstream policy architecture.

Approved in the same Cabinet meeting as the Rs 5,070-crore PM Surya Sarovar Yojana for floating solar.

Sources: Press Information Bureau, Ministry of Petroleum and Natural Gas, PMIndia

RELATED EDITORIALS

BUSINESS STANDARD
[Before the Next Transfer: Cash Schemes Need Cost Justification and Impact Evaluation]
1 Aug

INDIAN EXPRESS
[Look Who's Calling: India Needs a Right to Know Who Is Contacting You]
1 Aug

HINDUSTAN TIMES
[Why Airport Forms Will Not Keep Ebola Out]
1 Aug

DOWN TO EARTH
[Every Degree Costs a Harvest: Rice Yields and the Arithmetic of Warming]
1 Aug

RELATED KEY TERMS

KEY TERM

16th Finance Commission

The constitutional body chaired by Arvind Panagariya that recommends...

KEY TERM

3D Glass Solutions

US semiconductor packaging firm founded 2010, originating...

KEY TERM

3I-ATLAS Comet

The third confirmed interstellar object to enter our solar system,...

KEY TERM

ACNAS

Advisory Committee on National Accounts Statistics, the expert body...

CURATED & WRITTEN BY

Bharat Choudhary

UPSC Educator & Content Creator

linkedin.com/in/epicbharat

📖 Read Full Article on Ujiyari →

https://ujiyari.com/daily/2026/08/01/samudra-manthan-offshore-exploration-scheme-2026/