

'India Poised For America-Style Oil Production Boom': Anil Agarwal After Regulatory Reforms

Shubhayan Bhattacharya : 2-3 minutes

Billionaire mining tycoon Anil Agarwal on Friday welcomed reforms to India's oil and gas regulatory framework, saying easier exploration norms will allow an energy production boom akin to the United States after the shale revolution.

The Modi government enacted the Oilfield (Regulation and Development) Amendment Act, 2025, to create an investor-friendly environment and improve ease of doing business in the upstream oil and gas sector. Accordingly, the petroleum and natural gas rules were amended.

Key features include reduced royalty rates, no oil cess, a uniform licensing system, revenue-sharing model, extended exploration rights, and incentives for early production.

"This is a truly historic development. The world has long recognized India's vast untapped hydrocarbon potential, and these new rules finally create the environment needed to unlock it," Agarwal, chairman of the Vedanta Group, said in a post on X.

Opinion

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He said India produces among the "most affordable" oil and gas globally and the reforms will directly benefit consumers by enabling greater domestic production and reducing dependence on imports.

India imports nearly 85% of its oil needs, draining valuable foreign exchange. Vedanta Ltd. is India's largest private oil and gas exploration and production company.

The regulatory changes allows university students and young professionals to participate in exploration with minimal investment and opens the sector to entrepreneurs, innovators, and even start-ups, Agarwal said.

"This is the kind of bold, inclusive policy that transformed the United States from a major importer into an energy-surplus nation. Nearly 20,000 companies and individuals contributed to that revolution, supported by a facilitative ecosystem. India is now poised to follow a similar path," the mining tycoon said, expressing confidence in India producing at least 50% of its energy domestically after reforms.

Opinion

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