

In a move to bolster the country's [crude oil](#) reserves, the [Cabinet](#) on Wednesday approved construction of two more strategic petroleum reserves with aggregate capacity of 6.5 million tonnes (MT) at [Chandikhol](#) in [Orissa](#) and [Padur](#) in Karnataka, Railway Minister Piyush Goyal announced.

Under phase-1 of the strategic petroleum reserve (SPR) programme, the government has built [crude oil](#) storage facilities with total capacity of 5.33 MT, equivalent to around 39 million barrels, at three locations -- Visakhapatnam, Mangalore and [Padur](#).

"[Cabinet](#) has approved two additional storage facilities with capacity aggregating 6.5 MT at [Chandikhol](#) of 4 MT and at [Padur](#) of 2.5 MT, the creation of which will help in significantly strengthening the country's strategic oil reserves," Goyal told reporters here after a [cabinet](#) meeting.

"We are going to explore the PPP (public-private partnership) mode for execution of these underground caverns for which potential investors will be approached," Goyal said, adding that the cabinet has only accorded in-principle approval, while costs of the advanced design and engineering required would be worked out.

A Petroleum Ministry release said the completed phase-I of the SPR programme has estimated supplies of around 10 days of India's crude requirement.

"Cabinet's approval for establishing additional 6.5 MT strategic petroleum reserve facilities will provide an additional supply of about 12 days," it said.

Last month, the first consignment of 2 million barrels of [crude oil](#) arrived from the UAE, intended to fill one of the two strategic reserve caverns at Mangaluru under an agreement between [Abu Dhabi](#) National Oil Company and the Indian Strategic Petroleum Reserves Ltd.