Indian Economy · GS - III

The vulnerability of maritime energy chokepoints demonstrates that energy security is not merely an economic concern but also a strategic and geopolitical imperative. Analyse its implications for India and suggest measures to strengthen national energy resilience.

EXAM YEAR	PAPER	SUBJECT
DAILY PRACTICE 19/11/2026	GS - III	Indian Economy

MARKS	WORD LIMIT
15	~250 words

Answer Hint

Strait of Hormuz, import dependence, oil price volatility, maritime security, strategic petroleum reserves, energy diversification, renewable energy, International Energy Agency, supply-chain resilience

Model Answer

Introduction

The Strait of Hormuz is a critical global energy chokepoint. Disruptions in West Asia can affect oil and gas supplies, increase transportation costs and expose import-dependent economies such as India to geopolitical risks.

Implications for India

1. **Import vulnerability:** India's dependence on imported crude oil makes it sensitive to disruptions in international supply routes.

2. **Inflationary pressures:** Higher energy prices increase transportation, manufacturing and fertiliser costs, contributing to inflation.
3. **Current account deficit:** Rising import expenditure can widen the trade deficit and exert pressure on the rupee.
4. **Industrial impact:** Energy-intensive sectors, including petrochemicals and aviation, face higher operating costs.
5. **Strategic concerns:** Disruptions threaten maritime trade routes and the safety of Indian seafarers and vessels.

Measures to Strengthen Energy Resilience

- **Diversification:** Expand sourcing from different geographical regions and suppliers.
- **Strategic reserves:** Strengthen strategic petroleum reserves and commercial storage capacity.
- **Renewable transition:** Accelerate solar, wind, green hydrogen and electric mobility.
- **Domestic production:** Improve exploration and production of hydrocarbons while ensuring environmental safeguards.
- **Maritime security:** Strengthen naval surveillance and international cooperation to protect sea lanes.
- **Regional cooperation:** Support coordinated emergency responses and energy-market transparency through international platforms.

Conclusion

India must combine diversified imports, strategic reserves, maritime security and clean-energy transition to reduce exposure to geopolitical shocks. Energy resilience is essential for economic stability and strategic autonomy.