India to Emerge as Global Refining and Energy Hub: Shri Hardeep Singh Puri at Energy Technology Meet

Posted On: 28 OCT 2025 7:38PM by PIB Delhi

India’s petroleum and energy sector is undergoing a transformative expansion, poised to play a defining role in shaping the global energy future, said Shri Hardeep Singh Puri, Minister of Petroleum and Natural Gas, while addressing the inaugural session of the Energy Technology Meet in Hyderabad today. He stated that India’s energy journey reflects remarkable progress driven by visionary policy frameworks, rapid innovation, and sustained investment across refining, biofuels, and green energy segments.

The Minister noted that while the global energy market is expected to grow at a slow pace—with several refineries worldwide facing closure—India stands out as a bright spot, projected to contribute nearly 30–33% of global energy demand growth in the coming decades. He pointed out that India’s refining capacity currently stands at about 258 million metric tonnes per annum (MMTPA) and is on track to reach around 310 MMTPA by 2030, with long-term plans to scale further to 400–450

MMTPA. This expansion, he said, will consolidate India's position among the top three refining hubs globally as around 20% of existing global refining capacity—over 100 refineries—faces potential closure by 2035.

Highlighting India's achievements in biofuel blending, Shri Puri said that the country had advanced from a 5% target in 2006 to achieving 10% ethanol blending five months ahead of schedule in 2022. Building on this success, the Government preponed the target for 20% blending from 2030 to 2025–26. The Minister underlined that well-designed policies and robust support systems have enabled such accelerated achievements, demonstrating India's capability to set and meet ambitious energy goals.

Shri Puri also observed that India's refineries are world-class, globally integrated, and export-ready. India is already the fourth-largest refining nation and among the top seven exporters of petroleum products, exporting to more than 50 countries worth over USD 45 billion in FY 2024–25. The refining sector, he added, contributes nearly one-fifth of the country's revenue, with both public and private entities showing strong financial and operational performance. Domestic petroleum consumption has increased from around 5 million barrels per day in 2021 to about 5.6 million barrels per day currently and is expected to touch 6 million barrels per day soon, supported by India's robust economic growth and rising per capita income.

Referring to the growing integration of petrochemicals with refining, Shri Puri said that India's petrochemical utilization is still only about one-third of the global average, offering significant potential for growth. The petrochemical intensity index has already risen from 7.7% to 13%, reflecting the sector's upward trajectory. He emphasized that new refinery expansions are being planned as integrated petrochemical complexes to enhance efficiency, value addition, and export competitiveness.

The Minister also underlined the importance of innovation and indigenization in the energy ecosystem. He said that India has achieved nearly 80% import substitution across the energy value chain. While acknowledging that certain critical components such as catalysts and specialized equipment continue to be imported, he emphasized the need for a balanced approach to Atmanirbharata, focusing on efficiency and global competitiveness rather than complete self-containment. He added that the government has initiated the Production Linked Incentive (PLI) scheme and established a National Centre for Catalyst Research to promote R&D and domestic manufacturing in key energy technologies.

Speaking about green energy, Shri Puri noted that India's progress in green hydrogen has been particularly promising. Recent tenders by IOCL and HPCL have reduced the price of green hydrogen from around USD 5.5/kg to nearly USD 4/kg, marking a major step toward commercial viability. He said that green hydrogen, natural gas, and biofuels will be central to India's energy transition, with the Global Biofuels Alliance expected to catalyze international trade and adoption of biofuels, including Sustainable Aviation Fuel (SAF).

Shri Puri stressed that India's energy strategy encompasses both fuel and petrochemical growth as part of a calibrated transition toward sustainability. He said that while the share of traditional fuels will gradually reduce, they will continue to play a major role for decades as India moves toward its 2047 goals. Simultaneously, the share of natural gas in the energy mix is being raised from 6% to 15%, green hydrogen is being scaled up, and renewables are expanding rapidly—all underlining India's commitment to meeting its climate goals without compromising energy security.

Recalling India's historic refining legacy, from the first refinery at Digboi in 1901 to today's global-scale facilities, the Minister said that post-2014 reforms and ecosystem strengthening have unlocked a new era of growth and innovation. He highlighted ongoing projects such as the Barmer Refinery and Andhra Refinery as key examples of the sector's forward momentum. With over 100 biogas plants operational and 70 more in the pipeline, he said that India is building an ecosystem that connects technology, investment, and sustainability.

Shri Puri concluded that as India advances toward becoming a USD 10 trillion economy, its energy sector will not only meet domestic requirements but also serve global markets. The Minister expressed confidence that by 2035, India will move from being the world's fourth-largest to possibly the second-largest refining power. He emphasized that India's young demography, rising energy demand, and proactive policy environment will ensure that the country not only participates in but actively shapes the global energy future.

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