

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO-935
ANSWERED ON- 08/12/2025

LACK OF GROWTH IN OIL REFINEMENT CAPACITY

935 SHRI RITABRATA BANERJEE

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) the current level of the country's oil refining capacity and its growth over the last five years compared to the target originally set for 2025;
- (b) degree of increased import dependence due to under-achievement in refining capacity;
- (c) the status of the large refinery projects that have missed their targets including reasons for delay and anticipated timelines; and
- (d) the expected impact of slow refining capacity growth on the country's energy security and petrochemical sector?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS
(SHRI SURESH GOPI)

(a) to (d) India is the 4th largest refiner and the 3rd largest consumer of crude oil in the world. Even as the largest source of oil demand increase globally, India is self sufficient in refining sector and one of the largest refining hubs in the world. Even as smaller refineries in the world are closing down, India continues to expand its refining capacity.

As on 01st April, 2025, the country's refining capacity is 258.1 Million Metric Tonne Per Annum (MMTPA). The country's refining capacity has increased from 248.4 MMTPA to 258.1 MMTPA in the last five years. Country's refining capacity is projected to increase to 309.5 MMTPA by the year 2030.

Refinery projects are highly capital intensive. They are technically complex in nature and have long gestation cycles. HPCL Rajasthan Refinery Project (HRRL) and expansion projects of Panipat, Numaligarh and Barauni Refineries have suffered delays. Major reasons for refinery project delays include delays in statutory clearances, land acquisitions, technical feasibility studies, contractual issues etc. Government is closely and regularly monitoring the progress of these important projects. All these projects will complete progressively as per the revised schedule.

Based on the long-term growth trends in consumption of Petrol and Diesel and various efforts of the Government towards energy transition, increasing adoption of Compressed Natural Gas (CNG), Bio fuels including Ethanol, Electric Vehicles (EVs) etc. as well as evolving consumer preferences, the refining capacity is likely to be adequate to meet projected demand.
