FIPI

Federation of Indian Petroleum Industry

January 2026

POLICY & ECONOMIC REPORT

OIL & GAS MARKET

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Executive Summary

According to IMF, global growth will hold steady at 3.3 percent this year, an upward revision of 0.2 percentage points compared to October estimates, with most of the improvement accounted for by the United States and China. The growth is driven by easing trade tensions, higher-than-expected fiscal stimulus, accommodative financial conditions, the agility of the private sector in mitigating trade disruptions and improved policy frameworks especially in emerging market economies.

India's growth outlook remains robust, underpinned by strong macroeconomic fundamentals and broad-based demand momentum. As per the First Advance Estimates, real GDP and Gross Value Added (GVA) are projected to grow by 7.4% and 7.3% respectively in FY26. A strong agricultural performance has bolstered rural incomes and consumption, while improvements in urban demand- supported by tax rationalization measures indicate a broadening of the consumption base. India's potential growth is estimated at around 7%, with real GDP growth for FY27 projected in the range of 6.8-7.2%, reflecting sustained medium-term growth capacity amid a challenging global environment.

India recorded the lowest Inflation rate since the beginning of the CPI series, with April-December 2025 average headline Inflation coming in at 1.7%, attributing to general disinflationary trend in food and fuel prices.

The IMF projects inflation at 2.8% in FY26 and 4.0% in FY27. The RBI's forecast for headline Inflation for Q1 and Q2 of FY27 currently stands at 3.9 and 4%. Looking ahead, the Inflation outlook remains benign, supported by favorable supply side conditions and the gradual pass-through of GST rate rationalization.

Agriculture and allied activities continue to play a stabilizing role in India's growth cycle by supporting rural demand and income security. The sector is estimated to grow by 3.1% in FY26, supported by a favorable monsoon during H1 FY26. Industrial activity is expected to gain momentum in FY26, with the industrial sector projected to grow by 6.2%, up from 5.9% in FY25. The sector recorded growth of 7.0% in the first half of FY26, exceeding the growth of 6.1% in H1 of FY25. Services sector is estimated to have grown by 9.1% in FY26, up from 7.2% in FY25, indicating a further acceleration in services-led expansion. Services' share in GDP rose to 53.6% in H1 FY26, while its share in GVA reached a historic high of 56.4% as per the FY26 First Advance Estimates.

India's labour market continues to demonstrate resilience alongside economic expansion. In Q2 (July to September 2025) FY26, total employment stood at 56.2 crore persons (aged 15 years and above), reflecting the creation of approximately 8.7 lakh new jobs compared to Q1(April to June 2025) FY26.

On the trade front, India's total exports reached record levels of USD 825.3 billion in FY25 and USD 418.5 billion in H1 FY26, driven by strong growth in services exports and sustained momentum in nonpetroleum, non-gems, and jewelry exports. India's share in global merchandise exports increased from 1% in 2005 to 1.8% in 2024. According to UNCTAD's Trade and Development Report 2025, India ranks third among countries in the Global South in terms of the diversity index of trade partnerships, following China and the UAE. India's index score of 3.2 exceeds that of all countries in the Global North, underscoring its resilience in the face of tariff uncertainties and other emerging challenges.

Foreign exchange reserves stood at USD 701.4 billion as of 16 January 2026, providing an import cover of around 11 months and covering over 94% of external debt, thereby strengthening India's capacity to withstand external shocks.

Industrial activity gathered further momentum in December 2025, with broad-based improvement reflected across both the Index of Industrial Production (IIP) and the Index of Eight Core Industries (ICI). The combined Index of Eight Core Industries (ICI) measures both the individual and aggregate performance of production across eight key sectors viz. coal, crude oil, natural gas, refinery products, fertilizers, steel, cement, and electricity. It serves as a leading indicator of industrial performance and accounts for 40.27% of the total weight of the IIP.

The IIP rose by 7.8% in December 2025, marking its highest level in over two years, following robust growth of 7.2% (RE) in November 2025. Sector-wise, Manufacturing remained the primary growth driver, expanding by 8.1%, while Mining and Electricity recorded growth of 6.8% and 6.3%, respectively.

As far as oil and gas industry is concerned, the new year got off to a turbulent start as geopolitical tensions rose around Iran and Venezuela, bringing new uncertainties regarding their future oil exports. Brent crude oil prices jumped by $6/bbl to around $66/bbl in the early weeks of January before easing to $64/bbl. Oil exports from both Iran and Venezuela were already under pressure. Iranian loadings dropped by 350 kb/d from October's recent high to 1.6 mb/d over November and December, with volumes piling up at sea. Venezuelan crude exports slumped from 880 kb/d in December to around 300 kb/d in early January, impacted by the US blockade of sanctioned oil tankers travelling to and from the country.

Positioning from hedge funds and other money managers was volatile over December. The decline in net long positions was more pronounced in the first half of December, as speculators sold the equivalent of 138 mb across the Brent and WTI contracts. However, in the second half of the month, speculators raised their net long positions slightly.

Crude spot prices averaged lower in December, as selling activity in oil futures markets weighed on market sentiment. However, these declines were limited as physical market fundamentals remained firm, particularly in the Atlantic Basin, supported by renewed demand from European and US refiners. An uptick in buying interest from Asian refiners further supported prices. Global refinery intakes rose further in December to around 83.8 mb/d, indicating robust demand. Stock data were also supportive, as data from the US Energy Information Administration (EIA) showed a draw of 4.6 mb in US crude oil stocks between the weeks of 28 November and 26 December. In addition, supply outages in the Caspian Sea region provided further support to spot crude markets.

Natural Gas spot prices at the US Henry Hub benchmark averaged $4.26 per million British thermal units (MMBtu) in December 2025. Henry Hub's natural gas prices continued their strong performance, increasing for a fourth consecutive month in December. Prices rose by ~12%, m-o-m, on the back of a colder-than-average early winter, which boosted heating demand. According to data from the US Energy Information Administration (EIA), average weekly natural gas storage decreased by 10.5%, m-o-m, in December. Moreover, LNG export capacity utilization remained at elevated levels in December, and this contributed to the price rally in the period. Prices were up by ~41%, y-o-y.

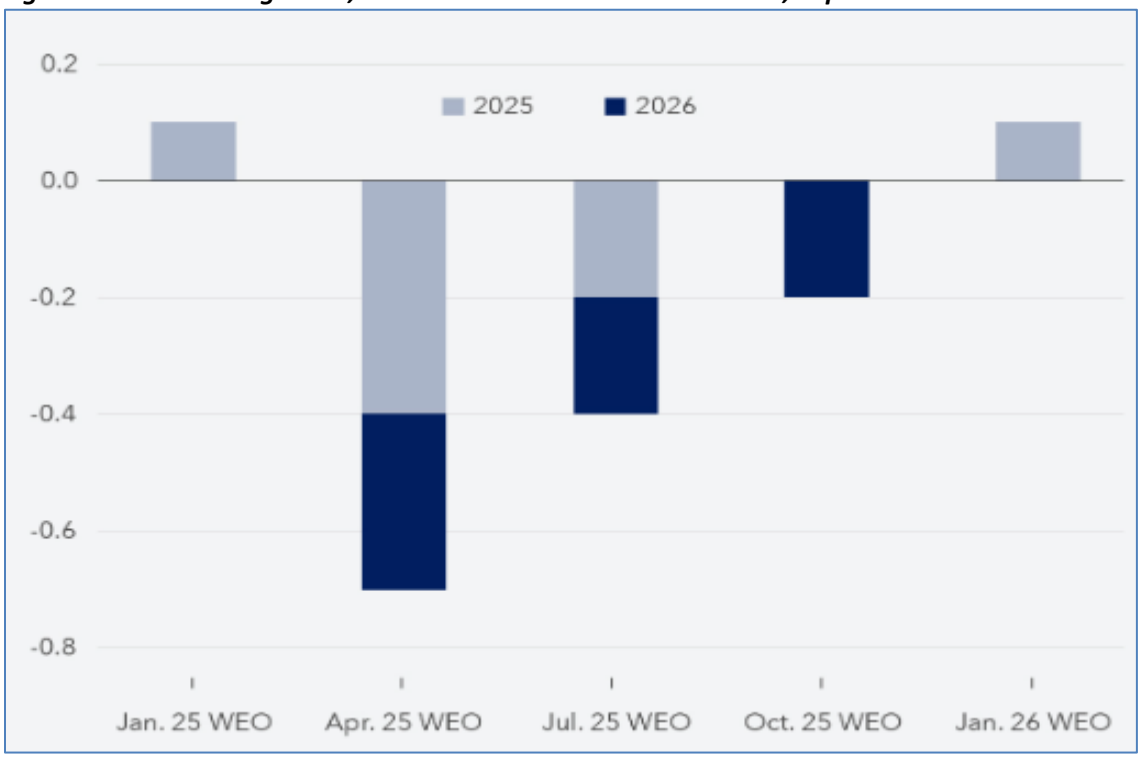
Economy in Focus

1. A snapshot of the global economy

Global economic growth

According to IMF, global growth will hold steady at 3.3 percent this year, an upward revision of 0.2 percentage points compared to October estimates, with most of the improvement accounted for by the United States and China. The growth is driven by easing trade tensions, higher-than-expected fiscal stimulus, accommodative financial conditions, the agility of the private sector in mitigating trade disruptions and improved policy frameworks especially in emerging market economies.

Figure 1: Global GDP growth, relative to October 2024 estimates, % points



Source- IMF

Growth in advanced economies is projected to be 1.8 percent in 2026 and 1.7 percent in 2027.

- In the United States, the economy is projected to expand by 2.4 percent in 2026, supported by fiscal policy and a lower policy rate.
- In the euro area, growth is expected to remain steady at 1.3 percent in 2026 and at 1.4 percent in 2027. The slightly faster growth in 2027 reflects projected increases in public spending, notably in Germany, alongside continued strong performance in Ireland and Spain.
- In Japan, growth is projected to moderate from 1.1 percent in 2025 to 0.7 percent in 2026 and to 0.6 percent in 2027.

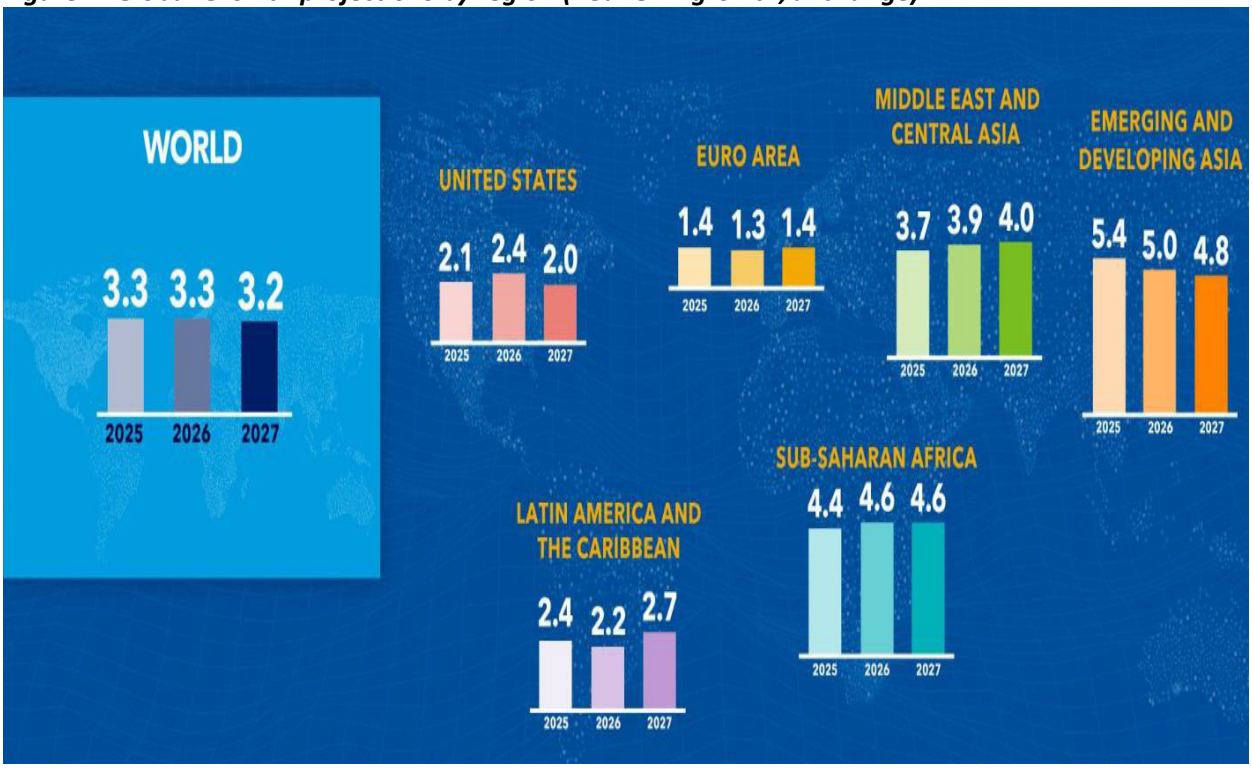
In emerging market and developing economies, growth is expected to continue to hover just above 4.0 percent in 2026 and 2027.

- Relative to the projection in October, growth in 2025 for China is revised upward by 0.2 percentage point to 5.0 percent. The revision reflects stimulus measures and additional policy bank lending for investment. Growth for 2026 is also revised upward by 0.3 percentage point to 4.5 percent, reflecting the lower US effective tariff rates on Chinese goods
- In India, growth is revised upward by 0.7 percentage point to 7.3 percent for 2025. Growth is projected to moderate to 6.4 percent in 2026 and 2027 as cyclical and temporary factors wane.

In the Middle East and Central Asia, growth is projected to accelerate from 3.7 percent in 2025 to 3.9 percent in 2026 and to 4.0 percent in 2027, supported by higher oil output, resilient local demand, and ongoing reforms.

In Latin America and the Caribbean, growth is projected to moderate to 2.2 percent in 2026 and bounce to 2.7 percent in 2027 as countries in the region approach potential from different cyclical positions.

Figure 2: Global Growth projections by region (Real GDP growth, % change)



Source- IMF

Figure 3: World Economic Outlook Growth projections

(Real GDP, annual percent change)	ESTIMATE 2025	PROJECTIONS 2026	2027
World Output	**3.3**	**3.3**	**3.2**
Advanced Economies	**1.7**	**1.8**	**1.7**
United States	2.1	2.4	2.0
Euro Area	1.4	1.3	1.4
Germany	0.2	1.1	1.5
France	0.8	1.0	1.2
Italy	0.5	0.7	0.7
Spain	2.9	2.3	1.9
Japan	1.1	0.7	0.6
United Kingdom	1.4	1.3	1.5
Canada	1.6	1.6	1.9
Other Advanced Economies	1.8	2.0	2.1
Emerging Market and Developing Economies	**4.4**	**4.2**	**4.1**
Emerging and Developing Asia	5.4	5.0	4.8
China	5.0	4.5	4.0
India	7.3	6.4	6.4
Emerging and Developing Europe	2.0	2.3	2.4
Russia	0.6	0.8	1.0
Latin America and the Caribbean	2.4	2.2	2.7
Brazil	2.5	1.6	2.3
Mexico	0.6	1.5	2.1
Middle East and Central Asia	3.7	3.9	4.0
Saudi Arabia	4.3	4.5	3.6
Sub-Saharan Africa	4.4	4.6	4.6
Nigeria	4.2	4.4	4.1
South Africa	1.3	1.4	1.5
Memorandum			
Emerging Market and Middle-Income Economies	4.3	4.1	4.1
Low-Income Developing Countries	4.6	5.1	5.1

Source- IMF

Global Inflation

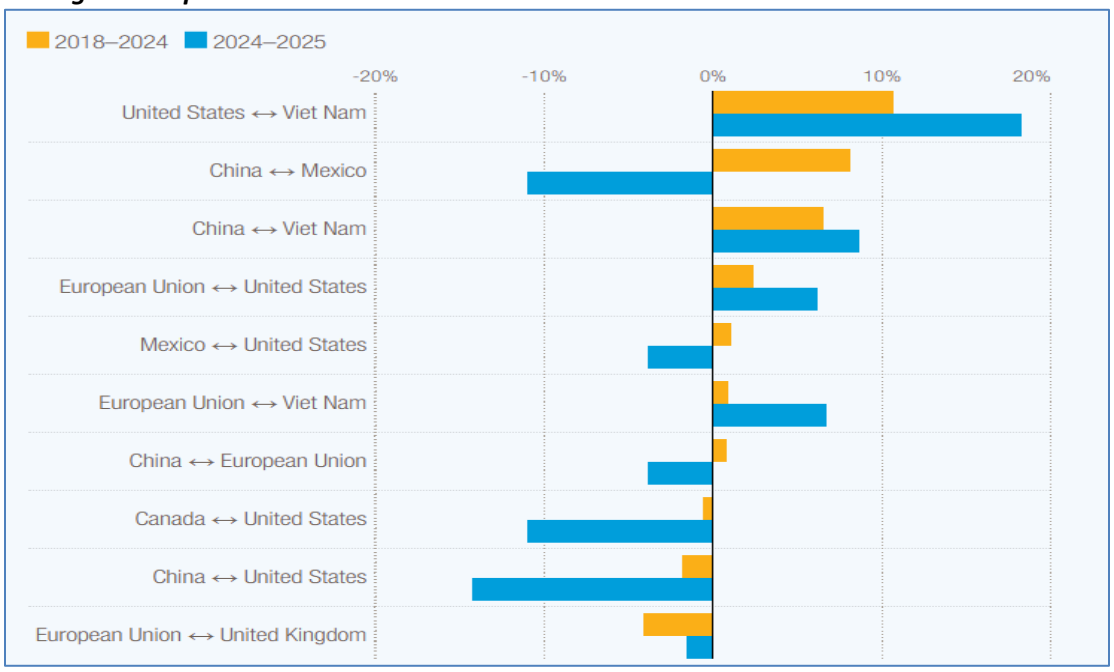
Global inflation is projected to continue its decline, with headline inflation falling to 3.8 percent in 2026 and 3.4 percent in 2027.

- With pass-through from higher tariffs gradually materializing, US core inflation is projected to return to the country's 2 percent target during 2027.
- Australia and Norway are also projected to see some drawn-out persistence in above-target inflation.
- In the United Kingdom, inflation, which increased last year partly due to one-off regulated price changes, is expected to return to target by the end of 2026 as a weakening labor market continues to exert downward pressure on wage growth.
- In Japan, inflation is expected to moderate in 2026 and converge toward the country's target in 2027, as food and commodity prices ease.
- In the euro area, headline inflation is projected to hover around 2 percent, with core inflation projected to decline to that level in 2027.
- Inflation in China is projected to start rising from low levels, whereas inflation in India is expected to go back to near target levels driven by subdued food prices.

Global Trade

Nearly two thirds of global trade take place within value chains that are being reshaped by geopolitical tensions, industrial policy, and new technologies. Firms are diversifying suppliers and relocating production closer to key markets to reduce risk.

Figure 4: Global trade growth- Annual growth rates of selected bilateral flows relative to the global average in the period



Source- UNCTAD

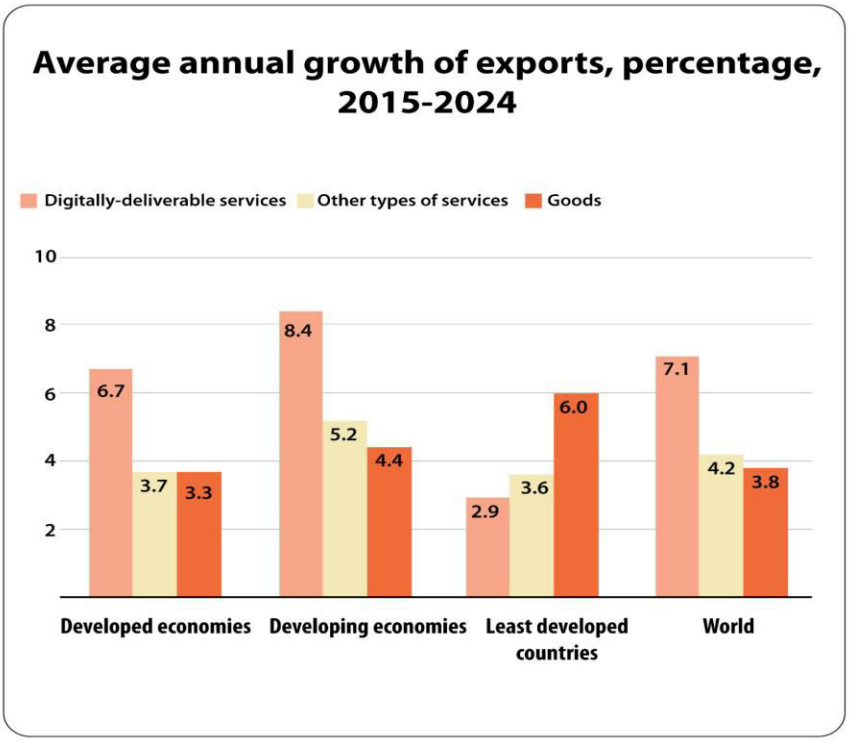
Countries with strong infrastructure, skills and stable policies are better placed to attract investment. More peripheral economies risk being sidelined unless they improve logistics, skills and the investment climate.

Servicification of trade – exports of services continue to grow faster than goods

Services exports now account for 27% of global trade and grew by about 9% in 2025, far outpacing goods. Services also dominate global intermediate inputs, underpinning manufacturing, and primary sectors.

Digitally deliverable services drive much of this growth but remain limited in least developed countries. Closing the digital gap is essential for broader participation in services-led trade.

Figure 5: Digitally deliverable services are a fast-growing segment of global trade



Source- UNCTAD

Sustainable trade – environmental priorities move from pledges to implementation

Environmental commitments are increasingly shaping trade as climate pledges move from ambition to implementation. By late 2025, pledges by 113 countries could cut emissions by about 12% by 2035.

Carbon pricing, clean-energy markets and environmental standards are redefining competitiveness. Developing countries will need access to green finance, technology, and support to stay competitive.

2. Global employment stable but decent jobs in short supply- UN

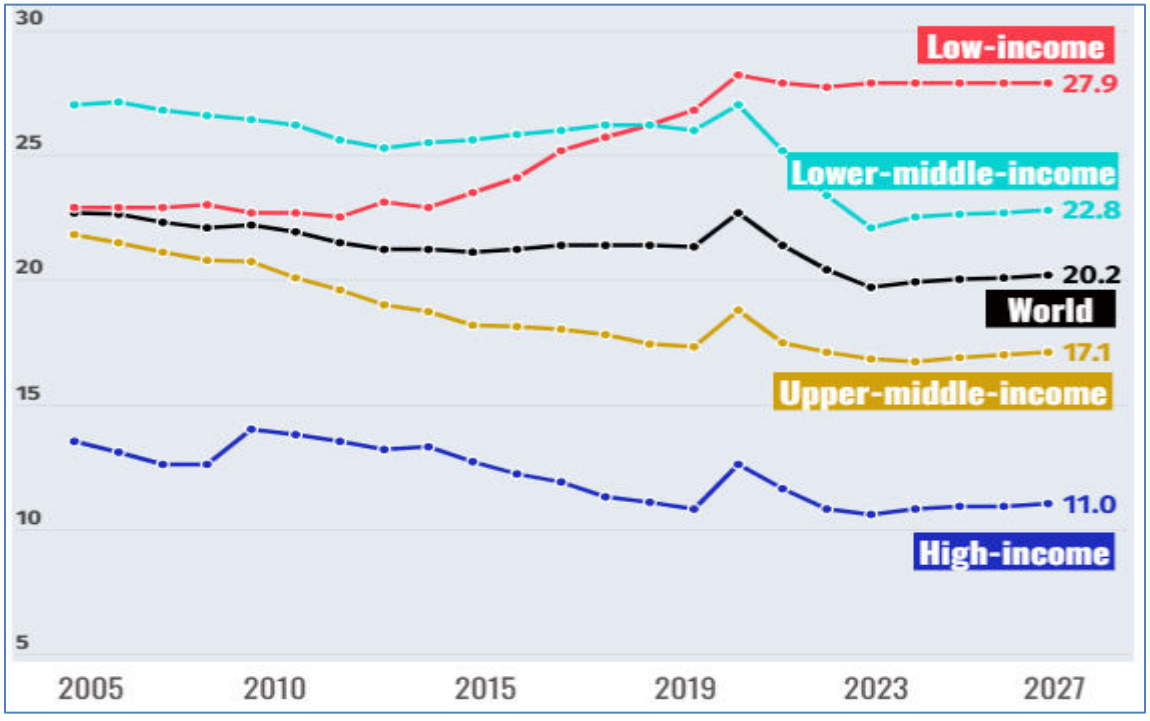
According to the data compiled for the latest Employment and Social Trends 2026 report, the global unemployment rate is projected to stay stable at around 4.9 per cent this year, equivalent to some 186 million people out of work. The biggest area of growth is in poorer countries – a reflection of the ageing population in richer economies, where fewer people of working age are available to enter or remain in work.

Job growth is projected to be 0.5 per cent in upper middle-income countries as opposed to 3.1 per cent in low-income nations. However, being employed is not necessarily the same as having a quality job or a decent wage: nearly 300 million workers are living in extreme poverty, earning less than $3 a day.

It is expected that around 2.1 billion people will be working in the informal sector this year, with limited access to social protection, rights at work, and job security.

The global job situation for young people in low-income countries is described in the report as "daunting": more than a quarter (27.9 per cent) are neither in education, employment, or training. Educated youth in high-income countries are not immune from uncertainty: the study warns that AI and automation could make it harder for them to find work and calls for "close monitoring" of the technology. Further, the data shows that social norms and stereotypes remain entrenched as women are around 24 per cent less likely than men to participate in the labour force.

Figure 6: Share of youth not in employment, education, or training (NEET) by country income group (%)



Source- United Nations

In 2025, the global economy was marked by the upheaval in international trade rules and tariff rates, led by the United States. Trade supports around 465 million workers worldwide, more than half of them in Asia and the Pacific, and the uncertainty is cutting into workers' wages, especially in Southeast Asia, Southern Asia, and Europe.

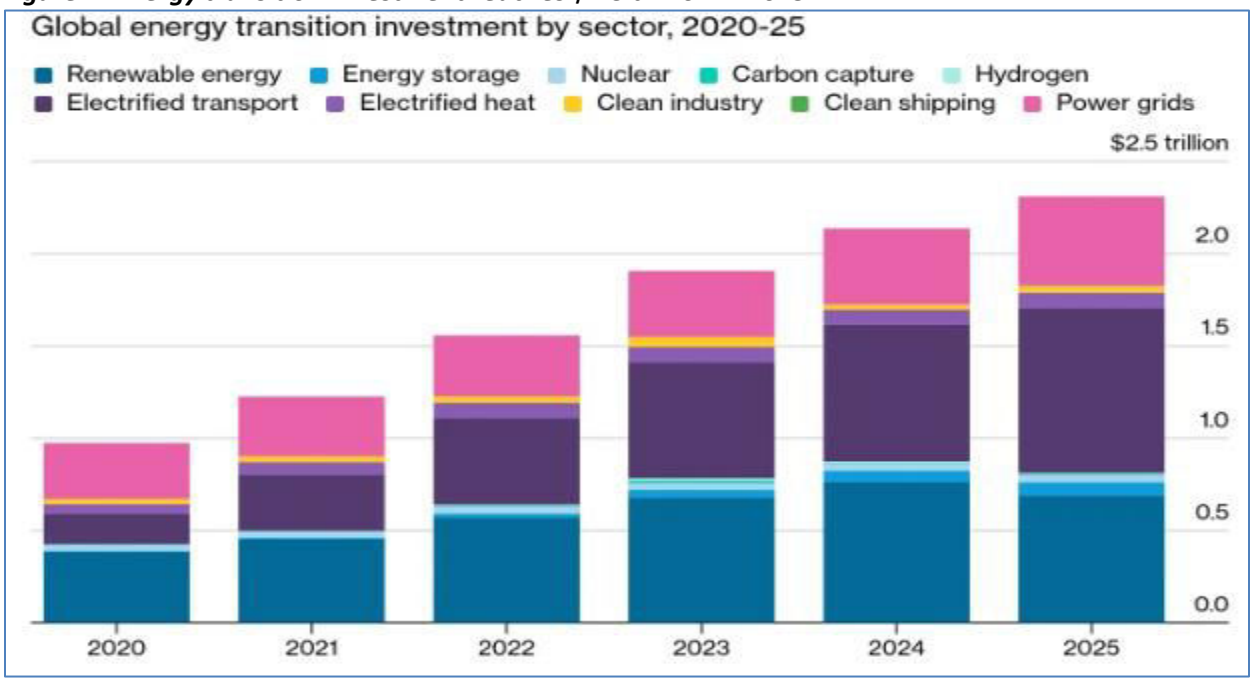
Responding to the findings in the report, ILO Director-General Gilbert Houngbo called for coordinated action and stronger institutions to advance decent work and social justice, particularly in poorer economies that risk being left behind.

3. Global Energy Transition investment reached record $2.3 Trillion in 2025, up 8% from 2024- Bloomberg NEF

Bloomberg NEF's (BNEF) annual Energy Transition Investment Trends (ETIT) finds that global investment into the energy transition hit a record $2.3 trillion in 2025, up 8% from the prior year. The largest investment drivers were electrified transport ($893 billion), renewable energy ($690 billion), and grid investment ($483 billion); and other include hydrogen ($7.3 billion) and nuclear ($36 billion).

The report finds that clean energy supply investment also outpaced fossil fuel supply for a second consecutive year in 2025, with the gap widening to $102 billion from $85 billion in 2024. While clean energy investment continued to grow, fossil fuel supply investment fell for the first time since 2020, declining by $9 billion year-on-year. This drop was driven mainly by reduced spending on upstream oil and gas (-$9 billion) and fossil power generation (-$14 billion), although these were partly offset by higher investment in gas and coal. However, despite energy transition investment being at an all-time high, growth has slowed steadily, from 27% in 2021 to 8% in 2025.

Figure 7: Energy transition investment reaches $2.3 trillion in 2025



Source- BloombergNEF

Asia Pacific remained the largest region for investment, accounting for 47% of the global total in 2025. China, the largest market, is still the leader in overall investment ($800 billion in 2025), but posted its first decline in funding renewables since 2013. India's investment climbed 15% to $68 billion. The EU shrugged off headwinds to grow 18% to $455 billion, contributing the most to the global uptick. US investment also recorded a 3.5% increase to $378 billion, despite the Trump administration's moves to slow the energy transition.

Climate-tech companies raised $77.3 billion in private and public equity throughout 2025, up 53% year-on-year and marking the first year of growth after three consecutive years of decline. This rise in funding was led by companies working in clean power, energy storage, and low-carbon transport. Additionally, M&A activity remained strong, ending 2025 with $99.1 billion closed, reaching a 37% increase from the prior year. This increase can be attributed to acquisitions from companies in the clean power and buildings sectors gaining traction for global data center buildouts.

4. Five Reasons the Clean Energy Transition Needs Nuclear Power- International Atomic Energy Agency (IAEA)

The International Atomic Energy Agency (IAEA) has revised up its projections for the expansion of nuclear power, as global momentum continues to build behind this clean and secure source of energy. In the high case projection, the IAEA estimates that global nuclear operational capacity will more than double by 2050 – reaching 2.6 times the 2024 level – with small modular reactors (SMRs) expected to play a pivotal role in this expansion.

Nuclear is thus an important part of a sustainable, energy-secure future.

- **Nuclear Delivers Large-scale, Low-carbon Power**

Nuclear energy ranks among the cleanest power sources when assessed across its entire lifecycle. Lifecycle analyses consider every stage — from uranium mining and fuel fabrication to plant construction, operation, and decommissioning. Even with all these phases included, nuclear power's total greenhouse gas emissions remain extremely low, comparable to wind and lower than solar.

This is because nuclear reactors produce electricity without releasing carbon dioxide during operation, and advances in technology continue to reduce emissions from earlier stages of the fuel cycle. New reactor designs — including small modular reactors— are being developed to provide flexible, dispatchable clean energy and further minimize total emissions. According to the IAEA's Power Reactor Information System (PRIS), as of 20 January 2026, 415 reactors were in operation worldwide, providing 376.0 GW(e) of nuclear capacity and supplying hundreds of millions of homes with low-carbon electricity.

- **Nuclear power plants can provide a continuous and reliable supply of energy** because they operate at full capacity nearly uninterrupted. This contrasts with variable renewable energy sources, such as solar and wind, whose output depends on weather conditions and typically requires backup or storage.

- **Momentum to increase financing for nuclear energy is growing**. The IAEA is expanding its cooperation with a range of international financial institutions to support countries in exploring and financing nuclear energy, including nuclear power plants (NPPs). These partnerships include engagement with the WBG, the Asian Development Bank, the European Bank for Reconstruction and Development and OPEC Fund. A total of 33 countries has endorsed the Declaration to Triple Nuclear Energy, signalling a collective ambition to triple global nuclear energy capacity by 2050. The signatories span a wide geographic range across continents and include newcomer countries such as El Salvador, Ghana, Jamaica, Kazakhstan, and Rwanda.

At the UN Climate Change Conference (COP28) in Dubai 2023, nuclear energy was included in the Global Stocktake, which called for its accelerated deployment alongside other low carbon energy sources.

- **Nuclear Energy Can Contribute to Decarbonize Hard-to-Abate Sectors**

High-temperature reactors, small modular reactors (SMRs) and hybrid systems can generate low-carbon heat for industrial processes, in sectors such as steel, cement, and chemical production. Maritime transport can be enabled by SMRs or microreactors for port electrification and onboard nuclear propulsion.

- **Technology Evolution and Innovation**

Nuclear technology continues to evolve, to become more fit for purpose for future needs. New reactor designs offer higher safety margins, improved efficiency and longer operating lifetimes, while small modular reactors (SMRs) and other advanced systems provide greater flexibility in how and where nuclear power can be deployed. SMRs are designed to shorten construction timelines, have lower upfront capital requirements, and provide enhanced load-following capabilities, allowing them to complement variable renewable energy sources such as wind and solar.

5. Indian Economy

India’s economic growth

The Economic Survey 2025-26

The Economic Survey 2025-26 presented by Smt. Nirmala Sitharaman, Minister of Finance and Minister of Corporate Affairs, in January 2026, provides a comprehensive analysis of India's economic performance and prospects. Key highlights from the survey include:

- **Growth Outlook: GDP and Demand Conditions**

India’s growth outlook remains robust, underpinned by strong macroeconomic fundamentals and broad-based demand momentum. As per the First Advance Estimates, real GDP and Gross Value Added (GVA) are projected to grow by 7.4% and 7.3% respectively in FY26.

A strong agricultural performance has bolstered rural incomes and consumption, while improvements in urban demand- supported by tax rationalization measures indicate a broadening of the consumption base. India's potential growth is estimated at around 7%, with real GDP growth for FY27 projected in the range of 6.8-7.2%, reflecting sustained medium-term growth capacity amid a challenging global environment.

- **Inflation Trends and Outlook**

India recorded the lowest Inflation rate since the beginning of the CPI series, with April-December 2025 average headline Inflation coming in at 1.7%, attributing to general disinflationary trend in food and fuel prices.

Among major Emerging Markets & Developing Economies (EMDEs), India has recorded one of the sharpest declines in headline Inflation in 2025 over 2024, amounting to about 1.8 percentage points. In December 2025, the RBI lowered its Inflation forecast for FY26 from 2.6% to 2.0%, supported by a good kharif harvest and healthy rabi sowing.

The IMF projects Inflation at 2.8% in FY26 and 4.0% in FY27. The RBI's forecast for headline Inflation for Q1 and Q2 of FY27 currently stands at 3.9 and 4%. Looking ahead, the Inflation outlook remains benign, supported by favorable supply side conditions and the gradual pass-through of GST rate rationalization.

- **Sectoral Performance**
  - Agriculture and allied activities continue to play a stabilizing role in India's growth cycle by supporting rural demand and income security. The sector is estimated to grow by 3.1% in FY26, supported by a favorable monsoon during H1 FY26. Agricultural GVA expanded by 3.6% in H1 FY26, higher than the 2.7% growth recorded in H1 FY25, reflecting improved crop performance.

  - Industrial activity is expected to gain momentum in FY26, with the industrial sector projected to grow by 6.2%, up from 5.9% in FY25. The sector recorded growth of 7.0% in the first half of FY26, exceeding the growth of 6.1% in H1 of FY25 and the pre-COVID trend of 5.2%. Manufacturing has emerged as a key growth engine, with GVA growth accelerating to 7.72% in Q1 and 9.13% in Q2 of FY26, signaling a structural recovery.

  - Services sector is estimated to have grown by 9.1% in FY26, up from 7.2% in FY25, indicating a further acceleration in services-led expansion. Services' share in GDP rose to 53.6% in H1 FY26, while its share in GVA reached a historic high of 56.4% as per the FY26 First Advance Estimates, reflecting the rising importance of modern, tradable, and digitally delivered services. India is now the world's seventh-largest exporter of services, with its share in global services trade more than doubling from 2% in 2005 to 4.3% in 2024.

- **Employment and Labor Market Trends**

India's labour market continues to demonstrate resilience alongside economic expansion. In Q2 (July to September 2025) FY26, total employment stood at 56.2 crore persons (aged 15 years and above), reflecting the creation of approximately 8.7 lakh new jobs compared to Q1(April to June 2025) FY26.

According to the Periodic Labour Force Survey (PLFS), key labor indicators point to strengthening employment conditions.

- The Labour Force Participation Rate (LFPR) for persons aged 15 years and above increased to 56.1% in December 2025.
- Female LFPR rose to 35.3%, indicating rising Participation and improving inclusion.
- The Worker Population Ratio (WPR) increased to 53.4%, reflecting steady employment absorption.
- The unemployment rate declined to 4.8% in December 2025, continuing its downward trajectory.

- **Trade Performance: Export Diversification and Services Strength**

On the trade front, India's total exports reached record levels of USD 825.3 billion in FY25 and USD 418.5 billion in H1 FY26, driven by strong growth in services exports and sustained momentum in nonpetroleum, non-gems, and jewelry exports.

India's integration into global trade continues to deepen, marked by diversification and strong services led growth. India's share in global merchandise exports increased from 1% in 2005 to 1.8% in 2024. According to UNCTAD's Trade and Development Report 2025, India ranks third among countries in the Global South in terms of the diversity index of trade partnerships, following China and the UAE. India's index score of 3.2 exceeds that of all countries in the Global North, underscoring its resilience in the face of tariff uncertainties and other emerging challenges.

Services exports emerged as a key growth engine, reaching an all-time high of USD 387.5 billion in FY25, registering a robust 13.6% year-on-year growth. This performance reinforced India's position as a global hub for technology, business, and professional services, with rising demand across IT, financial, and knowledge-intensive segments.

Foreign exchange reserves stood at USD 701.4 billion as of 16 January 2026, providing an import cover of around 11 months and covering over 94% of external debt, thereby strengthening India's capacity to withstand external shocks. India also remained the world's largest recipient of remittances, with inflows reaching USD 135.4 billion in FY25, offering critical support to the current account.

- **Industrial Output: IIP and Core Sector Performance**

Industrial activity gathered further momentum in December 2025, with broad-based improvement reflected across both the Index of Industrial Production (IIP) and the Index of Eight Core Industries (ICI).

The combined Index of Eight Core Industries (ICI) measures both the individual and aggregate performance of production across eight key sectors viz. coal, crude oil, natural gas, refinery products, fertilizers, steel, cement, and electricity. It serves as a leading indicator of industrial performance and accounts for 40.27% of the total weight of the IIP.

The IIP rose by 7.8% in December 2025, marking its highest level in over two years, following robust growth of 7.2% (RE) in November 2025. Sector-wise, Manufacturing remained the primary growth driver, expanding by 8.1%, while Mining and Electricity recorded growth of 6.8% and 6.3%, respectively.

Within manufacturing, strong performance was observed in technology- and mobility-linked segments, with notable growth in:

- Computer, electronic and optical products (34.9%)
- Motor vehicles, trailers, and semi-trailers (33.5%)
- Other transport equipment (25.1%)

On the core sector front, Cement production surged by 13.5% year-on-year, followed by Steel at 6.9%, reflecting sustained demand from construction and infrastructure-related activities. Other core sectors also posted growth, including Electricity (5.3%), Fertilizers (4.1%), and Coal (3.6%), reinforcing the recovery across energy and input-intensive industries.

- **Fiscal Development**
  - Strengthened Fiscal Credibility and Rating Upgrades- Prudent fiscal management by the government has enhanced credibility and strengthened confidence in India's macroeconomic and fiscal framework, resulting in three sovereign credit rating upgrades in 2025 by Morningstar DBRS, S&P Global Ratings, and Rating and Investment Information (R&I), Inc.

  - Improvement in Centre's Revenue Receipts- The Centre's revenue receipts improved from an average of about 8.5% of GDP in FY16–FY20 to 9.2% of GDP in FY25 (PA), mainly supported by buoyant non-corporate tax collections that increased from about 2.4% of GDP pre-pandemic to around 3.3% post-pandemic.

  - Expansion of the Direct Tax Base- The share of direct taxes in total taxes rose from 51.9% pre-pandemic to 55.5% post-pandemic, reaching 58.8% in FY25 (PA). Meanwhile, the direct tax base expanded steadily, with income tax return filings rising from 6.9 crore in FY22 to 9.2 crore in FY25, indicating better compliance, wider use of technology in tax administration, and more individuals entering the tax net as incomes increased

  - Trends in State Governments' Fiscal Deficit- The combined fiscal deficit of State Governments remained broadly stable at around 2.8% of GDP in the post-pandemic period, like pre-pandemic levels, but rose in recent years to 3.2% in FY25, reflecting emerging pressures on State finances.

  - Reduction in General Government Debt Ratio- India lowered its general government debt-to-GDP ratio by about 7.1 percentage points since 2020 while continuing to maintain high levels of public investment.

- **Monetary Policy Actions and Liquidity Management**
  In response to the evolving macroeconomic and financial developments, the Reserve Bank of India's (RBI) Monetary Policy Committee cumulatively reduced the repo rate by 100 basis points between

April to December 2025, currently at 5.25%. The reductions have been aimed to boost credit flow, investment, and overall economic activity.

Complementing policy rate cuts, the RBI reduced the cash reserve ratio (CRR) by 100 basis points to 3.0% during September-November 2025. In addition, the RBI injected durable liquidity of ₹2.39 lakh crore through open market operations during April-May 2025, followed by further OMO purchases of ₹1 lakh crore and a 3-year USD/ INR buy-sell swap of USD 5 billion in December 2025.

Union Budget 2026-27

Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman presented the Union Budget for fiscal year 2026-27 on 1st February 2026. The budget focuses on stimulating economic growth, supporting the middle class, and promoting inclusive development. Key highlights include:

- **Fiscal Consolidation**

The debt-to-GDP ratio is estimated to be 55.6 percent of GDP in BE 2026-27, compared to 56.1 percent of GDP in RE 2025-26. A declining debt-to-GDP ratio will gradually free up resources for priority sector expenditure by reducing the outgo on interest payments. In RE 2025-26, the fiscal deficit has been estimated at par with BE of 2025-26 at 4.4 percent of GDP. In line with the new fiscal prudence path of debt consolidation, the fiscal deficit in BE 2026-27 is estimated to be 4.3 percent of GDP.

- **Revised Estimates 2025-26**

The Revised Estimates of the non-debt receipts are ₹34 lakh crore of which the Centre's net tax receipts are ₹26.7 lakh crore. The Revised Estimate of the total expenditure is ₹49.6 lakh crore, of which the capital expenditure is about ₹11 lakh crore.

- ***Budget estimates***

Key Numbers

In Rupee Crores	2024-25 (Actuals)	2025-26 (Budget Estimates)	2025-26 (Revised Estimates)	2026-27 (Budget Estimates)
Revenue Receipts	3,03,6619	34,20,409	33,42,323	35,33,150
Capital Receipts	16,16,249	16,44,936	16,22,519	18,14,165
Total Receipts	46,52,867	50,65,345	49,64,842	53,47,315
Total Expenditure	46,52,867	50,65,345	49,64,842	53,47,315
Effective Capital Expenditure	13,24,609	15,48,282	14,03,906	17,14,523
Revenue Deficit	5,64,296	5,23,846	5,26,764	5,92,344
Effective Revenue Deficit	2,91,640	96,654	2,18,613	99,642
Fiscal Deficit	15,74,431	15,68,936	15,58,492	16,95,768
Primary Deficit	4,58,856	2,92,598	2,84,154	2,91,796

Source- MoF

- While presenting the Budget, the finance minister stated that the government aims to "***transform aspiration into achievement and potential into performance***." She described this year's Budget as a **Yuva Shakti–driven Budget** with proposals emphasizing the strengthening of domestic manufacturing, scaling high-growth services, and reinforcing infrastructure as key drivers of long-term economic expansion.

- **Three Kartavya (duties) guiding this year's Budget**
  - Accelerating and sustaining economic growth by enhancing productivity, competitiveness, and resilience amid volatile global dynamics.
  - Fulfilling aspirations and building capacity by strengthening human capital, skills, and institutional capabilities.
  - Advancing Sabka Sath, Sabka Vikas by ensuring equitable access to opportunities across regions, communities, and sectors.

- **Under** the **first kartavya** to accelerate and sustain economic growth, interventions were proposed in six areas:
  - Scaling up manufacturing in 7 strategic and frontier sectors;
  - Rejuvenating legacy industrial sectors;
  - Creating "Champion MSMEs;"
  - Delivering a powerful push to Infrastructure;
  - Ensuring long-term energy security and stability; and
  - Developing City Economic Regions

- To develop India as a global Biopharma manufacturing hub, the Biopharma SHAKTI with an outlay of ₹ 10,000 crores to build the ecosystem for domestic production of biologics and biosimilars will be set up over the next 5 years. The Strategy will include a Biopharma-focused network with 3 new National Institutes of Pharmaceutical Education and Research (NIPER) and upgrading 7 existing ones.

- For the labor-intensive Textile Sector, an Integrated Programme with 5 sub-parts was proposed: The National Fibre Scheme for self-reliance in natural fibres such as silk, wool and jute, man-made fibres, and new-age fibres; Textile Expansion and Employment Scheme to modernize traditional clusters with capital support for machinery, technology upgradation and common testing and certification centers; A National Handloom and Handicraft programme to integrate and strengthen existing schemes and ensure targeted support for weavers and artisans

- Recognizing MSMEs as a vital engine of growth, a dedicated ₹10,000 crore SME Growth Fund was proposed to create future Champions, incentivizing enterprises based on select criteria.

- Public capex has increased manifold from ₹2 lakh crore in FY2014-15 to an allocation of ₹11.2 lakh crore in BE 2025-26. In FY2026-27, it is proposed to increase to ₹12.2 lakh crore to continue the momentum.

- To promote environmentally sustainable movement of cargo, the finance minister proposed new Dedicated Freight Corridors connecting Dankuni in the East, to Surat in the West; b) operationalize 20 new National Waterways (NW) over next 5 years, starting with NW-5 in Odisha to connect mineral rich areas of Talcher and Angul and industrial centers like Kalinga Nagar to the Ports of Paradeep and Dhamra. Training Institutes will be set up as Regional Centres of Excellence for development of the required manpower.

- To promote environmentally sustainable passenger systems, seven High-Speed Rail corridors between cities will be developed as 'growth connectors,' namely i) Mumbai-Pune, ii) Pune-Hyderabad, iii) Hyderabad-Bengaluru, iv) Hyderabad-Chennai, v) Chennai-Bengaluru, vi) Delhi-Varanasi, vii) Varanasi-Siliguri.

- To promote India as a hub for medical tourism services, the finance minister proposed a Scheme to support States in establishing five Regional Medical Hubs, in partnership with the private sector. These Hubs will serve as integrated healthcare complexes that combine medical, educational and research facilities. They will have AYUSH Centres, Medical Value Tourism Facilitation Centers and infrastructure for diagnostics, post-care, and rehabilitation.

- The finance minister proposed to set up a National Institute of Hospitality by upgrading the existing National Council for Hotel Management and Catering Technology. It will function as a bridge between academia, industry, and the Government.

- The finance minister proposed Bharat-VISTAAR (Virtually Integrated System to Access Agricultural Resources), a multilingual AI tool that shall integrate the AgriStack portals and the ICAR package on agricultural practices with AI systems. This will enhance farm productivity, enable better decisions for farmers, and reduce risk by providing customized advisory support.

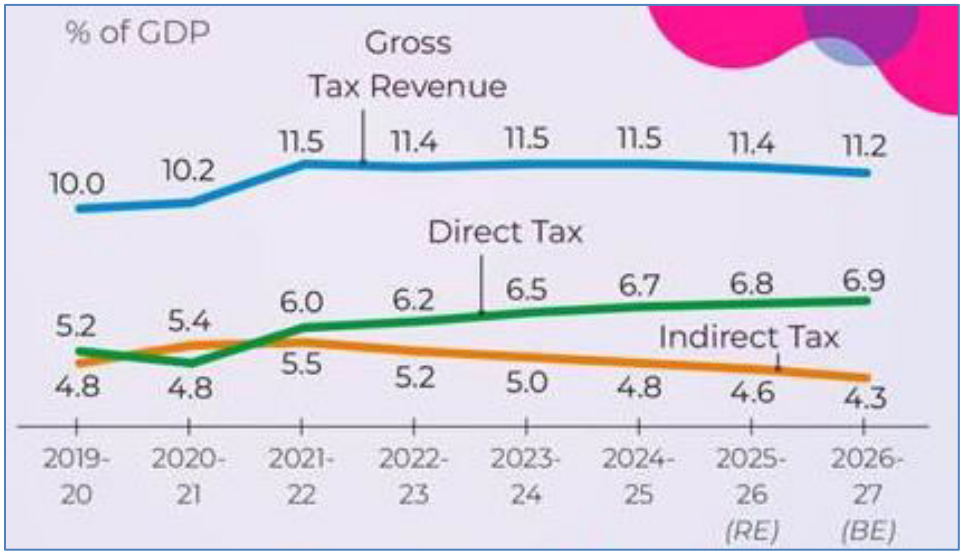
- Building on the success of the Lakhpati Didi Programme, Self-Help Entrepreneur (SHE) Marts will be set up as community-owned retail outlets within the cluster level federations through enhanced and innovative financing instruments.

Tax Reforms

- Introduction of a simplified and modernised Income Tax framework, with redesigned rules and forms to reduce compliance complexity and improve ease of filing.
- Tax holiday till 2047 for foreign companies providing cloud services using data centre infrastructure in India, aimed at strengthening India's position as a global data centre and digital services hub.
- Measures to reduce litigation and improve trust-based tax administration, including rationalisation of penalties, decriminalisation of minor offences, and integration of assessment and penalty proceedings.
- Extension and rationalisation of safe harbour provisions, particularly for Information Technology and IT-enabled services, to provide greater certainty on transfer pricing and tax outcomes.

- Targeted tax measures to support manufacturing, services, and export-oriented sectors, including incentives for data centres, cloud services, toll manufacturing, and bonded warehousing.
- Reforms to support foreign investment and global mobility, including exemptions and simplified tax treatment for non-resident experts and foreign service providers operating from India.
- Rationalisation of customs and indirect tax provisions to support energy transition, critical minerals, electronics manufacturing, and export competitiveness.
- Continued emphasis on predictability, transparency, and stability in the tax regime, aimed at improving India's overall investment climate and long-term investor confidence.

Figure 8: Trend in Tax receipts



Source- MoF

Ease of Doing Business

- Multiple initiatives have been taken in the Ease of Doing Business sector. For instance, Cargo clearance approvals from various Government agencies to be seamlessly processed through a single and interconnected digital window by the end of the financial year.
- For goods not having any compliance requirement, clearance is to be done by Customs immediately after online registration is completed by the importer.
- The Customs Integrated System (CIS) is to be rolled out in 2 years as a single, integrated, and scalable platform for all the customs processes.
- Also, the Utilization of non-intrusive scanning with advanced imaging and AI technology for risk assessment is to be expanded in a phased manner with the objective to scan every container across all the major ports.

Union Budget in realm of energy sector

The Union Budget 2026-27 ("Budget") gives a thrust to India's infrastructure sector, positioning it as one of the seven strategic and frontier pillars underpinning long-term economic growth. The Budget also underscores a clear focus on long-term energy security, with a focus on capture, utilization and storage

(CCUS) technologies, alongside targeted basic customs duty exemptions aimed at strengthening clean energy and critical mineral supply chains.

- ₹20,000 crore proposed to be allocated for Carbon Capture Utilization, and Storage Technologies over the course of the next 5 (five) years. The budget recognizes the role of carbon capture technologies in hard-to-abate sectors, supporting industrial decarbonization, and net-zero pathways.
- Extension of the basic customs duty ("BCD") exemption on capital goods used for manufacturing lithium-ion batteries to those used for manufacturing Lithium-Ion Cells for battery energy storage systems. This reduces capital costs for battery energy storage systems manufacturing, improving project economics and domestic capacity creation.
- Extension of BCD exemption on sodium antimonate for solar glass manufacturing. This supports domestic solar module value chains by lowering raw material costs and improving the global competitiveness of Indian manufacturers.
- Extension of BCD exemption on import of monazite. This ensures the availability of critical minerals with applications across the renewable energy and nuclear sectors.
- Extension of BCD exemption for nuclear power project goods until 2035. This supports scaling up of nuclear capacity in line with the Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India (SHANTI) Act, 2025.
- Exclusion of the full value of biogas from excise duty computation on biogas-blended CNG. It improves pricing and commercial attractiveness of biogas blending, accelerating adoption of cleaner transport fuels.
- Restructuring of Power Finance Corporation and Rural Electrification Corporation. This aims to improve operational efficiency, balance-sheet strength, and lending capacity of key energy sector financiers.
- Development of dedicated rare-earth corridors in select mineral-rich states. Facilitates systematic exploration, extraction, and logistics of critical minerals essential for clean energy, electronics, and advanced manufacturing, in the states of Odisha, Andhra Pradesh, Kerala, and Tamil Nadu.
- New BCD exemption on capital goods for processing critical minerals. Encourages domestic processing and value addition in the critical minerals value-chain.

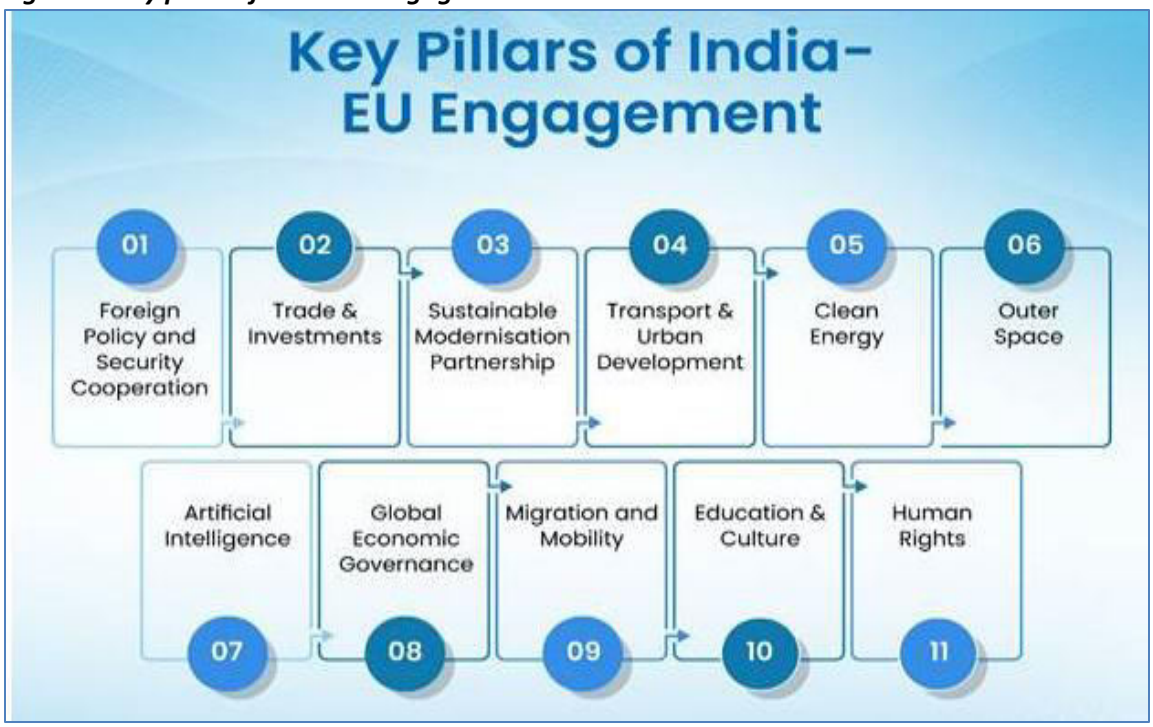
6. India–EU Partnership: India's Growing Engagement with European Union

India–EU relations have entered a phase of renewed strategic momentum, with both sides intensifying engagement ahead of the forthcoming India–EU Summit in New Delhi. India and the European Union are seeking to advance long-pending Free Trade Agreement (FTA) negotiations and adopt a new Joint Strategic Agenda to steer the partnership beyond the existing roadmap. This ongoing engagement underscores a mutual commitment across trade, investment, clean and green energy, science and technology, security and defence, digital initiatives, connectivity, space, and agriculture.

The EU remains India's largest trading partner for goods, with bilateral trade reaching approximately $136 billion in 2024-25. EU is also among India's top overall trading partners in both goods and services.

The multifaceted partnership, guided by the 'India-EU Strategic Partnership: A Roadmap to 2025' (adopted in 2020), continues to evolve towards greater mutual prosperity and global stability in the following aspects:

Figure 9: Key pillar of India-EU engagement



Source- Consilium Europa.eu

Trade and Economic Focus

Trade has been a cornerstone, with the EU emerging as a significant partner. The bilateral merchandise trade between India and EU has grown substantially, reaching $136 billion in 2024-25, with EU exports to India including machinery, transport equipment, and chemicals, and imports from India featuring machinery, chemicals, base metals, mineral products, and textiles.

Moreover, from 2019 to 2024, India-EU bilateral trade in services exhibited steady growth, with Indian exports increasing from EUR 19 billion in 2019 to EUR 37 billion in 2024. Further, imports from the EU also saw an increase, reaching EUR 29 billion in 2024.

Defence and Security

India-EU security and defence ties have deepened significantly in 2025, marked by the Leaders' Statement from the February College of Commissioners' visit to India which agreed to explore a Security and Defence Partnership and included discussions between the EU Commissioner for Defence and Space and India's Minister of State for Defence. This momentum continued with a December 2025 delegation from the Society of Indian Defence Manufacturers visiting Brussels to engage with the EU Commissioner, fostering industrial cooperation.

Complementing these efforts, joint naval exercises have strengthened maritime security cooperation, including in the Indian Ocean in June 2025, the Gulf of Guinea in October 2023, and the Gulf of Aden in June 2021, alongside collaborative escort operations for humanitarian assistance near Somalia in 2018 and 2019.

Clean Energy and Climate

At the centre of India–EU energy and climate engagement is the Clean Energy and Climate Partnership (CECP), established in 2016, with Phase III adopted in November 2024, reflecting the growing scope of bilateral cooperation. The EU has been a partner of the International Solar Alliance since 2018, supporting solar energy deployment, while the European Investment Bank finances sustainable transport and urban mobility projects, including urban rail and metro systems in select Indian cities.

India-EU Cooperation also covers offshore wind energy, gas infrastructure development, methane emissions reduction, investments, and technology transfer, and the EU's joining of the Coalition for Disaster Resilient Infrastructure (CDRI) in March 2021 underscores shared priorities on climate-resilient infrastructure. In advanced scientific domains, India and the EU signed an R&D agreement on peaceful uses of nuclear energy with EURATOM in July 2020, and India has been an associate member of CERN since 2017.

Connectivity

India–EU Connectivity Partnership (2021) - Launched in 2021, the India–EU Connectivity Partnership seeks to strengthen cooperation across transport, digital infrastructure, and energy networks, while facilitating the seamless movement of people, goods, services, data, and capital.

Trilateral Development Cooperation (June 2025) - In June 2025, India and the European Union agreed on an administrative arrangement to advance trilateral development cooperation, enabling joint implementation of development projects in third countries.

India–Middle East–Europe Economic Corridor (IMEC) (September 2023) - On the margins of the G20 Leaders' Summit held in New Delhi in September 2023, leaders from India, the European Union, France, Germany, Italy, Saudi Arabia, the UAE, and the United States announced a Memorandum of Understanding to collaborate on the development of the India–Middle East–Europe Economic Corridor (IMEC).

India-EU Space Cooperation

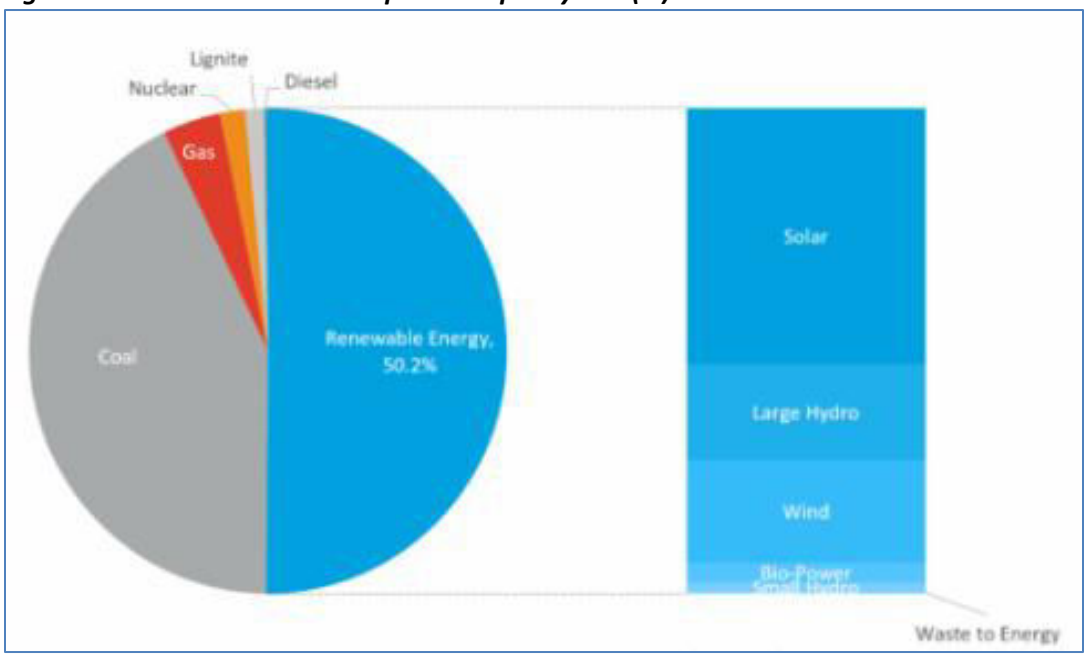
In February 2025, the EU Commissioner for Defence and Space met the Minister of State for Science and Technology in New Delhi to discuss avenues for enhanced cooperation. This was followed by the **inaugural India–EU Space Dialogue, held in Brussels in November 2025**, providing a dedicated platform for structured engagement. Additionally, in May 2025, ISRO and ESA signed a Joint Statement of Intent on Cooperation for human space exploration, marking an expansion of collaboration into future-oriented space domains.

Initiatives such as the Trade and Technology Council, the Global Gateway, IMEC, and progress in FTA negotiations reflect deepening institutional alignment between India and the EU. Building on this momentum, India's invitation to the President of the European Council, H.E. Mr. António Luís Santos da Costa, and the President of the European Commission, H.E. Ms. Ursula von der Leyen, for a State Visit from 25–27 January 2026 underscores government intent to elevate India-EU relations as a core pillar of its global and European strategy.

7. Led by Solar, Renewables Overtake Thermal in India's Power Mix

Solar power accounted for 26.5% of India's total installed power capacity and 52.7% of the total installed renewable energy capacity as of December 2025. Solar installations rose 8.8% quarter-over-quarter (QoQ) and 39.6% year-over-year. (YoY) India's renewable energy capacity, including large hydroelectric projects, reached 258.3 GW by the end of Q4 2025, accounting for 50.2% of the country's total installed power capacity, based on data from the Central Electricity Authority (CEA).

Figure 10: Cumulative Installed power Capacity mix (%)



Source- CEA, MNRE

In the previous quarter ending September 2025, renewable energy capacity with 245.1 GW accounted for 49.1% of the power mix. Solar power accounted for 25.1% of the total installed capacity and 51% of the installed renewable energy capacity. At the end of December 2025, renewable energy capacity in the installed power mix increased by 23.5% YoY and 5.4% QoQ.

Wind accounted for 10.6% of the cumulative installed power capacity as of December 2025.Large hydro contributed 9.9% to the power mix with 50.9 GW, up 1.6% from the previous quarter. Biomass and small hydro contributed 2.1% and 1% to the total installed power capacity as of December 2025, respectively.

At the end of Q4 2025, the country's installed conventional power capacity stood at 255.7 GW, accounting for 49.8% of the total installed power capacity, up from 253.6 GW in the previous quarter. India's installed conventional power capacity at the end of Q4 2024 was 252.6 GW, accounting for 54.7% to the overall power mix capacity.

Electricity generation from conventional sources continues to be led by coal, which accounts for 42.7% of the power mix, followed by gas at 3.9%, nuclear at 1.7%, lignite at 1.3%, and diesel at 0.11%. During the quarter, the overall share of conventional power capacity in the total installed mix declined as renewable capacity additions came.

However, despite the lower capacity share, electricity generation from conventional sources, mainly coal, increased during the quarter, helping meet rising demand and ensuring grid reliability. While conventional power continues to hold a significant share of the total installed capacity, its decline reflects the rapid expansion of renewable energy across the country.

8. Goldman Sachs upgrades India's 2026 GDP growth to 6.9% after US cuts tariffs

Goldman Sachs has flagged a positive macroeconomic outlook for India following the conclusion of the US-India trade deal that lowers American reciprocal tariffs on Indian goods to 18%. It cited that the conclusion of the deal would reduce trade-policy uncertainty and improve private investment intentions, while adding that there could be further upside to real GDP growth from a recovery in private capex in the latter half of CY26.

From an external balance perspective, the agency highlighted that with the 'reciprocal' tariffs on India's exports to the US now lowered, current account deficit is estimated to narrow by around 0.25% of GDP in CY26 to 0.8% of GDP.

Lessons from Economics

The Basics of Tariffs and Trade Barriers

Tariffs are a type of trade barrier that makes imported products more expensive than domestic products. Tariffs typically come in the form of taxes or duties levied on importers, and they are eventually passed on to consumers. They are commonly used in international trade as a protectionist measure.

Why Are Tariffs and Trade Barriers Used?

- **Protecting Domestic Employment**

The possibility of increased competition from imported goods can threaten domestic industries. These domestic companies may fire workers or shift production abroad to cut costs, which means higher unemployment.

- **Infant Industries**

The use of tariffs to protect infant industries can be seen in the Import Substitution Industrialization (ISI) strategy employed by many developing nations. A developing economy's government will levy tariffs on imported goods in industries in which it wants to foster growth.

- **Protecting Consumers**

A government may levy a tariff on products that it feels could endanger its population. For example, a country may place a tariff on imported beef if it thinks that the goods could be tainted with a disease.

- **National Security**

Barriers are also employed by developed countries to protect certain industries that are deemed strategically important, such as those supporting national security. Defense industries are often viewed as vital to state interests and often enjoy significant levels of protection.

There are several types of tariffs and barriers that a government can employ:

- Specific tariffs- A fixed fee levied on one unit of an imported good is referred to as a specific tariff. This tariff can vary according to the type of goods imported.

- Ad Valorem Tariffs- The phrase "ad valorem" is Latin for "according to value," and this type of tariff is levied on a good based on a percentage of that good's value. An example of an ad valorem tariff would be a 15% tariff levied by Japan on U.S. automobiles.

- Licenses- A license is granted to a business by the government and allows the business to import a certain type of good into the country. For example, there could be a restriction on imported

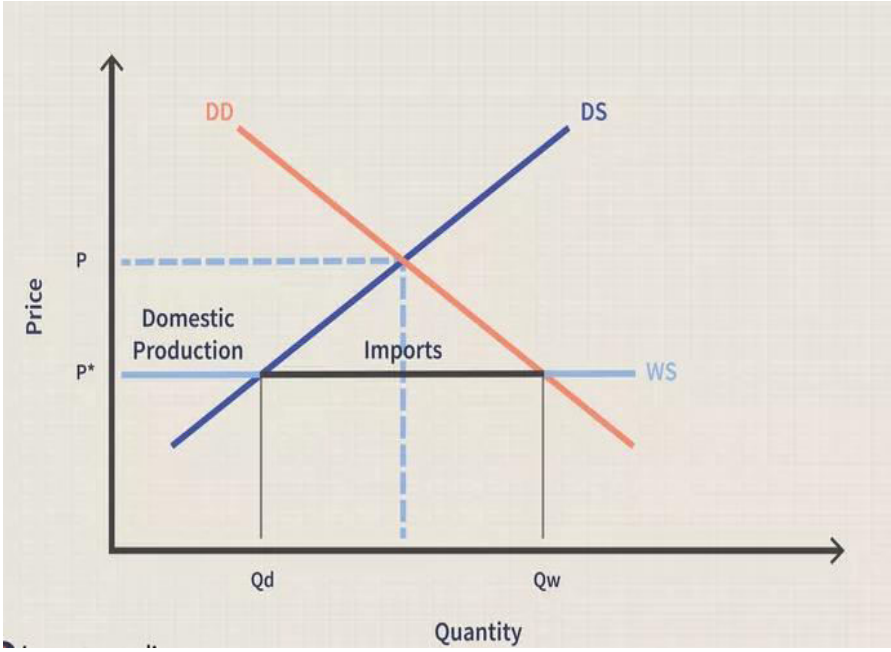
cheese, and licenses would be granted to certain companies, allowing them to act as importers. This creates a restriction on competition and increases prices for consumers.

- Voluntary Export Restraints (VERs)- They are self-imposed limits by an exporting country on the quantity of specific goods it sends to another country, often negotiated to protect the importing nation's domestic industries from competitive pressure, acting as a non-tariff trade barrier that avoids formal import quotas or tariffs

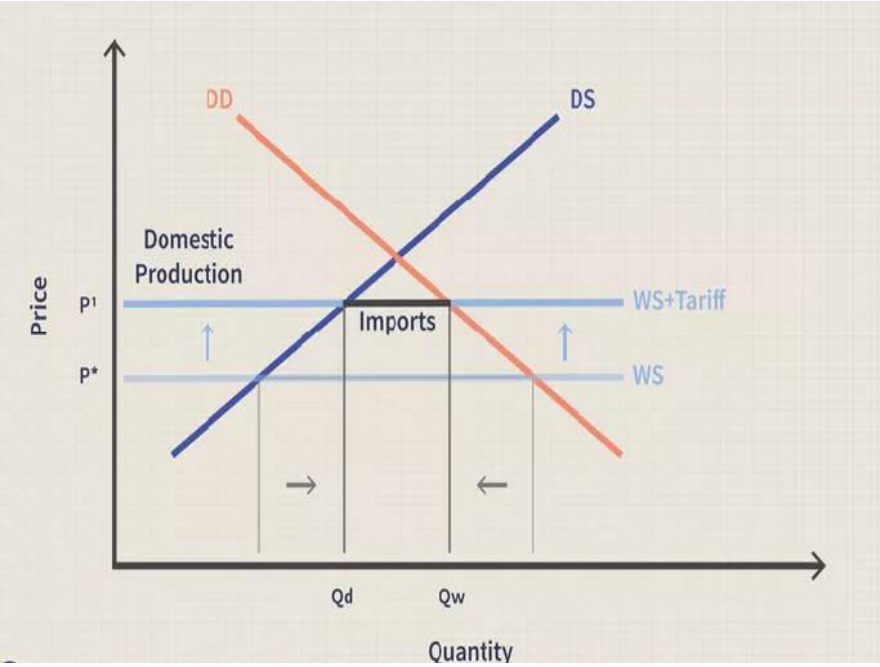
How Do Tariffs Affect Prices?

Tariffs increase the prices of imported goods. Because of this, domestic producers are not forced to reduce their prices from increased competition, and domestic consumers are left paying higher prices as a result. Tariffs also reduce efficiencies by allowing companies that would not exist in a more competitive market to remain open.

The figure below illustrates the effects of world trade without the presence of a tariff. In the graph, DS means domestic supply, and DD means domestic demand. The price of goods at home is found at price P, while the world price is found at P*. At a lower price, domestic consumers will consume Qw worth of goods, but because the home country can only produce up to Qd, it must import Qw-Qd worth of goods.



When a tariff or other price-increasing policy is put in place, the effect is to increase prices and limit the volume of imports. In the figure below, the price increases from the non-tariff P* to P. Because the price has increased, more domestic companies are willing to produce the good, so Qd moves right. This price increase also shifts Qw left. The overall effect is a reduction in imports, increased domestic production, and higher consumer prices.


DD
DS
Domestic
Production
Price
P¹
P*
Imports
WS+Tariff
WS
Qd
Qw
Quantity

Oil Market

Crude oil price – Monthly Review

The new year got off to a turbulent start as geopolitical tensions rose around Iran and Venezuela, bringing new uncertainties regarding their future oil exports. Brent crude oil prices jumped by $6/bbl to around $66/bbl in the early weeks of January before easing to $64/bbl. Oil exports from both Iran and Venezuela were already under pressure. Iranian loadings dropped by 350 kb/d from October's recent high to 1.6 mb/d over November and December, with volumes piling up at sea. Venezuelan crude exports slumped from 880 kb/d in December to around 300 kb/d in early January, impacted by the US blockade of sanctioned oil tankers travelling to and from the country.

Positioning from hedge funds and other money managers was volatile over December. The decline in net long positions was more pronounced in the first half of December, as speculators sold the equivalent of 138 mb across the Brent and WTI contracts. However, in the second half of the month, speculators raised their net long positions slightly.

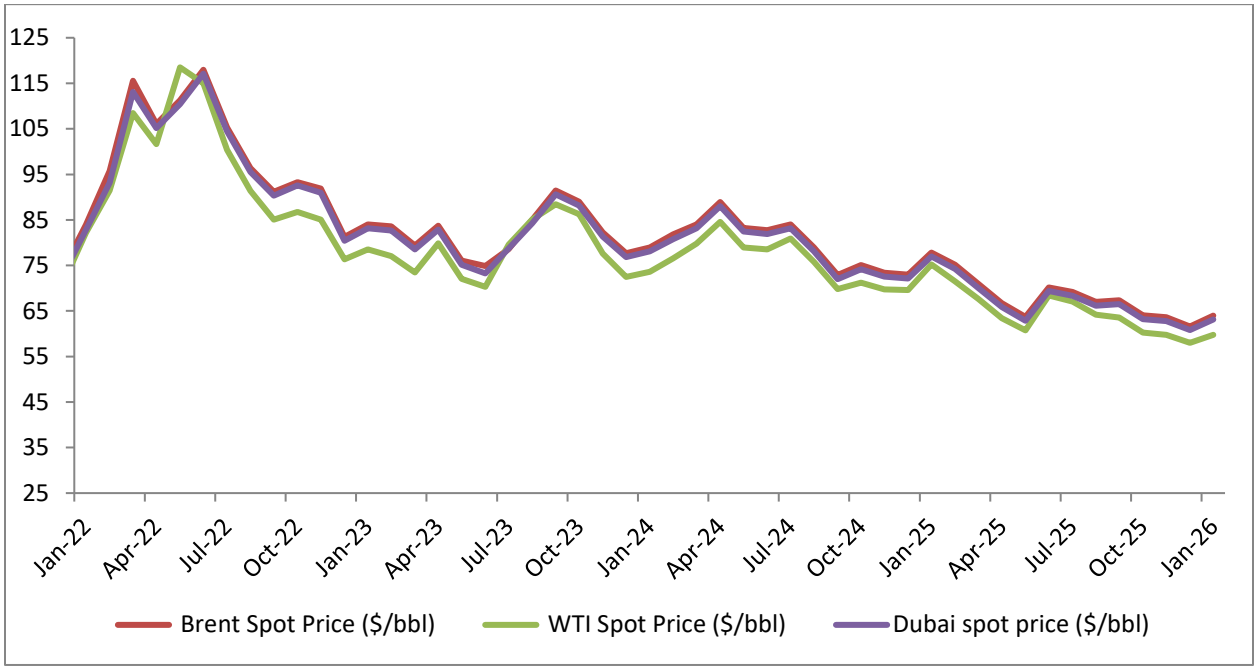
Crude spot prices averaged lower in December, as selling activity in oil futures markets weighed on market sentiment. However, these declines were limited as physical market fundamentals remained firm, particularly in the Atlantic Basin, supported by renewed demand from European and US refiners. An uptick in buying interest from Asian refiners further supported prices. Global refinery intakes rose further in December to around 83.8 mb/d, indicating robust demand. Stock data were also supportive, as data from the US Energy Information Administration (EIA) showed a draw of 4.6 mb in US crude oil stocks between the weeks of 28 November and 26 December. In addition, supply outages in the Caspian Sea region provided further support to spot crude markets.

The premium of light sweet crude over medium sour crudes widened across all major trading hubs. This increase was driven by the weaker performance of heavy/medium sour crudes compared to light sweet crudes. The value of light sweet crude was bolstered by supportive supply/demand fundamentals, while sour grades came under pressure as supply risk premiums receded and demand for prompt-loading cargoes in Eastern Europe, as seen last month, softened. Weaker fuel oil margins also weighed on the sour crude market.

In December, the OPEC Reference Basket (ORB) value dropped by $2.72/b, month-on-month (m-o-m), to average $61.74/b. The ICE Brent front-month contract dropped by $2.03/b, m-o-m, to average $61.63/b in December, and the NYMEX WTI front-month contract dropped by $1.61/b, m-o-m, to average $57.87/b. The GME Oman front-month contract dropped by $2.57/b, m-o-m, to average $61.96/b. The Brent–WTI front-month spread dropped by $0.42/b, m-o-m, to average $3.76/b in December. The forward curves of all major crude benchmarks remained in backwardation in December, signalling supportive physical crude market fundamentals and a positive short-term global supply–demand outlook.

Brent crude ranged an average to $64.01 a barrel and WTI ranged to $59.78 per barrel in the month of January 2026.

Figure 11: Benchmark price of Brent, WTI and Dubai crude



Source - World Bank

- Brent crude price averaged $64.01 per bbl in January 2026, up by 3.9% on a month on month (MoM) and down by 17.8% on year on year (YoY) basis, respectively.
- WTI crude price averaged $59.78 per bbl in January 2026, up by 3.1% on a month on month (MoM) and down by 20.05% on year on year (YoY) basis, respectively.
- Dubai crude price averaged $63.15 per bbl in January 2026, up by 3.9% on a month on month (MoM) and down by 18.0% on year on year (YoY) basis, respectively.

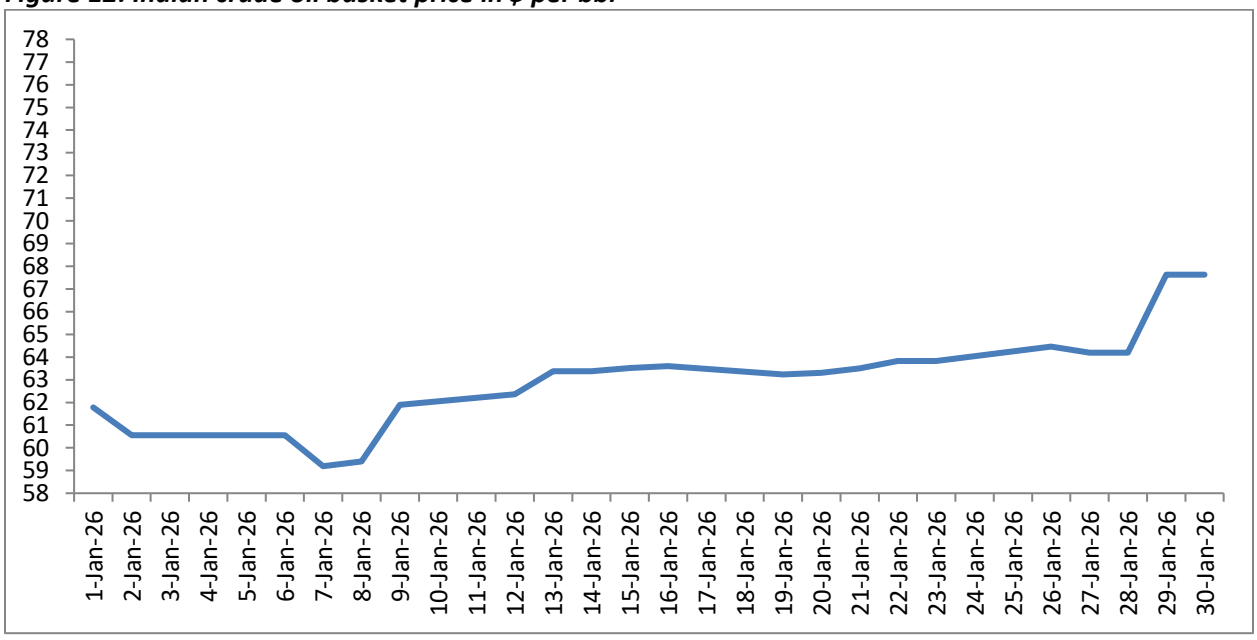
Table 1: Crude oil price in December, 2025

Crude oil	Price ($/bbl)	MoM (%) change	YoY (%) change
Brent	64.01	3.9%	-17.8%
WTI	59.78	3.1%	-20.5%
Dubai	63.15	3.9%	-18.0%

Source - World Bank

Indian Basket Crude oil price

Figure 12: Indian crude oil basket price in $ per bbl



Source - PPAC

- Indian crude basket price averaged $63.08 per barrel in January 2026, up by 1.4% on Month on Month (M-o-M) and down by 21.2% on a year on year (Y-o-Y) basis, respectively.

Oil production situation

- Non-DoC liquids production (i.e. liquids production from countries not participating in the Declaration of Cooperation) is forecast to grow by about 0.6 mb/d, y-o-y, in 2026.

- The main growth drivers for 2026 are expected to be the US, Brazil, Canada, and Argentina. In 2027, non-DoC liquids production is also forecast to grow by 0.6 mb/d, mainly driven by Brazil, Canada, Qatar, and Argentina. Natural gas liquids (NGLs) and non-conventional liquids from countries participating in the DoC are forecast to grow by 0.1 mb/d, y-o-y, in 2026, to average about 8.8 mb/d, followed by a similar increase in 2027 of about 0.1 mb/d, y-o-y, to average about 8.9 mb/d. Crude oil production by countries participating in the DoC decreased by 238 tb/d in December, m-o-m, to average about 42.83 mb/d.

Table 2: Non-DoC liquids production in 2026, mb/d

Non-OPEC liquids production	2025	1Q26	2Q26	3Q26	4Q26	2026
Americas	28.29	27.95	28.41	28.72	28.94	28.51
of which US	*22.22*	*21.78*	*22.40*	*22.50*	*22.59*	*22.32*
Europe	3.59	3.61	3.50	3.48	3.58	3.54
Asia Pacific	0.41	0.41	0.39	0.39	0.38	0.39
Total OECD	**32.29**	**31.97**	**32.31**	**32.59**	**32.90**	**32.44**
China	4.62	4.68	4.67	4.58	4.57	4.62
India	0.82	0.83	0.82	0.82	0.83	0.82
Other Asia	1.62	1.62	1.59	1.58	1.59	1.60
Latin America	7.55	7.90	7.92	7.98	8.11	7.98
Middle East	1.99	2.01	2.03	2.04	2.05	2.03
Africa	2.27	2.26	2.24	2.24	2.32	2.26
Other Eurasia	0.36	0.36	0.36	0.36	0.36	0.36
Other Europe	0.09	0.09	0.09	0.09	0.09	0.09
Total Non-OECD	**19.32**	**19.75**	**19.72**	**19.70**	**19.90**	**19.77**
Total Non-DoC production	51.61	51.72	52.03	52.28	52.80	52.21
Processing gains	2.54	2.57	2.57	2.57	2.57	2.57
Total Non-DoC liquids production	**54.15**	**54.29**	**54.60**	**54.85**	**55.37**	**54.78**

Source - OPEC monthly report, January 2026

- From the above table, it can be inferred, that the total non-DoC liquids production is expected to reach 54.78 mb/d by 2026.
- The non-DoC liquids production (i.e. liquid production countries not participating in the Declaration of Cooperation) is forecast to grow by about 0.6 mb/d, y-o-y in 2026.

Oil demand situation

- The global oil demand growth forecast for 2026 remains at about 1.4 mb/d, y-o-y, unchanged from last month's assessment. In the OECD, oil demand is forecast to grow by about 0.15 mb/d, while oil demand in the non-OECD is forecast to grow by about 1.2 mb/d.
- In 2027, global oil demand is forecast to grow by about 1.3 mb/d, y-o-y. The OECD is forecast to grow by about 0.1 mb/d, y-o-y, while the non-OECD is forecast to grow by about 1.2 mb/d, y-o-y.

Table 3: World Oil demand, mb/d

	2025	1Q26	2Q26	3Q26	4Q26	2026	Growth	%
Total OECD	**45.94**	**45.27**	**45.77**	**46.72**	**46.58**	**46.09**	**0.15**	**0.33**
~ of which US	*20.81*	*20.45*	*20.74*	*21.36*	*21.11*	*20.92*	*0.11*	*0.53*
Total Non-OECD	**59.20**	**60.28**	**59.81**	**60.33**	**61.29**	**60.43**	**1.23**	**2.08**
~ of which India	*5.65*	*5.89*	*5.92*	*5.57*	*6.10*	*5.87*	*0.22*	*3.89*
~ of which China	16.87	17.00	16.70	17.30	17.25	17.06	0.20	1.13
Total world	**105.14**	**105.55**	**105.57**	**107.05**	**107.87**	**106.52**	**1.38**	**1.31**

Source - OPEC monthly report, January 2026

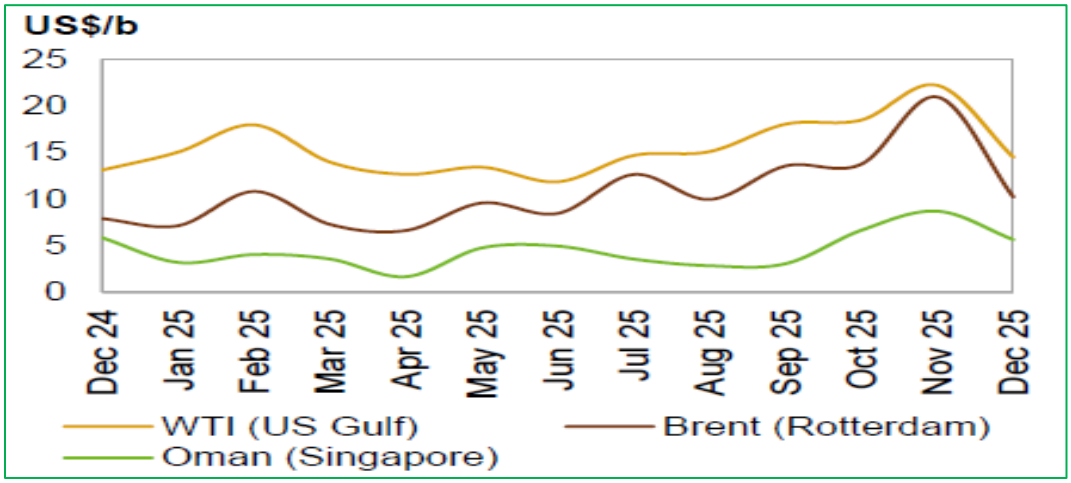
Global petroleum product prices

USGC refining margins against WTI receded to a six-month low and exhibited the largest m-o-m drop since April 2023. The decline was seen across the barrel as all products showed a monthly drop due to an expanding product balance. The product inventory build was predominantly for gasoil, as US inventory levels for the same product at the end of the month were the highest since January 2025. On a weekly basis, gasoil inventory levels as of 26 December 2025 reached 123.7 mb, and nearly reached the 124.7 mb multi-week high recorded on 12 September 2025. This balance expansion led to an easing of tightness concerns, which had kept gasoil margins at unusual highs in recent months. Going forward, product balances are expected to expand further on elevated refinery runs, which could pressure US refining margins.

According to preliminary data, refinery intake in the USGC increased by 550 tb/d, m-o-m, to average 17.20 mb/d in December. USGC margins against WTI averaged $14.45/b, down by $7.73, m-o-m, but were up by $1.37, y-o-y.

Rotterdam refinery margins against Brent fell sharply to a four-month low, showing the largest m-o-m decline relative to the USGC and Singapore. According to Global S&P data as of 18 December 2025, signals pointed to rising product supplies, with Amsterdam-Rotterdam-Antwerp total product stocks showing a significant 4.0% m-o-m increase. European gasoline, fuel oil, and jet fuel, in that order, were the main drivers of the inventory expansion, completely offsetting the m-o-m contraction in naphtha and gasoil. According to preliminary data, refinery runs in December increased by 230 tb/d to an average of 9.60 mb/d in EU-14, plus Norway and the UK. Refinery margins against Brent in Europe averaged $10.18/b in December, which was $10.73 lower, m-o-m, but was $2.30 higher, y-o-y.

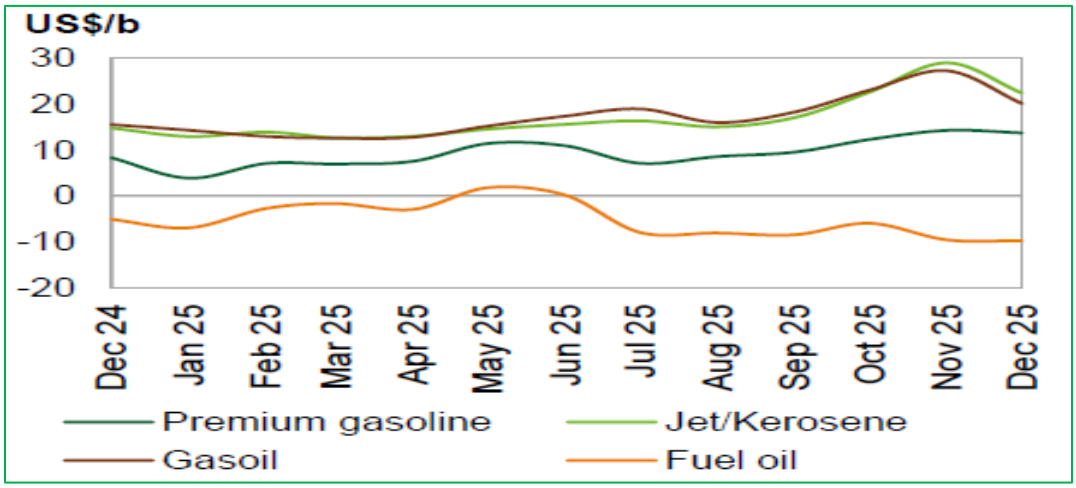
Figure 13: Refining Margins ($/bbl)



Source - Argus and OPEC

The Southeast Asia gasoline 92 crack spread against Dubai declined but managed to maintain most of the previous month's gains. Despite the decline, gasoline 92 crack spreads remained relatively stable compared to middle distillates. Gasoline market strength in Asia (excluding China) supported its margins and likely prevented further losses in Asian gasoline crack spreads. The margin averaged $13.69/b in December, down 54¢/b, m-o-m, but up $5.41/b, y-o-y.

Figure 14: Singapore crack Spreads vs. Dubai ($/bbl)



Source - Argus and OPEC

The Singapore gasoil crack spread trend reversed in December, reflecting an easing in the product's regional balance amid softening demand. The Singapore gasoil crack spread against Dubai averaged $20.08/b, down $7.12/b, m-o-m, but up $4.59/b, y-o-y.

Table 4: Singapore FOB, refined product prices ($/bbl) in December 2025

Singapore product prices	Price ($/b)	MoM (%) change	YoY (%) change
Naphtha	58.84	-5.3%	-15.3%
Premium gasoline (unleaded 95)	77.25	-5.1%	-9.0%
Regular gasoline (unleaded 92)	75.68	-3.8%	-6.9%
Jet/Kerosene	84.36	-9.6%	-3.9%
Gasoil/Diesel (50 ppm)	82.25	-11.2%	-7.3%
Fuel oil (180 cst 2.0% S)	81.72	-9.9%	-7.5%
Fuel oil (380 cst 3.5% S)	52.23	-4.8%	-23.1%

Source - OPEC

Petroleum products consumption in India

Monthly Review:

- Overall consumption of all petroleum products in December 2025 with a volume of 21.75 MMT registered a growth of 5.30% on volume of 20.65 MMT in December 2024.
- MS (Petrol) consumption during the month of December 2025 with a volume of 3.55 MMT recorded a growth of 7.08% on volume of 3.32 MMT in December 2024.
- HSD (Diesel) consumption during the month of December 2025 with a volume of 8.46 MMT recorded growth of 5.01% on volume of 8.05 MMT in the month of December 2024.
- LPG consumption during the month of December 2025 with a volume of 3.08 MMT registered a growth of 11.23% over the volume of 2.77 MMT in the month of December 2024.
- ATF consumption during December 2025 with a volume of 0.785 MMT registered a growth of 0.35% over the volume of 0.782 MMT in December 2024.
- Bitumen consumption during December 2025 with a volume of 0.916 MMT registered growth of 18.83% over volume of 0.771 MMT in the month of December 2024.
- Kerosene consumption registered growth of 18.74% during the month of December 2025 as compared to December 2024.

Table 5: Petroleum products consumption in India, December 2025 and Year till Date (YTD)

	Monthly			Year till Date	
Consumption of Petroleum Products (P)	Consumption in '000 MT	MoM (%) change	YoY (%) change	Consumption in '000 MT	YoY (%) change
LPG	3,083	7.7%	11.2%	25,035	8.00%
Naphtha	1,006	13.5%	-0.5%	8,717	-12.75%
MS	3,555	1.1%	7.1%	31,927	6.39%
ATF	785	-0.4%	0.3%	6,764	1.49%
SKO	42	-3.1%	18.7%	340	10.25%
HSD	8,458	-1.1%	5.0%	70,315	3.03%
LDO	76	-13.1%	9.6%	749	22.91%
Lubricants & Greases	423	6.7%	17.0%	3,614	6.71%
FO & LSHS	568	1.6%	2.4%	4,701	-5.02%
Bitumen	916	0.3%	18.8%	6,152	7.05%
Petroleum coke	1,880	7.9%	-3.8%	15,503	-5.54%
Others	957	7.5%	-1.3%	7,811	-14.62%
TOTAL	**21,749**	**2.4%**	**5.3%**	**1,81,628**	**1.66%**

Source- PPAC

Year Till Date: 1st April 2025 – 31st March 2026

Natural Gas Market

Natural Gas Price – Monthly Review

- Natural Gas spot prices at the US Henry Hub benchmark averaged $4.26 per million British thermal units (MMBtu) in December 2025. Henry Hub's natural gas prices continued their strong performance, increasing for a fourth consecutive month in December. Prices rose by ~12%, m-o-m, on the back of a colder-than-average early winter, which boosted heating demand. According to data from the US Energy Information Administration (EIA), average weekly natural gas storage decreased by 10.5%, m-o-m, in December. Moreover, LNG export capacity utilization remained at elevated levels in December, and this contributed to the price rally in the period. Prices were up by ~41%, y-o-y.

- Natural gas spot price at the Title Transfer Facility (TTF) in the Netherlands in Europe traded at an average of $9.48 per MMBtu. The average Title Transfer Facility (TTF) declined for a fifth consecutive month in December, falling by 9.0%, m-o-m. Healthy storage levels offset pressure from higher winter heating demand. According to data from Gas Infrastructure Europe, EU storage levels fell to 63.2% as of the end of December, down from 75.4% the previous month, representing a 12.2 percentage point decrease, m-o-m. Moreover, reports of increased US LNG supply offset concerns regarding supply availability. Prices were down by 31.6%, y-o-y.

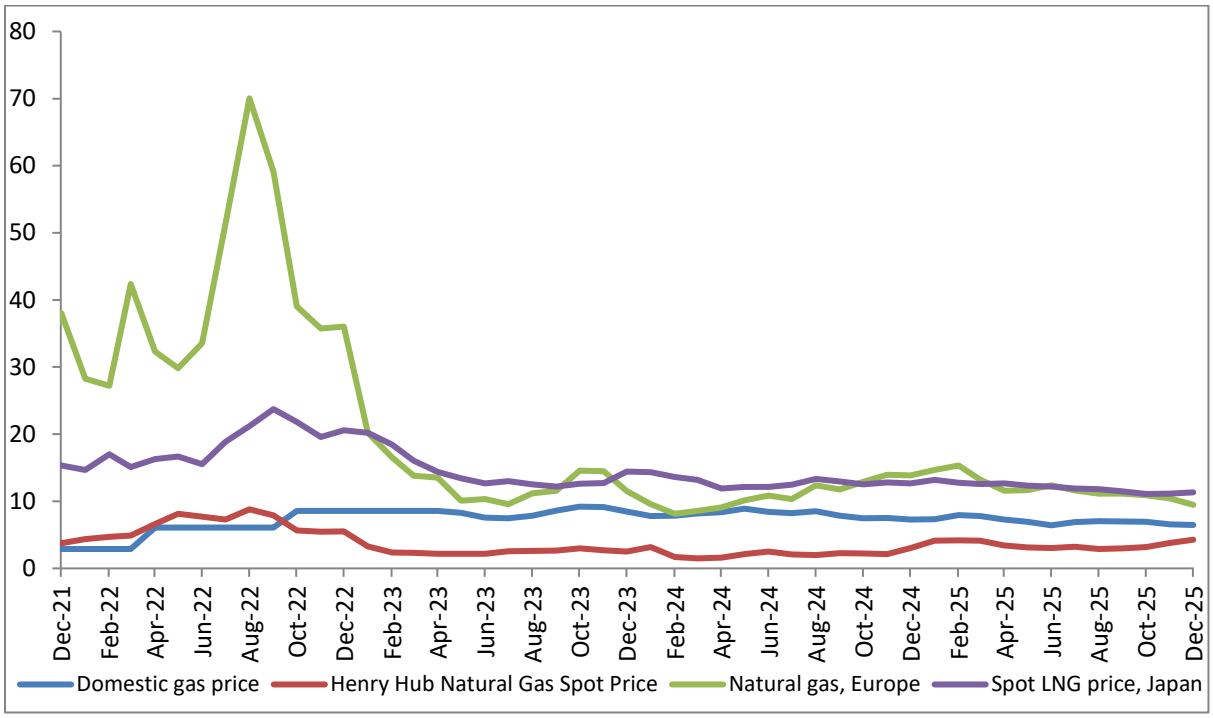
- Japan Liquefied Natural Gas Import Price averaged at $11.32 per MMBtu for December 2025. There is a change of 1.5% from last month and -10.4% from one year ago.

- The Union Cabinet has approved a new formula for pricing of natural gas and imposed cap or ceiling price on the same. Natural gas produced from legacy or old fields, known as APM gas, will now be indexed to crude oil prices. From April 1 2023, APM gas will be priced at 10% of the price of basket of crude oil that India imports. The rate such arrived at however will be capped at US$ 6.50 per MMBTU. The price such arrived at will also have a floor of US$4 per MMBTU. As per notification dated 31st March 2025, the APM gas price has been raised to US$ 6.75 per MMBTU, up from US$ 6.50 per MMBTU.

- Further, in accordance with MoP&NG, Govt. of India, pricing freedom for gas being produced from discoveries in Deepwater, Ultra Deepwater and High Pressure-High Temperature areas, the gas price ceiling for the period 1st April, 2023 - 30th September, 2023 was notified as US$ 12.12/MMBTU on Gross Calorific Value (GCV) basis as per notification dated 31st March, 2023. As per notification dated 30th September 2023, Gas price ceiling was further revised for the period 1st October, 2023 – 31st March, 2024 was notified as US$9.96/MMBTU on Gross Calorific Value (GCV) basis. Prices were further revised for the period 1st April, 2024 – 30th September, 2024 was notified as US$9.87/MMBTU on Gross Calorific Value (GCV) basis as per notification dated 31st March 2024. Accordingly, for the period 1st October, 2024 – 31st March, 2025 gas price ceiling was further revised as US$10.16/MMBTU on Gross Calorific Value (GCV) basis as per notification dated 30th September 2024. Now, as per notification dated 31st March 2025, Gas price ceiling

was further revised for the period 1st April, 2025 – 30th September, 2025 was notified as US$10.04/MMBTU on Gross Calorific Value (GCV) basis. Prices were further revised for the period 1st October, 2025 – 31st March, 2026 was notified as US$9.72/MMBTU on Gross Calorific Value (GCV) basis as per notification dated 30th September 2025.

Figure 15: Global natural gas price trends ($/mmbtu)



Source - EIA, World Bank

Table 6: Gas price, December 2025

Natural Gas	Price ($/MMBTU)	MoM (%) change	YoY (%) change
India, Domestic gas price (Jan'26)	6.25	-3.55%	-14.38%
India, Gas price ceiling – difficult areas (Oct'25-Mar'26)	9.72	-3.19%	-4.33%
GIXI (Gas index of India) price*	11	0%	-18%
Henry Hub	4.26	12.4%	41.5%
Natural Gas, Europe	9.48	-9.0%	-31.6%
Liquefied Natural Gas, Japan	11.32	1.5%	-10.4%

Source - EIA, PPAC, World Bank, IGX

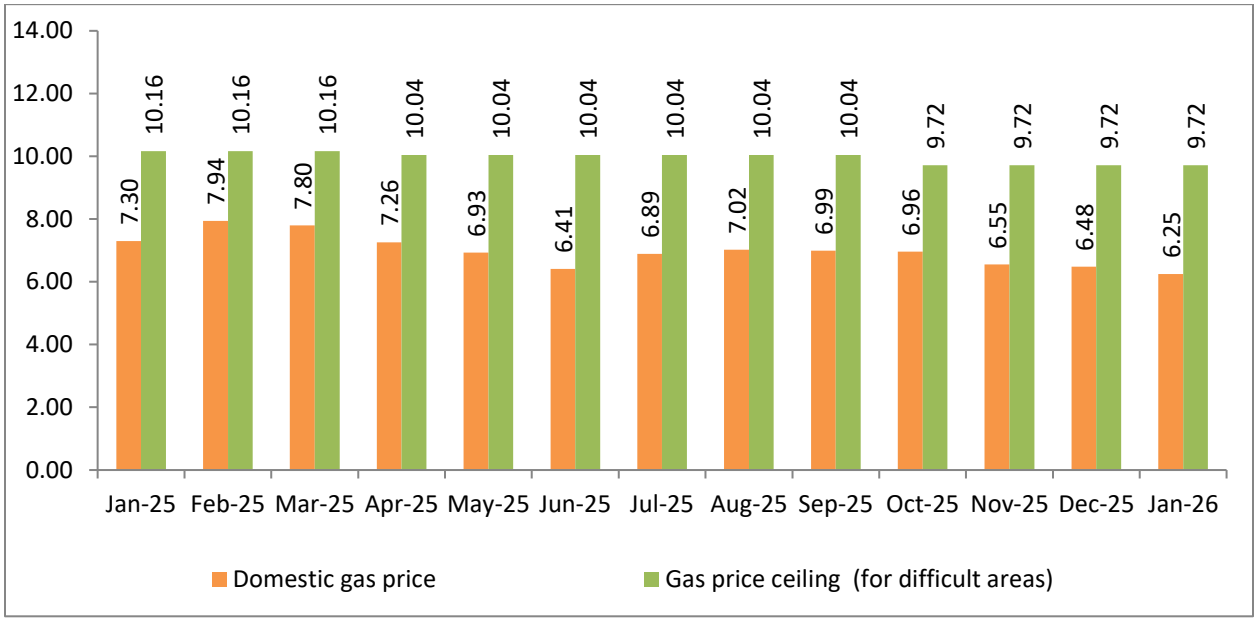
**Prices are weighted average prices (excluding ceiling price gas)*

Table 7: Gas price, GCV Basis

Period	Domestic Gas calculated price in US$/MMBTU	Gas price ceiling – difficult areas price in US$/MMBTU
1-31 May 2023	8.27	12.12
1-30 June 2023	7.58	12.12
1-31 July 2023	7.48	12.12
1-31 August 2023	7.85	12.12
1-30 September 2023	8.60	12.12
1-31 October 2023	9.20	9.96
1-30 November 2023	9.12	9.96
1-31 December 2023	8.47	9.96
1-31 January 2024	7.82	9.96
1-29 February 2024	7.85	9.96
1-31 March 2024	8.17	9.96
1-30 April 2024	8.38	9.87
1-31 May 2024	8.90	9.87
1-30 June 2024	8.44	9.87
1-31 July 2024	8.24	9.87
1-31 August 2024	8.51	9.87
1-30 September 2024	7.85	9.87
1-31 October 2024	7.48	10.16
1-30 November 2024	7.53	10.16
1-31 December 2024	7.29	10.16
1-31 January 2025	7.30	10.16
1-28 February 2025	7.94	10.16
1-31 March 2025	7.80	10.16
1-30 April 2025	7.26	10.04
1-31 May 2025	6.93	10.04
1-30 June 2025	6.41	10.04
1-31 July 2025	6.89	10.04
1-31 August 2025	7.02	10.04
1-30 September 2025	6.99	10.04
1-31 October 2025	6.96	9.72
1-30 November 2025	6.55	9.72
1-31 December 2025	6.48	9.72
1-31 January 2026	6.25	9.72

Source – PPAC

Figure 16: Domestic natural gas price January'25–26 ($/mmbtu)



Source - PPAC

Indian Gas Market

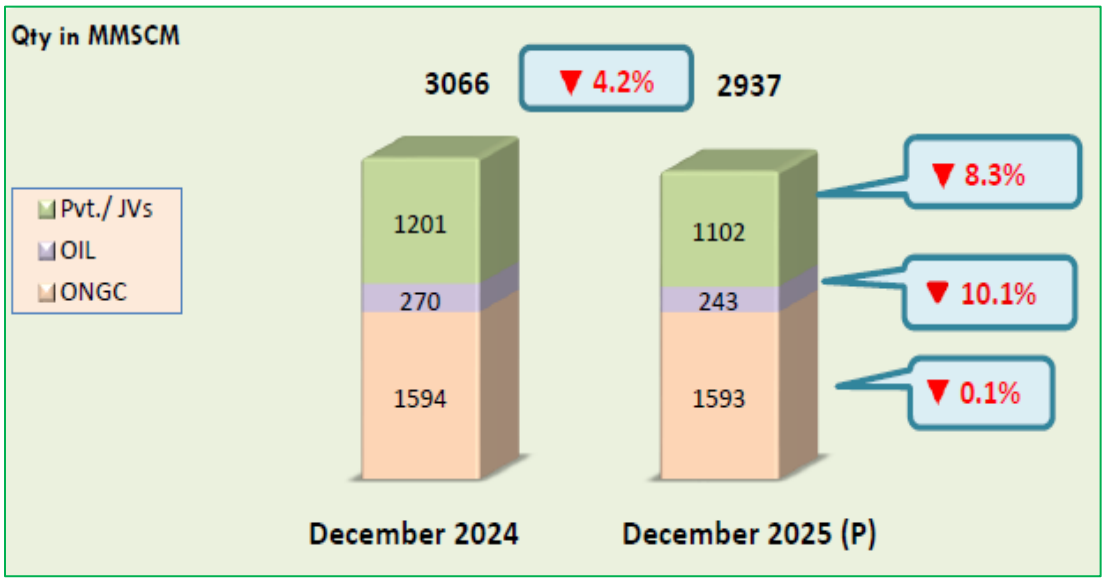
- Gross production of natural gas for the month of December 2025 (P) was 2937 MMSCM which was lower by 4.2% compared with the corresponding month of the previous year.
- Total Import of LNG (Provisional) during the month of December 2025 (P) was 2808 MMSCM (lower by 0.7% over the corresponding month of the previous year).
- Natural Gas available for sale during December 2025 (P) was 5254 MMSCM (P) (decrease of 2.6% over the corresponding month of the previous year).
- Total Gas Consumption Availability during December 2025 (P) was 5703 MMSCM (Provisional). Major consumers were Fertilizer (29%), City Gas Distribution (CGD) (23%), Power (11%), Refinery (9%) and Petrochemicals (6%).

Monthly Report on Natural gas production, imports, and consumption – December 2025

1. Domestic Natural Gas Gross Production:

Domestic natural gas gross production for the month of December 2025 was 2937 MMSCM (decrease of 4.2% over the corresponding month of the previous year).

Figure 17: Domestic natural gas Gross production (Qty in MMSCM)

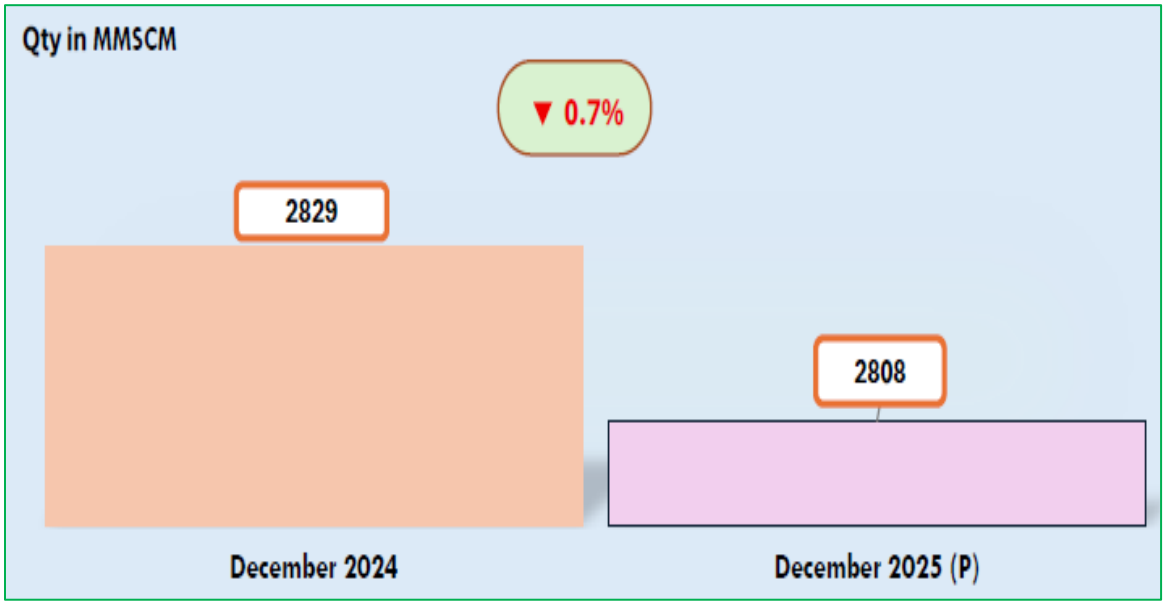


Source - PPAC

2. LNG imports:

Total import of LNG (provisional) during the month of December 2025 was 2808 MMSCM (P) (lower by 0.7% over the corresponding month of the previous year).

Figure 18: LNG imports (Qty in MMSCM)

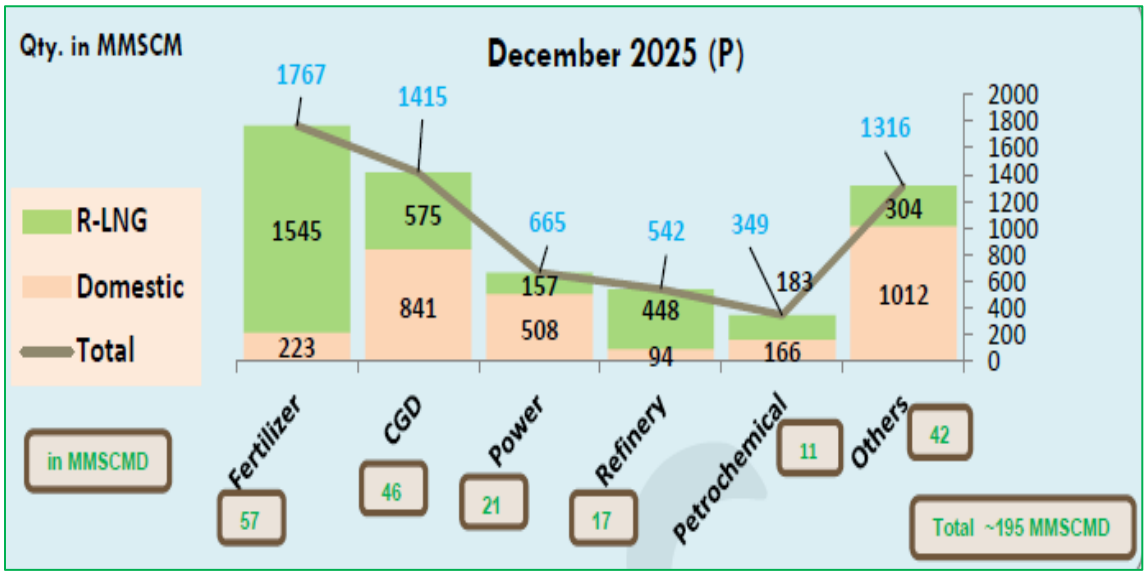


Source - PPAC

3. Sectoral Consumption of Natural Gas:

Major consumers were fertilizer, CGD, power, refinery, petrochemicals among others.

Figure 19: Sectoral Consumption of Natural Gas (Qty in MMSCM) in December 2025



Source - PPAC

Key developments in Oil & Gas sector

Monthly Production Report for December, 2025

1. Production of Crude Oil

Indigenous crude oil and condensate production during December 2025 was 2.3 MMT. Around 76.3% of production came from Nomination Fields, 13.1% from Pre-NELP Fields and 10.4% from NELP fields, during December 2025. There is a de-growth of 5% in crude oil and condensate production during December 2025 as compared with the corresponding period of the previous year.

2. Production of Natural Gas

Gross production of natural gas for the month of December 2025 (P) was 2937 MMSCM which was lower by 4.2% compared with the corresponding month of the previous year. The cumulative gross production of natural gas of 26376 MMSCM for the current financial year till December 2025 was lower by 5% compared with the corresponding period of the previous year.

3. Crude Oil Processed (Crude Throughput)

Total Crude oil processed during December 2025 was 23.8 MMT which is -0.4% lower than December 2024, where PSU/JV refiners processed 16.1 MMT and private refiners processed 7.7 MMT of crude oil. Total indigenous crude oil processed was 2.2 MMT and total Imported crude oil processed was 21.5 by all Indian refineries (PSU+JV+PVT). There was a growth of 1.8% in total crude oil processed in April-December current Financial Year as compared to same period of previous Financial Year.

4. Production of Petroleum Products

Production of petroleum products was 25 MMT during December 2025 which is -0.7% lower than December 2024. Out of 25 MMT, 24.7 MMT was from refinery production & 0.3 MMT was from fractionator. There was a growth of 0.3% in production of petroleum products in April-December FY 2025 – 26 as compared to same period of FY 2024 – 25. Out of total POL production, in December 2025, share of major products including HSD is 41.1%, MS 17.7%, Naphtha 6.7%, ATF 6.4%, Pet Coke 5.3%, LPG 4.4%, and rest is shared by Bitumen, FO/LSHS, LDO, Lubes & others.

Key Policy developments/Significant news in Energy sector

PM interacts with Energy Sector CEOs

Prime Minister Shri Narendra Modi interacted with CEOs of the global energy sector as part of the ongoing India Energy Week (IEW) 2026, at his residence at Lok Kalyan Marg earlier today.

During the interaction, the CEOs expressed strong confidence in India's growth trajectory. They conveyed their keen interest in expanding and deepening their business presence in India, citing policy stability, reform momentum, and long-term demand visibility.

Welcoming the CEOs, Prime Minister said that these roundtables have emerged as a key platform for industry-government alignment. He emphasized that direct feedback from global industry leaders helps refine policy frameworks, address sectoral challenges more effectively, and strengthen India's position as an attractive investment destination.

Highlighting India's robust economic momentum, Prime Minister stated that India is advancing rapidly towards becoming the world's third-largest economy and will play a decisive role in the global energy demand-supply balance.

Prime Minister drew attention to significant investment opportunities in India's energy sector. He highlighted an investment potential of around USD 100 billion in exploration and production, citing investor-friendly policy reforms introduced by the government. He also underscored the USD 30 billion opportunity in Compressed Bio-Gas (CBG). In addition, he outlined large-scale opportunities across the broader energy value chain, including gas-based economy, refinery–petrochemical integration, and maritime and shipbuilding.

Prime Minister observed that while the global energy landscape is marked by uncertainty, it also presents immense opportunity. He called for innovation, collaboration, and deeper partnerships, reiterating that India stands ready as a reliable and trusted partner across the entire energy value chain.

The high-level roundtable saw participation from 27 CEOs and senior corporate dignitaries representing leading global and Indian energy companies and institutions, including TotalEnergies, BP, Vitol, HD Hyundai, HD KSOE, Aker, LanzaTech, Vedanta, International Energy Forum (IEF), Excelerate, Wood Mackenzie, Trafigura, Staatsolie, Praj, ReNew, and MOL, among others. The interaction was also attended by Union Minister for Petroleum and Natural Gas, Shri Hardeep Singh Puri and the Minister of State for Petroleum and Natural Gas, Shri Suresh Gopi and senior officials of the Ministry.

MoPNG Organised High-Level Upstream Engagements on Financing, Regulatory Reforms and Promotion of New Exploration Bid Rounds

The Ministry of Petroleum and Natural Gas (MoPNG) organized a series of upstream-focused engagements in Mumbai on 19 January 2026. The day-long programme witnessed strong and diverse participation from domestic and international upstream operators, E&P service providers, global consulting firms, leading public and private sector financial institutions, insurers, academia and industry

experts, reflecting the growing interest across the ecosystem in India's upstream reform agenda and investment opportunities.

In his virtual address, the Minister for Petroleum and Natural Gas, Shri Hardeep Singh Puri highlighted that the recent legislative, regulatory and policy reforms mark a landmark and progressive transformation of India's upstream sector. He underscored that these reforms, coupled with data-led exploration initiatives, have unlocked extensive investment opportunities, particularly in India's offshore and frontier areas, and reaffirmed the Government's commitment to providing a stable, transparent and globally competitive framework to attract sustained domestic and international investment.

Key Components of the Programme

The engagements comprised:

a. A Workshop on Financing India's E&P Growth

b. A Session on the amended Oilfields (Regulation and Development) Act, revised Petroleum and Natural Gas Rules and the Model Revenue Sharing Contract (MRSC)

c. A Bid Promotion Event for Upcoming Upstream Bid Rounds

Senior officials from MoPNG and the Directorate General of Hydrocarbons (DGH) interacted extensively with participants across sessions.

a. Financing India's E&P Growth

The workshop on "Financing India's E&P Growth" examined the readiness of India's financing ecosystem to support the scale, depth and continuity of upstream investment envisaged under the Government's expanded exploration and production programme, including initiatives such as *Samudra Manthan*. The session saw active participation from global consulting firms including S&P Global, Deloitte, A.T. Kearney and EY, who shared international perspectives on upstream financing models, risk allocation and capital mobilisation.

Perspectives were also shared by financial institutions and insurers including the State Bank of India, New India Assurance and Bajaj Allianz, covering risk assessment frameworks, exposure considerations, bank guarantee structures and emerging risk-mitigation instruments such as insurance-backed surety bonds. It was highlighted that as exploration and development activities scale up, capital requirements are expected to rise sharply and become increasingly front-loaded, necessitating financing structures aligned with upstream risk profiles and investment cycles.

Discussions covered:

- Existing financing practices in upstream projects
- Constraints arising from balance-sheet-based lending
- The impact of bank guarantee requirements on capital efficiency

- Emerging risk-mitigation and financing instruments, including insurance-backed surety bonds, enabled by recent policy measures

Financial institutions and lenders, including banks and insurers, shared perspectives on risk assessment frameworks, exposure norms and institutional considerations, while emphasising the importance of risk-sharing mechanisms and policy clarity to facilitate deeper capital participation.

In his directional remarks, Sh. Neeraj Mittal (Secretary, MoP&NG), underscored that timely and adequate availability of capital will be a critical determinant of upstream execution, and called for sustained engagement between policymakers, operators and financiers to strengthen financing frameworks in line with India's upstream ambitions.

b. Amended ORD Act, PNG Rules and Model Revenue Sharing Contract

A dedicated session was held to familiarise operators with the amended Oilfields (Regulation and Development) Act, the revised Petroleum and Natural Gas Rules, and the updated Model Revenue Sharing Contract (MRSC). MoPNG highlighted that the recent reforms complete a decade-long effort to establish a stable, predictable and investor-aligned upstream regulatory framework, aimed at reducing interpretational ambiguities and supporting long-term planning as exploration activity expands. DGH explained how the updated MRSC operationalises changes introduced through legislative and regulatory reforms, ensuring coherence between policy intent and contractual implementation.

The Secretary, MoPNG noted the constructive and encouraging response from industry participants, and emphasised that the focus going forward would be on effective and consistent implementation at scale, so that policy certainty translates into tangible outcomes.

c. New Upstream Bid Rounds – Translating Reform into Opportunity

The bid promotion event showcased the investment opportunities emerging from recent reforms and data-driven exploration initiatives, and aimed at encouraging wider domestic and global participation in India's upstream sector.

The session highlighted how:

- Regulatory evolution
- Improved data availability
- Government-led exploration initiatives
- Strengthening domestic capabilities

are together reshaping India's upstream investment landscape.

Sh. Srikant Nagulapalli (DG, Directorate General of Hydrocarbons) presented the details of forthcoming bid rounds:

- OALP Bid Round X: 25 exploration blocks covering 182,589 sq. km, with 91% offshore
- DSF Bid Round IV: 9 contract areas comprising 55 discoveries, with approximately 200 MMTOE of 2P reserves
- CBM Bid Rounds 2025–26: 16 blocks, with 74 BCM of prognosticated gas in 2025 and 200 BCM in 2026

The University of Houston presented insights on the hydrocarbon prospectivity of India's East Coast basins, drawing upon global analogues and basin evaluation methodologies. Schlumberger presented on basin-scale investment opportunities enabled through digital solutions, demonstrating how advanced subsurface imaging, data analytics and integrated digital workflows can enhance prospectivity understanding, particularly in frontier and underexplored basins.

The session outlined the strategic investment case for India's hydrocarbon sector, including:

- Significant yet-to-find resource potential of 3.9 billion tonnes of oil equivalent
- A large and growing domestic market with full marketing and pricing freedom
- A relatively low regulatory burden under revenue-sharing contracts
- Access to high-quality E&P data through the National Data Repository
- A strong policy focus on enhancing domestic production and energy security

India Energy Week 2026 Opens with Call for Investment, Partnerships and Action in Global Energy Transition

India Energy Week 2026 commenced with keynote addresses by Union Minister for Petroleum and Natural Gas, Hon'ble Hardeep Singh Puri, Hon'ble Sultan Ahmed Al Jaber, Minister of Industry and Advanced Technology of the United Arab Emirates and Managing Director and Group CEO of ADNOC, and a welcome address Hon'ble Chief Minister of Goa, Pramod Sawant.

The speakers reiterated the global conclave's role as a premier international platform for translating energy dialogue into action, innovation into implementation, and ambition into outcomes.

Delivering the keynote address, Minister Puri highlighted India's steady and resilient progress towards energy security, self-reliance and climate justice under the leadership of Hon'ble Prime Minister Narendra Modi. He noted that India Energy Week has rapidly evolved into a trusted global forum, bringing together policymakers, producers, consumers, technology providers and investors to navigate a period of unprecedented transition and volatility in the global energy system.

Shri Puri emphasised that the global energy transition is fundamentally about "energy addition" rather than replacement, underscoring the need for sustained investment across oil, gas, biofuels, green hydrogen, LNG and clean cooking fuels. He outlined India's reforms-driven approach to ensuring availability, affordability and sustainability. The Minister highlighted the opening of large sedimentary

basins for exploration, successive Open Acreage Licensing Policy (OALP) and Discovered Small Fields (DSF) bidding rounds, along with continued policy reforms to attract global investors.

He added that India's rapid expansion of LPG coverage, clean cooking access and diversified energy mix reflect the country's commitment to inclusive growth and equitable energy access.

Addressing the gathering, Hon'ble Sultan Ahmed Al Jaber, Minister of Industry and Advanced Technology of the United Arab Emirates and Managing Director and Group CEO of ADNOC, underlined that global energy demand is entering a phase of transformation at scale, which is driven by emerging markets, digitalisation and the integration of diverse energy systems. He noted that India sits at the heart of these megatrends and will be a decisive driver of global energy demand in the decades ahead.

Dr. Al Jaber stressed that the greatest risk facing the global energy system is underinvestment, and called for balanced investment across all forms of energy to ensure security, affordability and sustainability. Highlighting the depth of the UAE–India energy partnership, he noted ADNOC's role as a reliable supplier of crude, LNG and LPG to India while reaffirming UAE's commitment to long-term, trust-based partnerships that deliver certainty, resilience and shared value in a rapidly evolving global energy landscape.

Welcoming delegates, the Hon'ble Chief Minister of Goa, Dr. Pramod Sawant, said that India Energy Week 2026 has emerged as a global platform that converts ideas into action. As the host state, Goa showcased its vision for sustainable development, including a long-term roadmap to achieve 100 per cent renewable energy by 2050, the Chief Minister added. He also highlighted the importance of balancing the green economy with the blue economy, ensuring environmental sustainability alongside responsible use of ocean resources.

Across the inaugural addresses, India Energy Week 2026 underscored India's positioning as a responsible global energy leader offering practical, scalable and inclusive solutions. Strong emphasis was laid on international cooperation, innovation and investment mobilisation as critical enablers for accelerating the global energy transition.

IEW 2026: Ministerial Panel Underscores Energy Security, Investment Continuity and Global Cooperation Amid Geopolitical Uncertainty

A high-level Ministerial Panel on the first day of India Energy Week 2026 brought together senior policymakers to deliberate on *"Charting a Course through Uncertainty: Securing Affordable, Accessible and Sustainable Energy in a Turbulent World."* The discussion highlighted the need for pragmatic policies, sustained investment and stronger international partnerships to navigate global energy volatility.

Participating in the panel were Shri Hardeep Singh Puri, Minister of Petroleum and Natural Gas, Government of India, HE Tim Hodgson, Minister of Energy and Natural Resources, Canada, and HE Jassim Al Shirawi, Secretary General of the International Energy Forum (IEF).

The panel voiced the mutual recognition that global energy systems are facing heightened uncertainty driven by geopolitical tensions and shifting trade dynamics. Speakers emphasised that rising demand from emerging economies, and the accelerating pace of the energy transition has brought energy security, affordability and sustainability in sharper focus, with no single pathway applicable to all countries.

Speaking from India's perspective, Shri Hardeep Singh Puri underlined that energy availability is the lifeline of a growing economy and a matter of national resilience. He noted that India has successfully navigated recent global turbulence without shortages by diversifying sources, expanding supplier geographies and unfurling reforms across the energy value chain.

Highlighting India's ambition to increase the share of natural gas in its energy mix, Shri Puri stressed the importance of global collaboration, investment and realistic transition pathways. Shri Puri reiterated that the global transition efforts should recognise that continuing growth in energy demand can be met through energy addition, not abrupt replacement as stable, predictable markets are in the shared interest of producers and consumers alike.

Canada's Minister of Energy and Natural Resources, HE Tim Hodgson, noted that a more fragmented and mercantilist global trading environment has reinforced the importance of trusted partnerships and diversified supply chains.

Highlighting Canada's position as a major producer of oil, gas and critical minerals, he expressed strong interest in deepening cooperation with India, particularly in the areas of LNG, critical minerals, oil supplies and long-term energy trade. The Minister also underscored that middle powers must work together to uphold free trade, reliability and non-coercive energy relationships.

Providing a global perspective, IEF Secretary General Jassim Al Shirawi highlighted rising global energy demand driven by population growth, urbanisation, industrialisation, digitalisation and improving living standards. He noted that oil and gas will continue to play a critical role even as electrification and renewables expand as feedstocks for industry and petrochemicals.

The Secretary General cautioned that underinvestment, grid constraints, supply-chain concentration and fragmentation could pose risks to energy security. He also called for sustained dialogue between producers and consumers to manage the transition in a balanced and orderly manner.

The panel stressed that navigating uncertainty will require realism, adaptability and cooperation. It identified investments across oil, gas, electricity grids, LNG, critical minerals and emerging technologies as essential to ensuring that the energy transition remains inclusive, affordable and resilient.

IEW 2026: Leadership Panel Pegs Natural Gas as Instrumental Reducing Emission

A high-level Leadership Panel on the inaugural day of India Energy Week 2026 brought together global energy leaders to examine the evolving role of natural gas and LNG in strengthening energy resilience, supporting economic growth and enabling a realistic and inclusive energy transition amid geopolitical uncertainty.

The panel, titled **"**Repositioning Natural Gas and Energy Transformation: Pragmatic Bridging Resource to Pivotal Destination Fuel**,"** featured Shri Arvinder Singh Sahney, Chairman, IndianOil Corporation Limited, Shri Sandeep Kumar Gupta, Chairman & Managing Director, GAIL (India) Limited, Ms Fatema Al Nuaimi, CEO, ADNOC Gas, and Mr Steven Kobos, President & CEO, Excelerate Energy.

Panelists underscored that natural gas and LNG are increasingly emerging as long-term, foundational components of modern energy systems. With global gas demand projected to increase by 30–35% by 2050, the panel highlighted coal-to-gas switching as the most tangible near-term pathway to reduce emissions while preserving grid stability.

From India's perspective, speakers noted the country's rapidly expanding gas ecosystem, supported by growing domestic production, diversified LNG imports and continued investments in pipelines, terminals and city gas distribution. The panel earmarked natural gas for playing a critical role across fertilisers, transport fuels and urban energy access.

The discussion reinforced the view that the energy transition must be approached as energy addition rather than abrupt replacement, as highlighted by the Union Minister of Petroleum and Natural Gas earlier in the day. Properly abated gas-fired power generation, which is supported by efficiency improvements, methane mitigation and emerging carbon management technologies, was identified as an essential complement to renewables for providing flexibility, reliability and dispatchability in increasingly electrified systems.

The panel agreed that affordability of the fuel was a hurdle in its widespread adoption. Panelists stressed that natural gas and LNG must become more cost competitive not only to displace coal, but also to remain viable alongside renewables and alternative fuels.

The panel identified policy stability, supportive regulatory frameworks, access to long-term finance, reduced infrastructure costs and the development of a liquid and transparent global gas market key to accelerated uptake of natural gas. The panel also highlighted the importance of renewed upstream investment to address emerging global supply gaps.

Panelists also emphasised the importance of expanding LNG import capacity, regasification infrastructure, including floating storage and regasification units (FSRUs), pipelines and last-mile connectivity to ensure that increased global supply translates into accessible and affordable energy.

India and Canada Signed Joint Statement on Energy Cooperation at India Energy Week 2026

At the invitation of the Hon'ble Minister of Petroleum and Natural Gas of India, H.E. Shri Hardeep Singh Puri, the Hon'ble Minister of Energy and Natural Resources of Canada, H.E. Timothy Hodgson, participated in India Energy Week 2026 (IEW'26) in Goa, marking the first high-level participation of a Canadian Cabinet Minister at IEW. On the sidelines of the event, the two Ministers held a bilateral meeting and launched the renewed India-Canada Ministerial Energy Dialogue. During this meeting, the Ministers affirmed the immense importance that energy security and diversity of supply has in the safety, wellbeing, and economic vitality of both countries.

This meeting is a follow up to the direction provided by the Prime Minister(s) of India and Canada during their interaction on the sidelines of the G7 Summit, held in June 2025 in Kananaskis, Canada, wherein both leaders underscored the importance of restarting senior ministerial, as well as working-level engagements.

India's Ministry of Petroleum and Natural Gas and Natural Resources Canada recognized the complementary nature of their energy sectors, and the mutual value to be gained on sustained engagement on energy matters. Canada has stated its goal of becoming an energy superpower in clean and conventional energy, with export diversification as a priority while India, as the epicenter of global energy landscape, offers a natural and symbiotic partnership grounded in scale, stability, and long-term opportunity. Canada has current and emerging liquefied natural gas (LNG) projects, is increasing production and exports of crude oil to markets in Asia via the Trans Mountain Expansion (TMX) Pipeline and is advancing liquefied petroleum gas (LPG) exports to Asia via the west coast of Canada. At the same time, India being the world's third largest oil consumer, fourth largest LNG importer, third largest LPG consumer, and having fourth largest refining capacity, is projected to remain at the center of the global energy landscape, accounting for over one-third of the growth in global energy demand over the next two decades, largest contribution by any country. Even efforts are underway in India to substantially scale up domestic oil production, significantly expand refining capacity, increase use of natural gas in the energy mix. Thus, India and Canada have significant potential to emerge strong collaborators in area of energy fuels. In this context, the Ministers affirm to deepen bilateral energy trade including supply of Canadian LNG, LPG, and crude oil to India, and supply of refined petroleum products from India to Canada.

The Ministers recognize the importance of joint commercial and investment partnerships in each other's energy sector. Canada is acting quickly to build energy projects and supply products to international markets, with Asia as a priority region. In 2025, the Government of Canada launched the Major Projects Office and announced the acceleration of several energy and resource projects and strategies, representing more than $116 billion in investments. India is also investing heavily in its own energy supply and prosperity. India highlighted the various policy reforms undertaken, including the huge investment opportunity of US$ 500 billion in overall value chain of energy sector. Recognizing this, the Ministers agreed to deepen long-term partnerships aimed at facilitating increased reciprocal investment in the Indian and Canadian energy sectors.

The Ministers also recognized the importance of climate-related objectives. This includes efforts to reduce emissions in conventional energy value chains, including through carbon capture utilization and storage,

and support for the development and deployment of cleaner technologies as energy demand grows. Recognizing that there exists a huge potential for cooperation in clean energy value chains, the Ministers noted the opportunities for collaboration in renewable energy, including hydrogen, biofuels and sustainable aviation fuel; battery storage; critical minerals; clean technologies; electricity systems; energy supply chain resilience, and the application of artificial intelligence in the energy sector.

The Ministers noted the ongoing collaborative efforts to advance the global energy transition via the global development and deployment of biofuels through Global Biofuels Alliance (GBA), where Canada is an observer.

Building on the deliberations, both sides affirm:

i. The importance of energy security and diverse energy supply chains. India, as a major consumer and Canada as a safe, secure and reliable supplier, can act in partnership to deepen trade and ensure stable and secure energy supplies. India and Canada will collaborate to promote and strengthen cooperation across trade in the energy sector, including services.

ii. Their commitment to continued Government-to-Government dialogue and cooperation, such as through the India-Canada Ministerial Energy Dialogue, and regular and ongoing expert collaboration.

iii. The intention to work in partnership to support meaningful Business-to-Business, or Business-to-Government, collaboration across the value chain.

iv. Their mutual intent to continue supporting work through bilateral and multilateral mechanisms, as well as with industry partners, to support climate- objectives, for the benefit of the global community.

IEW 2026: OPEC Outlook Projected India as the Largest Driver of Global Energy Demand Growth

India is projected to be the largest contributor to global oil demand growth till 2050, according to the *World Oil Outlook 2025* presented by Dr. Abderrezak Benyoucef, Head, Energy Studies Department, Research Division, Organization of the Petroleum Exporting Countries (OPEC), at India Energy Week 2026 being organised in Goa from 27th to 30th January 2026.

Presenting OPEC's flagship long-term outlook on the Resilience Stage on the second day of the event, Dr. Benyoucef stated that India alone is expected to add 8.2 million barrels per day of oil demand by 2050. This growth will be driven primarily by transportation, petrochemicals and industrial activity. At the global level, oil demand is projected to continue rising over the medium and long term, reaching nearly 123 million barrels per day by 2050, with demand growth concentrated in non-OECD regions.

The report projects India to be the largest and most stable contributor to global primary energy demand growth. India's total primary energy demand is expected to almost double, increasing from around 22 million barrels of oil equivalent per day in 2024 to about 43.6 million barrels of oil equivalent per day by 2050.

Globally, primary energy demand is projected to increase by 23 per cent over the same period, rising from about 308 million barrels of oil equivalent per day to around 378 million barrels of oil equivalent per day, with non-OECD countries accounting for nearly 72 percent of total demand by 2050.

On the economic front, The OECD report said that India is expected to emerge as the world's fastest-growing major economy, with average annual GDP growth of around 5.8 per cent between 2024 and 2050. India's share of global GDP is projected to rise from about 8 percent in 2024 to 17 percent by 2050, significantly increasing its influence on global energy markets. Globally, economic growth over the outlook period is expected to be driven primarily by non-OECD countries.

The report said that demographic trends will consolidate India's central role in future energy demand. India, already the world's most populous country, will continue to anchor global population growth and rising energy consumption. At the global level, population is projected to increase by around 1.5 billion by 2050, with almost all growth occurring in non-OECD countries, alongside increasing urbanisation and improving living standards.

The Outlook underscores the need for sustained investment to meet rising demand and offset natural decline rates. Globally, cumulative oil-related investment requirements are estimated at around USD 18.2 trillion between 2025 and 2050, including nearly USD 15 trillion in upstream investment.

IEW 2026: Policy Certainty, Low Renewable Energy Cost and Technology Adoption Drive India's Hydrogen and Clean Fuel Momentum

India's green hydrogen goals are moving decisively from ambition to execution, driven by competitive pricing, long-term demand creation and sectoral integration, Shri Abhay Bakre, Mission Director, National Green Hydrogen Mission, said at the Leadership Spotlight Session on the third day of India Energy Week 2026.

Speaking on the Resilience Stage at the session titled *Scaling Green Ammonia: Value Chain Synergies and the Hydrogen Ecosystem*, Bakre said India's target of producing 5 million tonnes of green hydrogen by 2030 has found impetus through successful price discovery, enabling projects to advance toward final investment decisions.

"These three years—2025, 2026 and 2027—are very important for the ecosystem to actually act as a launchpad", said Bakre. He added that green hydrogen and ammonia prices are increasingly approaching parity with conventional alternatives, a crucial development towards large-scale domestic adoption and exports.

From a technology and industry perspective, Gary Godwin, Vice President, Sustainable Technology Solutions and Global Lead, Critical Minerals, KBR said that green ammonia technologies are now commercially viable and capable of operating at global scale. He noted that the next priority is building robust supply chains and long-term offtake arrangements to unlock deployment across power, shipping and heavy industry.

Speaking on market development, Dr. R K Malhotra, President, Hydrogen Association of India, emphasised that India's competitive renewable energy prices and emerging electrolyser manufacturing base are creating a strong foundation for green hydrogen and ammonia scale-up.

Offering an international policy perspective, Han Feenstra, Senior Policy Advisor, Ministry of Economic Affairs and Climate Policy, Kingdom of the Netherlands said that European hydrogen markets are shifting toward demand mandates and import frameworks. He added that the development is opening long-term opportunities for reliable partners like India, whose cost competitiveness and policy clarity make it a natural contributor to Europe's decarbonisation ambitions.

IEW 2026: Coal to Remain the Mainstay of Energy as India Looks to Triple Per Capita Energy Consumption

Coal will continue to play a central role in India's energy mix as the country works towards tripling its per capita energy consumption on the path to Viksit Bharat 2047, said Shri Vikram Dev Dutt, Secretary, Ministry of Coal, at a leadership panel on the third day of India Energy Week 2026. The event is being organised in Goa from

Speaking at the session *Coal's evolving role in a secure energy mix: charting a balanced and pragmatic approach* on the Resilience Stage, the Secretary emphasised the need for realism in energy transition debates.

"Coal is not going away in a hurry. For India, affordable and dependable baseload power is not a choice, it is an imperative. The mantra is not 'phase out', it is 'phase down' in calibrated steps that reflect ground realities," he said. He added that coal underpins India's development needs and will continue to do so even as renewables scale up alongside climate commitments.

Highlighting the global perspective, Kyle Haustveit, Assistant Secretary for Hydrocarbons and Geothermal Energy, U.S. Department of Energy, said coal remains critical for energy security worldwide.

"Coal powered the modern world and it is not going away. Reliable, affordable and secure energy matters, and coal provides that stability, regardless of weather or market volatility," he said. Haustveit highlighted the strong potential for India–US collaboration in clean coal technologies, coal gasification, carbon utilisation and trade in high-quality metallurgical coal.

From an industry standpoint, Shri B. Sairam, Chairman-cum-Managing Director, Coal India Limited, said coal will act as a bridge and enabler in India's transition. "India's per capita energy consumption is barely a third of developed economies. As this demand triples, coal will provide firm, dispatchable power while renewables and storage mature," he said. The Coal India CMD added that the higher domestic production can reduce imports and save foreign exchange.

Panelists also highlighted emerging opportunities in coal gasification, coal-to-chemicals and clean coal technologies. Secretary Dutt noted that government support, including viability gap funding and pilot projects in surface and underground coal gasification, is accelerating adoption. He added that revenues from coal can help fund green energy infrastructure, creating a balanced transition.

IEW 2026: Energy Data Must Anticipate Growth, Not Chase It, Says Shri Pankaj Jain at IEW 2026

Energy must be planned ahead of economic growth, or it risks becoming a binding constraint, said Shri Pankaj Jain, Former Secretary, Ministry of Petroleum and Natural Gas and Member Secretary, Eighth Central Pay Commission, during a Leadership Spotlight Session on the third day of India Energy Week 2026. Speaking at the session *"Empowering economic policy with energy data: steering India's growth towards Viksit Bharat 2047"* on the Addition Stage, Pankaj Jain stressed the need for forward-looking, data-driven policymaking.

"Energy cannot play catch-up. Energy has to anticipate. If we falter even once in planning energy for GDP growth, it becomes a constraint," he said, highlighting the risks of delayed capacity creation due to fragmented decision-making.

Jain underlined that while India has vast datasets across sectors, energy data remains dispersed across silos. He called for stronger integration of data on petroleum, power, coal and gas to support macroeconomic forecasting, fiscal planning and infrastructure prioritisation. He also noted that accurate energy data is critical not only for capacity planning but also for managing fiscal outcomes, incentives for investment and long-term economic stability.

Shri Srikant Nagulapalli, Director General, Directorate General of Hydrocarbons, emphasised that India's energy needs are set to expand sharply as the country advances towards 2047. He added that hydrocarbons will continue to play a critical role, particularly in hard-to-abate sectors such as fertilisers and refining, even as renewables scale up. Given India's high import dependence and long gestation periods for domestic production, he said that timely, data-backed decisions are essential to ensure energy preparedness and security.

From a market perspective, Ms Vandana Hari, Founder and CEO of Vanda Insights, highlighted the direct linkage between global oil and gas prices and India's macroeconomic indicators. She stressed the importance of scenario-based planning, noting that price volatility makes probabilistic, data-led approaches indispensable for policy planning.

Complementing the discussion, Shri Pradip Kumar Das, Chairman and Managing Director, Indian Renewable Energy Development Agency Limited, highlighted India's rapid expansion in renewable energy and the role of finance in enabling scale. He highlighted the need to align data on intermittency, storage, supply chains and emerging technologies to ensure that the energy transition remains reliable, affordable and investment-ready.

IEW 2026: India's Bioenergy Growth Can Outpace Overall Energy Demand, Says Secretary, MoPNG at the Global Energy Conclave

India's bioenergy sector has the potential to grow significantly faster than the country's overall energy demand and emerge as a key pillar of energy security, emissions reduction and rural development, said Dr Neeraj Mittal, Secretary, Ministry of Petroleum and Natural Gas, on the third day of India Energy Week 2026 which is being held in Goa from 27th January to 30th January 2026.

Speaking on the Addition Stage at the release of the *IEA India Bioenergy Market Report: Outlook for Liquid and Gaseous Biofuels to 2030* and the 5th edition of the PPAC Journal *Ensuring Energy Security: Role of State Energy Policies*, Dr. Mittal emphasised the urgency of scaling sustainable energy solutions.

"India's energy consumption is in the lower half globally on a per capita basis, but its growth rate is almost twice the world average. In the next decade, India's energy growth could outstrip global growth by a factor of two or more," he said.

Highlighting the success of policy-driven outcomes, Dr. Mittal cited the ethanol blending programme as a global benchmark. "In 2014, ethanol blending was just 1.4 percent. Today, we are close to 20 percent, and we have enough domestic ethanol to go beyond that if technology and national vision take us there," he added. He noted that similar blending targets have been set for biodiesel, compressed biogas (CBG) and sustainable aviation fuel, underlining India's commitment to responsible and low-carbon energy growth.

The *IEA India Bioenergy Market Report*, released during the session by the International Energy Agency, presented a strong growth outlook for liquid and gaseous biofuels through 2030. Presenting key findings, Dr. Paolo Frankl, Head of the Renewable Energy Division at IEA, said India has already tripled its consumption of modern bioenergy since 2020, driven by a combination of blending mandates, targeted incentives, research support and supply-chain development. He added that under enhanced policy implementation, India could double biofuel deployment again by 2030, making it one of the fastest-growing bioenergy markets globally.

Dr. Frankl highlighted compressed biogas as a major emerging opportunity for India due to the country's vast agricultural residues and organic waste potential. He added that improved feedstock aggregation, infrastructure proximity and stable offtake mechanisms would be critical to sustaining growth and lowering costs.

Complementing the IEA report, Petroleum Planning and Analysis Cell (PPAC) released the 5th edition of its bi-annual technical journal. Shri P Manoj Kumar, Director General, PPAC, said the edition focuses on the pivotal role of state-level energy policies in strengthening availability, affordability and resilience. He added that the journal brings together contributions from states, policymakers and institutions, reinforcing evidence-based policymaking and cooperative federalism in the energy sector.

Mr Charlotte Morton, Chief Executive of the World Biogas Association, contributed to the Panel's deliberation with crucial insights on the need for a cohesive national framework for biogas. She highlighted biogas as a multi-benefit solution that supports waste management, rural livelihoods, emissions reduction and decentralised energy systems, and called for stronger coordination across policies, finance and markets.

India Energy Week 2026 concluded with India reinforcing its role in the global energy landscape

India has demonstrated strong preparedness to navigate sustained geopolitical volatility in global energy markets and will continue to occupy centre stage in international energy discourse, Union Minister for

Petroleum and Natural Gas Shri Hardeep Singh Puri said at the Closing Ceremony of India Energy Week (IEW) 2026. The event was organised in Goa from 27th January to 30th January 2026.

Speaking during the closing fireside chat, Shri Puri emphasised that India's energy strategy is anchored in diversification, resilience and forward-looking transitions. "We have coped very well with successive geopolitical shocks. Each challenge has been converted into an opportunity—through diversification of supply sources and a rapid transition towards cleaner fuels," the Union Minister said.

Highlighting India's global standing, Shri Puri noted that the country is today the third-largest energy consumer, fourth-largest refiner and among the top exporters of petroleum products, "India will continue to ensure availability, affordability and sustainability of energy, even amid global uncertainty," Shri Puri added.

The Union Minister also emphasised the government's push on compressed biogas (CBG), green hydrogen and indigenous clean-energy technologies, alongside continued investments in conventional fuels. "Traditional energy will remain essential, but the strides we are making—from ethanol blending to CBG, hydrogen and biofuels—give us confidence that greener fuels will play an expanding role," he said.

Addressing concerns around consumer impact during global price shocks, the Minister said that India has successfully insulated its citizens from volatility. "Global turmoil has never been passed on to the consumer. India today has among the lowest energy prices in the world, and uninterrupted supply has been maintained even during crises," he said, citing timely interventions by oil marketing companies in ensuring fuel prices, including that of LPG, remained affordable to consumers.

Following the Minister, Dr. Neeraj Mittal, Secretary, Ministry of Petroleum and Natural Gas, presented the government's blueprint to support India's growth trajectory. "With projected economic growth of over 7 percent, energy demand will rise sharply. Our focus rests on two pillars: strengthening domestic exploration and production, and positioning India as a reliable supplier of refined products to the world," the Secretary said.

Dr. Mittal outlined ambitious plans to accelerate upstream activity, including increased drilling and exploration to enhance self-reliance. He also stressed on integration of refining and petrochemicals to maximise value addition and reduce imports. "We are building scale at home while remaining competitive globally," he added.

On energy transition, Dr. Mittal highlighted the importance of technology and digitalisation. "From logistics optimisation to AI-driven efficiencies, technology is becoming central to lowering costs and improving operational resilience," he noted. He added that India is well on track to meet its targets on CBG, with a goal of achieving 5 percent blending by 2030, supported by active state participation and farmer-led biomass supply chains.

The closing session reinforced India Energy Week 2026's role as a platform that bridges energy security, affordability and sustainability, while positioning India as a steady, credible and pragmatic leader in a rapidly evolving global energy landscape.

Draft National Electricity Policy (NEP), 2026 released for public consultation with stakeholders

The Ministry of Power announced the release of a new "Draft National Electricity Policy (NEP) 2026". The Draft NEP 2026 aims to transform the power sector for meeting the vision of *Viksit Bharat @2047.* The policy, once finalised, intends to replace the existing NEP which was notified in 2005.

The first National Electricity Policy, notified in February 2005, addressed fundamental challenges of the power sector, including demand–supply deficits, limited access to electricity, and inadequate infrastructure. Since then, India's power sector has witnessed transformational progress. Installed generation capacity has increased fourfold with significant private sector participation; universal electrification was achieved by March 2021; a unified national grid became operational in December 2013; and per capita electricity consumption reached 1,460 kWh in 2024–25. Power markets and exchanges have improved flexibility and efficiency in power procurement across the country.

In spite of these achievements, persistent challenges remain, particularly in the distribution segment like high accumulated losses and outstanding debt. Tariffs in several segments remain non–cost reflective, and high cross-subsidisation has resulted in elevated industrial tariffs, adversely affecting the global competitiveness of Indian industry.

Against this backdrop, the Draft NEP 2026 sets ambitious yet necessary goals. The Policy targets per capita electricity consumption of 2,000 kWh by 2030 and over 4,000 kWh by 2047. It also aligns with India's climate commitments, including reduction of emissions intensity by 45 percent below 2005 levels by 2030 and achievement of net-zero emissions by 2070, necessitating a decisive shift towards low-carbon energy pathways.

Draft NEP 2026 includes following major interventions:

1. Resource Adequacy (RA):

- To ensure required capacity expansion through decentralized advance planning, DISCOMs and SLDCs shall prepare RA plans at utility and state levels, in accordance with the regulations of State Commissions. CEA will prepare a corresponding national plan to ensure adequacy at the national level.

2. Financial Viability & Economic Competitiveness:

- Tariffs must be linked to a suitable index for automatic annual revision which operates if no tariff order is passed by the State Commission.
- Tariffs should progressively recover fixed costs through demand charges to avoid cross-subsidisation between the tariff components as well as among various categories of consumers.
- Exemption of cross-subsidies and surcharges on manufacturing industry, railways and metro railways to increase the economic competitiveness of Indian goods and reduce logistics cost.

- Regulatory Commissions, in consultation with Appropriate Governments, may exempt the distribution licensees from the Universal Service Obligation in respect of consumers having a contracted load of 1 MW and above.
- Strengthening of dispute resolution mechanism to reduce burden on Regulatory Commissions, enable faster dispute resolution and reduce financial burden on consumers.

3. Renewable Energy Generation & Storage:

- RE capacity addition through market-based mechanisms and captive power plants.
- Installation of storage by distribution licensee on behalf of small consumers to get benefit of economies of scale and by bulk consumers themselves to facilitate adoption of Distributed Renewable Energy (DRE) sources.
- Trading of surplus energy from DRE as well storage by consumers themselves (P2P) or through aggregators.
- Parity between RE and conventional sources in scheduling and deviation by 2030.
- Market-based deployment of storage, use of emerging Battery Energy Storage System (BESS) technologies, domestic manufacturing of cells and other components of BESS and demand side incentives like VGF for BESS and pumped storage projects.

4. Thermal Generation:

- Integration of storage, and repurposing of older units for grid support to enable greater renewable energy integration.
- Exploring possibility of direct utilization of the steam generated from thermal plants for applications such as district cooling or industrial processes for optimum utilization.

5. Nuclear Generation:

- In line with the provisions of SHANTI Act, 2025, adoption of advanced nuclear technologies, developing Modular Reactors, setting up Small Reactors, and use of nuclear energy by commercial and industrial consumers to achieve 100 GW by 2047.

6. Hydro Generation:

- Accelerated development of storage-based hydroelectric projects for flood moderation, irrigation, and water as well as energy security.

7. Power Markets:

- A strong regulatory framework for market monitoring and surveillance to prevent collusion, gaming, or market dominance.

8. Transmission:

- Adoption of latest technologies and suitable compensation for land use to address Right of Way (RoW) challenges.
- Parity of transmission tariff with conventional power by 2030 for all types of new RE capacity.
- Utilization-based framework for allocation of transmission connectivity, along with appropriate regulatory mechanisms to ensure optimal use and prevent speculative holding of connectivity.

9. Distribution:

- Measures to achieve single-digit AT&C losses.
- Shared distribution networks to enhance competition and efficiency, while eliminating the requirement of duplication of network.
- Establishment of a Distribution System Operator (DSO) to facilitate sharing of network and integration of distributed renewables, storage, Vehicle-to-Grid (V2G) systems.
- N-1 redundancy at distribution transformer level in all cities with population more than 10 lakh by 2032. Such cities to be considered for undergrounding of distribution network in congested areas.

10. Grid Operations:

- Functional unbundling of State Transmission Utilities (STUs) and creation of independent state-level entities to manage SLDC operations and transmission planning functions.
- Alignment of State Grid Codes with Indian Electricity Grid Code specified by CERC

11. Cybersecurity:

- Establishment of Robust cybersecurity framework.
- Mandatory storage of power sector data within India to ensure data sovereignty and system resilience.

12. Data Sharing:

- Sharing of operational and market data under a framework prescribed by the Central Government.
- Ensuring real-time visibility of Distributed Energy Resources to DISCOMs and SLDCs.

13. Technology & Skill Development:

- Transition to indigenously developed SCADA system by 2030.
- Development of domestic software solution for all critical applications in the power system.

With the various new provisions, the Draft NEP 2026 provides a comprehensive blueprint for a future-ready, financially viable and environmentally sustainable power sector to provide reliable and quality power at affordable price to meet the goals of Viksit Bharat @ 2047.

Electricity Amendment Bill, 2025

Central Government has issued the draft Electricity (Amendment) Bill, 2025, proposing comprehensive reforms in the power sector. The draft Bill seeks to take measures for financial sustainability, promote competition, strengthen regulatory accountability, and accelerate India's transition towards non-fossil fuel–based electricity generation, in alignment with the vision of *Viksit Bharat @ 2047*. The key reforms proposed are outlined below:

i. Financial Viability: The financial sustainability of distribution licensees is critical for reliable and affordable electricity. The proposed amendments mandate cost-reflective tariffs, empower Commissions to determine tariffs *suomotu* effective 1st April each year.

ii. Economic Competitiveness: High industrial tariffs, cross-subsidies, and rising procurement costs have weakened industrial competitiveness. The proposed reforms aim to rationalise tariffs, unlock demand, reduce costs, and enhance India's economic productivity and global competitiveness.

iii. Energy Transition: To achieve 500 GW of non-fossil capacity by 2030, the amendments propose empowering CERC to introduce market-based instruments to attract investment and accelerate renewable capacity addition. Enforceable non-fossil energy obligations are also proposed to align the Electricity Act with the Energy Conservation Act.

iv. Ease of Living and Ease of Doing Business: The amendments propose uniform national standards of service to improve supply quality and accountability. Consumer-friendly measures include capping assessment for unauthorised use to one year, and reducing appeal pre-deposit requirements.

v. Regulatory Strengthening: To enhance accountability and efficiency, it is proposed that Governments may refer complaints against CERC and SERC Members, with expanded grounds for removal. A 120-day timeline is proposed for adjudicatory decisions, and the strength of APTEL is proposed to be increased to address pendency.

vi. Other Reforms: Powers for installation and maintenance of electric lines are proposed to be transitioned from the repealed Telegraph Act, 1885 into the Electricity Act, 2003, with States framing compensation framework. To reduce network duplication and costs, distribution licensees are proposed be permitted to supply electricity through shared networks, subject to regulatory approval and charges.

Upon enactment, the provisions of the Electricity (Amendment) Bill, 2025 shall apply uniformly across all States, including Maharashtra.

Subsidies for specified consumer categories including tribal households may continue to be transparently funded by the State Government under Section 65, without compromising the financial sustainability of power sector.

India Marks Record-Breaking Year in Clean Energy in 2025: Union Minister Pralhad Joshi

India marked a record-breaking year in its clean energy journey in 2025, with non-fossil fuel installed capacity rising to 266.78 GW, Union Minister of New and Renewable Energy Shri Pralhad Joshi said. This represents a 22.6% increase over 2024, when non-fossil capacity stood at 217.62 GW, with 49.12 GW of new non-fossil capacity added during the year.

Solar and Wind Drive Renewable Energy Expansion

Solar power led the expansion, with installed capacity increasing from 97.86 GW in 2024 to 135.81 GW in 2025, registering a growth of 38.8 per cent. Wind energy capacity also witnessed steady growth, rising from 48.16 GW to 54.51 GW, marking an increase of 13.2 per cent. Together, solar and wind continued to drive India's renewable energy expansion during the year.

Bioenergy and Small Hydro Add to Clean Energy Diversification

Other renewable energy segments also contributed to the overall growth in 2025. Bioenergy installed capacity reached 11.61 GW, including 0.55 GW from waste-to-energy off-grid projects, reflecting steady progress in clean fuel generation and waste management.

Small hydro power capacity increased to 5.16 GW, supporting decentralised and region-specific renewable energy development. Large hydro power capacity stood at 50.91 GW, including 7,175.6 MW of pumped storage, strengthening grid stability and renewable energy integration.

Policy Leadership Strengthens India's Clean Energy Pathway

Union Minister Shri Pralhad Joshi said that the record growth achieved in 2025 reflects decisive policy direction, long-term vision and sustained implementation under the leadership of Prime Minister Shri Narendra Modi. He said the progress strengthens India's pathway towards energy security, climate responsibility and a self-reliant green economy, while moving steadily towards the national target of 500 GW of non-fossil energy capacity by 2030.

India's Energy Transition Guided by 'Vasudhaiva Kutumbakam - One Earth, One Family, One Future': Union Minister Pralhad Joshi

Union Minister for New and Renewable Energy Shri Pralhad Joshi delivered India's national statement at the 16th Assembly of the International Renewable Energy Agency (IRENA) in Abu Dhabi, United Arab Emirates, reaffirming India's strong commitment to a just, equitable, affordable and sustainable global energy transition.

Addressing the Assembly, the Union Minister stated that India's approach to energy transition is guided by the principle of Vasudhaiva Kutumbakam - One Earth, One Family, One Future, and a long-term vision anchored in equity, inclusivity and policy stability. He reiterated India's commitment to achieving 500 GW of non-fossil fuel installed power capacity by 2030 and Net Zero emissions by 2070.

Highlighting a major milestone, Shri Joshi informed that India has already achieved 50% of its installed electricity capacity from non-fossil fuel sources in 2025, five years ahead of its Nationally Determined Contribution (NDC) target under the Paris Agreement. India's non fossil fuel energy capacity has crossed 266 GW, placing the country among global leaders in renewable energy deployment.

The Union Minister underlined that as one of the world's fastest-growing major energy markets, India is prioritising reliable and resilient power systems through accelerated deployment of energy storage solutions, grid modernisation, development of Green Energy Corridors and innovative bidding mechanisms such as hybrid and round-the-clock renewable energy projects. He also highlighted India's efforts to strengthen clean energy supply chains and expand domestic manufacturing across solar, wind, batteries and electrolysers, contributing to both national self-reliance and diversified global supply chains.

Emphasising the people-centric nature of India's energy transition, the Union Minister highlighted flagship programmes aimed at empowering households and farmers. Under the PM Surya Ghar: Muft Bijli Yojana, around 2.5 million households have benefitted from rooftop solar installations in less than two years, with a target to cover 10 million households by March 2027. Under the PM-KUSUM scheme, about 2.17 million farmers have benefitted through replacement of diesel pumps and solarisation of agricultural feeders.

The Union Minister noted that the global energy transition will require unprecedented investment and cooperation. India alone is expected to require around USD 300 billion by 2030, creating significant opportunities across renewable generation, storage, green hydrogen, grids and manufacturing. With stable policies and transparent markets, he said, India continues to remain one of the most attractive destinations for clean energy investment.

Calling for enhanced international cooperation, Shri Joshi stressed the importance of technology transfer, access to low-cost finance, capacity building and harmonisation of standards, particularly to support developing countries in scaling up renewable energy without compromising development aspirations.

Reaffirming India's strong support for IRENA, he stated that India stands ready to share its experience, institutions and technical expertise and to work closely with all member countries, especially Least Developed Countries and Small Island Developing States, to accelerate the global renewable energy transition. Union Minister emphasised that India's energy transition is not only about capacity addition, but about people, opportunity and a shared sustainable future.

Earlier, Union Minister Pralhad Joshi also participated in the High-Level Dialogue on "Reimagining Energy Futures: Bold Visions for Shared Prosperity" held on the sidelines of the assembly. He reaffirmed India's commitment to a people-centric energy transition, driven by strengthened international cooperation on finance, technology and governance, with the objective of delivering shared prosperity for all. Emphasising that the energy transition must become a mass movement driven by equity and inclusion, the Minister said that India added nearly 50 GW of RE capacity in 2025.

The Union Minister congratulated the Dominican Republic on assuming the Presidency of the International Renewable Energy Agency (IRENA) and extended best wishes to the Vice Presidents, Kenya,

Solomon Islands, Spain and Antigua and Barbuda, expressing confidence that their leadership will further strengthen multilateral cooperation and advance a sustainable and inclusive global energy transition.

The Union Minister also held a meeting with Dr. Amna bint Abdullah Al Dahak, Minister of Climate Change and Environment of the United Arab Emirates, to further strengthen India–UAE cooperation on climate action, clean energy and food security. During the interaction, the two sides reviewed the expanding partnership in renewable energy, investment and innovation, anchored in multiple Memoranda of Understanding signed between 2014 and 2024 and aligned with the UAE's Net Zero 2050 goal. The discussions focused on enhancing collaboration in renewables, decentralised energy solutions, manufacturing, energy storage, technology cooperation and blended finance, with an emphasis on people-centric, scalable initiatives to enhance energy security, resilience and long-term sustainability.

Bioenergy to Play Pivotal Role in Decarbonising MSMEs: Union Minister of State Shripad Yesso Naik

Union Minister of State for New and Renewable Energy and Power highlighted the pivotal role of bioenergy in India's clean energy transition, particularly in decarbonising industrial process heat in the MSME sector. The Minister was delivering the keynote address at a national workshop on' Introduction and Adoption of Biomass for Green Steam and Heat Applications in MSMEs', organised by the Ministry of New and Renewable Energy in collaboration with the German Agency for International Cooperation (GIZ) and Grant Thornton Bharat. On the occasion, the Minister also jointly released the report titled "Decarbonizing MSMEs: Use of Biomass for Green Steam and Heat Application".

Shri Naik said that under the leadership of Prime Minister Narendra Modi, India's renewable energy journey has witnessed unprecedented momentum over the past decade, with bioenergy emerging from a peripheral role to become a strategic pillar of the country's clean energy transition.

The Minister noted that bioenergy today extends far beyond electricity generation and contributes simultaneously to multiple national priorities, including energy security, rural livelihoods, waste management, pollution reduction and climate action. Highlighting the challenge of industrial decarbonisation, particularly in the MSME sector, he pointed out that while MSMEs contribute nearly one-third of India's manufacturing output and employ millions, a significant share of their energy demand for steam and heat continues to be met through fossil fuels such as coal, furnace oil and pet coke. Transitioning this segment towards clean and renewable thermal energy, he emphasised, is therefore essential.

Emphasising that biomass-based green steam and heat solutions offer a practical, scalable and India-specific pathway, the Minister said that India's abundant availability of agricultural residue, animal waste and municipal solid waste presents a unique opportunity to convert waste into value, reduce emissions and generate additional income for farmers and rural entrepreneurs. He outlined the Government's integrated approach through initiatives such as the National Bioenergy Programme, SATAT and GOBARdhan, which support biomass briquettes and pellets, non-bagasse-based cogeneration, industrial applications and decentralised solutions tailored to MSMEs, while also strengthening linkages with the National Green Hydrogen Mission.

Highlighting the significance of the report released during the workshop, the Minister said that it provides a data-driven, sector-specific roadmap for adopting biomass-based green heat and steam solutions across industries such as textiles, food processing, chemicals, foundries and pharmaceuticals. The report also brings out key policy and market enablers including biomass deployment obligations, standardised steam supply agreements, biomass exchanges and strengthened supply-chain coordination, and is expected to serve as a valuable reference for policymakers, industry and financial institutions.

The Minister underlined that technology alone cannot drive transformation and called for close collaboration across the entire value chain, from farmers and FPOs supplying biomass to aggregators, logistics providers, boiler manufacturers, energy service companies, financiers and regulators. He stressed that MSMEs require confidence in fuel availability, pricing stability, operational reliability and supportive policies, and noted that platforms such as this workshop are critical for trust-building, knowledge-sharing and co-creation of solutions.

The Minister said that bioenergy truly embodies the spirit of Sabka Saath, Sabka Vikas. He expressed confidence that the outcomes of the workshop and the insights from the report would accelerate the adoption of green steam and heat solutions across the MSME sector and urged all stakeholders to convert intent into action

Union Minister Pralhad Joshi Urges Global Investors to Partner in India's Rapid Clean Energy Expansion at World Economic Forum 2026, Davos

At the World Economic Forum Annual Meeting 2026 in Davos, Union Minister for New and Renewable Energy Pralhad Joshi underscored that the real challenge of the global energy transition lies in building infrastructure that is resilient, scalable and investment-ready.

Speaking at the session "Resilient Infrastructure for Growth", the Union Minister highlighted India's experience of combining scale with system resilience, noting that under the leadership of Prime Minister Shri Narendra Modi, the country has achieved 267 GW of non-fossil fuel capacity as of December 2025 and is firmly on track to meet its 2030 targets. This is backed by robust policies, strong domestic manufacturing, grid modernisation, energy storage solutions and emerging frameworks for geothermal and nuclear energy. He emphasised the need for patient capital, blended finance and deeper collaboration among governments, the private sector and multilateral development banks to enable a sustainable and inclusive global energy transition

<u>Sustainability at the Core of Economic Growth</u>

Union Minister for New and Renewable Energy Pralhad Joshi also delivered the keynote address at the roundtable "Delivering Sustainability at Scale: Pathways for Global Transformation" in Davos, sharing India's perspective on how sustainability has moved to the core of economic growth and development. Shri Joshi underlined that sustainability is no longer a peripheral concern but a central driver of competitiveness, resilience and long-term growth. He emphasised that the defining challenge of this decade is not whether the world should transition, but how sustainability can be delivered at scale, at speed and in an economically strengthening manner.

India's Energy Transition Philosophy

The Union Minister reiterated India's commitment to achieving net-zero emissions by 2070, stressing that the country's approach is guided by the principle of Vasudhaiva Kutumbakam — One Earth, One Family, One Future. He noted that India views sustainability as a strategic transformation of the economy and society, rather than merely a technological shift, and is pursuing renewables with conviction as the most reliable, affordable and future-ready pathway for growth.

Bilateral Engagements and Meetings with Industry Leaders

In a meeting with H.E. Dr. Said Mohammed Ahmed Al Saqri, Economic Advisor at the Office of the Deputy Prime Minister for Economic Affairs, Oman, the Union Minister highlighted India's proven capability to scale solar, wind, green hydrogen and energy storage solutions, including in arid and desert conditions. Discussions covered potential areas of cooperation like joint collaboration on manufacturing and export of solar modules, electrolysers and green hydrogen, investments in renewable-powered hydrogen hubs, integrated energy projects and port-based export infrastructure, and leveraging the India–Oman CEPA and cooperation under the International Solar Alliance and the One Sun One World One Grid initiative.

Union Minister held a forward-looking meeting with H.E. Mr. Maxime Prévot, Deputy Prime Minister and Minister of Foreign Affairs, European Affairs and Development Cooperation of Belgium. The discussions reaffirmed the strength of the India–Belgium partnership, anchored in mutual trust, predictability and shared democratic values.

Union Minister also held a constructive with H.E. Subaih Abdul Aziz Al-Mukhaizeem, The Hon'ble Minister of Electricity, Water and Renewable Energy, Kuwait; wherein issues pertaining to investments in the Renewable Energy sector were discussed.

On the sidelines of the Annual Meeting, Shri Joshi held a series of high-level bilateral interactions to strengthen international cooperation and investment in clean energy.

Engagement with Global Investors

Shri Joshi also held discussions with Charles Emond, President and CEO, and Ms. Sarah Bouchard, COO of La Caisse, focusing on scaling long-term climate and clean-energy investments in India. He encouraged upscaling the "Partner with India" initiative to tap into the group's committed USD 400 billion in climate action investments by 2030, highlighting strong alignment between India's clean-energy ambitions and La Caisse's climate investment strategy.

In another interaction, the Union Minister met Mr. Juvencio Maeztu, CEO and President of Ingka Group, which operates the IKEA retail business. The Ingka Group expressed keen interest in entering India's renewable energy sector in a significant manner, particularly in solar, wind and hybrid solutions. Shri Joshi encouraged the group to scale up its engagement in India, leveraging the country's stable policies and investment-friendly ecosystem.

India Pavilion at WEF 2026

Shri Pralhad Joshi attended the inauguration of the India Pavilion at the World Economic Forum, Davos, along with other Union Minister, State Chief Ministers and Ministers from various States which included the Chief Minister of Andhra Pradesh Shri N. Chandrababu Naidu, Chief Minister of Assam Shri Himanta Biswa Sarma, Union Minister for Civil Aviation Shri Ram Mohan Naidu, and Minister for Commerce & Industries and Infrastructure, Government of Karnataka, Shri M.B. Patil. During the inauguration of the India Pavilion, Shri Pralhad Joshi also launched a Green Investment Handbook titled 'The India Story'.

The Pavilion showcases India as a reliable, competitive and future-ready destination for global partnerships and investments, highlighting policy stability, reform-led growth and a predictable regulatory environment. It presents India's strengths across manufacturing, infrastructure, renewable energy, technology and innovation, aligned with the vision of Viksit Bharat 2047 and a commitment to sustainable and inclusive growth.

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