

Adani Total Gas Bets on LNG for Transport and Mining Segments

Co to build a network of 50 LNG outlets along major highways, ports, mines & industrial hubs

Kalpana Pathak

Mumbai: Adani Total Gas (ATGL), the equal joint venture of Adani Gas and French energy major Total Gas, plans to harness liquefied natural gas for the transport and mining segments.

LNG for transport caters to the long-haul trucks and buses segment. LNG for mining will allow the company to get into the mining spots in the country. Currently, diesel is the fuel that runs mining trucks and earth moving equipment.

"Now we are entering into another adjacent business called LNG for transport and mining (LTM), which could be another big opportunity for us to seize. We have commissioned our first LNG station in Tirupur, Tamil Nadu, and many LNG stations are at various stages of construction and commissioning," Suresh Manglani, executive director and chief executive officer, ATGL, told analysts on the second quarter earnings call.

The company plans to build a network of 50 LNG retail outlets along major highways, ports, mines, and industrial hubs by investing Rs 200-250 crore over the next three to five years.



Officials at oil companies said setting up an LNG station costs anywhere up to Rs 8-12 crore while a fuel retail outlet costs only up to Rs 1.5 crore. Oil companies are evaluating options to expand CNG dispensing stations to include LNG too.

Improved road infrastructure and liquefied natural gas pricing have made the long-haul LNG trucking segment attractive for energy companies. Early this year state-owned gas marketer and transporter Gail India committed an investment of Rs 650 crore to set up LNG filling stations along the Golden Quadrilateral, major national highways, and mining hubs. The company aims to capture more than 50% market share by 2030. Other public and private energy providers are also firming up plans to enter the LNG long-haul trucking segment.

India made noteworthy progress on fossil fuel subsidy reform: ADB

'The country was able to reduce its fiscal subsidy in the oil and gas sector by 85%, from an unsustainable peak of \$25 bn in 2013 to \$3.5 bn in 2023'

NEW DELHI: India has since 2010 made noteworthy progress on fossil fuel subsidy reform through a calibrated 'remove', 'target', and 'shift' approach, the Asian Development Bank (ADB) said in a new report.

"By carefully balancing the combined effect of three key policy levers - retail prices, tax rates, and subsidies on selected petroleum products - the country was able to reduce its fiscal subsidy in the oil and gas sector by 85 per cent, from an unsustainable peak of \$25 billion in 2013 to \$3.5 billion in 2023," it said.

In its 'Asia-Pacific Climate Report', ADB said India gradually phased out the subsidy on petrol and diesel (from 2010 to 2014) and carried out incremental tax increases (from 2010 to 2017), which created fiscal space to increase government support for renew-

Highlights

- » 'India gradually phased out the subsidy on petrol and diesel (from 2010 to 2014) and carried out incremental tax increases (from 2010 to 2017), which created fiscal space to increase government support for renewables'
- » 'The additional tax revenues from increases in excise duty on petrol and diesel from 2014 to 2017 were also redirected to improve access and target subsidies for expanding the use of LPG among rural poor,' ADB said

able energy, electric vehicles, and strengthening of electricity infrastructure.

"The additional tax revenues from increases in excise duty on petrol and diesel from 2014 to 2017, a period of low international crude oil prices, were also redirected to improve access and target subsidies for expanding the use of liquefied petroleum gas (LPG) among the rural poor," it said.

Subsidies for LPG have

since grown and "may now require efforts to improve targeting and to incubate non-fossil-fuel cooking alternatives," it said.

From 2010 to 2017, Government of India introduced a cess (tax) on coal production and imports.

Around 30 per cent of the cess collections were channelled to a national clean energy and environment fund that supported clean energy projects and research.

ADB said the cess significantly contributed to strengthening the budget of Ministry of New and Renewable Energy during 2010-2017 and provided the initial funds for the country's Green Energy Corridor scheme and its National Solar Mission, which helped bring down the cost of utility-scale solar energy and fund many off-grid renewable energy solutions.

"However, with the introduction of GST in India after 2017, the cess on coal production and imports was subsumed within the country's GST compensation cess, the flows of which were redirected to compensate states for revenue losses associated with the new tax regime," it said.

As a result of India's subsidy reforms and taxation measures, the country's fossil fuel subsidies plummeted from 2014 to 2018. P11



CRUDE WATCH

OIL PRICES SETTLE UP SLIGHTLY

New York: Oil prices edged up on reports Iran was preparing a strike on Israel, but record US output weighed on prices. Brent futures were 0.4%, to settle at \$73.10 a barrel. US WTI crude gained 0.3%, to settle at \$69.49. Brent posted a weekly decline of about 4%. **REUTERS**



Sun, 03 November 21
<https://epaper.ind>





13-MTH LOW IN OCT, SET TO PICK UP IN NOV

Crude imports fall amid refinery shutdowns and West Asia tension

SUKALP SHARMA

NEW DELHI, NOVEMBER 2

INDIA'S CRUDE oil imports in October declined to a 13-month low amid maintenance-related shutdowns at some refineries and the geopolitical crisis in West Asia which led to fears of high volatility in international oil prices. Consequently, import vol-

umes from the top five suppliers — Russia, Iraq, Saudi Arabia, the United Arab Emirates, and the United States — declined sequentially, according to ship tracking data.

In October, Indian refiners cumulatively imported 4.35 million barrels per day (bpd) of crude, down 7.6 per cent month-on-month, according to provisional

CONTINUED ON PAGE 2

• Crude imports fall

vessel tracking data from international commodity market analytics firm Kpler. Going forward, industry watchers expect oil imports to rebound in November as all Indian refiners would be fully back on stream amid robust demand and expectations of relatively limited oil price volatility in the international market.

Supplies from Russia — India's largest source market for crude—fell 9.2 per cent sequentially to a seven-month low of 1.73 million bpd, accounting for almost 40 per cent of India's total oil imports in October. In addition to refinery maintenance season and oil market volatility, competition from Chinese refiners for certain grades of Russian crude played a role in the decline in oil imports from Moscow.

Oil import volumes from Iraq and Saudi Arabia were sequentially lower by 3.3 per cent at 0.84 million bpd and 10.9 per cent at 0.65 million bpd, respectively.

"October was the peak month for India's offline (refining) capacity, leading to a full recovery in downstream operations across India in early November...this would normally incentivise India's refiners to buy more in preparation for winter demand. However, October's import numbers turned out to be underwhelming. Indian refiners were either distressed by the possibility of a potential Israel-Iran conflict or simply decided to stave off purchases for when pricing conditions would get better," said Viktor Katona, head of crude analysis at Kpler.

Going by initial indications and oil tanker movements, India's oil imports are expected to rebound in November. Vessel movements indicate that oil cargo arrivals at Indian ports in the first two weeks of November could be around 5 million bpd, significantly higher than the October volumes.

"We might see the pent-up purchasing activity hitting the

IMPORTS IN OCT

	Oil imports*	Change vs Sept
Russia	1.73	-9.2%
Iraq	0.84	-3.3%
Saudi Arabia	0.65	-10.9%
UAE	0.35	-28.1%
US	0.17	-29.4%

Source: Kpler *mmbpd

market with all its weight in November... Russian imports are seen at 1.8-1.9 million bpd for most of the first half of November, while volumes from Iraq would be around 900,000 bpd in the first two weeks, so it (India's oil imports) is likely to be really strong," Katona said.

Despite the decline in overall import volumes of Russian oil in October, shipments of the country's flagship crude grade—the medium-sour Urals—were at a four-month high in October. Urals is also the mainstay of India's Russian oil purchases, and accounts for over three-fourths of Russian oil imported by Indian refiners. Imports of some other Russian crude grades, however, declined and led to the overall slide in imports. "When it comes to Russia, Indian refiners are still piling up their purchases of Urals, importing 1.47 million bpd which is the highest since June. However, other grades that had seen some improvement over the summer months have fallen back as China ramped up deliveries via the Northern Sea Route, particularly for Arctic grades," Katona said.

Prior to the war in Ukraine, Iraq and Saudi Arabia were the top two crude oil suppliers to India. But as the West started weaning itself off Russian energy supplies, Russia started offering discounts on its crude and Indian refiners started snapping up the discounted barrels.

At a resistance level

CRUDE CHECK. Participants can go short

Akhil Nallamuthu

bl. research bureau

Crude oil prices saw a decline over the past week. The Brent crude oil futures on the Intercontinental Exchange (ICE) lost 3.9 per cent and ended the week at \$73.1 per barrel. Similarly, the crude oil futures on the MCX was down 0.9 per cent and it closed the week at ₹5,988 a barrel.

BRENT FUTURES (\$73.1)

Brent Crude futures made a recovery after opening last week with a gap-down. But the strength of the rally was not enough to lift the price above the resistance at \$75. Similarly, the selling pressure has been dodged well by the support at \$70.

Essentially, the next leg of trend depends on which among \$70 and \$75 the contract breaches first. A breakout of \$75 can lift the contract to \$80. But if the support at \$70 is taken out, there is an immediate support at \$68. A break below this can intensify the sell-off, potentially dragging the contract towards the \$60-62 price band.

MCX-CRUDE OIL (₹5,988)

The November crude oil futures



declined in the first two sessions of last week. But it has rallied since Wednesday.

The contract has however fell short of crossing over the hurdle at ₹6,050. That said, the support at ₹5,630 has been holding well so far.

If crude oil futures surpass ₹6,050, it can see a quick rally to ₹6,450 whereas a decline from the current level can take the contract to ₹5,630. Below this level is another key support at ₹5,500.

Trade strategy: Since crude oil futures is now near a resistance, go short with a stop-loss at ₹6,130. Book profits at ₹5,630.

In case the stop-loss of above short trade is hit, it could mean the resistance at ₹6,050 is breached. In such a scenario, consider going long with a stop-loss at ₹5,880. Exit at ₹6,450.

ADB lauds India's fossil fuel subsidy reforms since 2010

NEW DELHI, Nov 2: India has since 2010 made noteworthy progress on fossil fuel subsidy reform through a calibrated 'remove', 'target', and 'shift' approach, the Asian Development Bank (ADB) said in a new report.

"By carefully balancing the combined effect of three key policy levers – retail prices, tax rates, and subsidies on selected petroleum products – the country was able to reduce its fiscal subsidy in the oil and gas sector by 85 per cent, from an unsustainable peak of USD 25 billion in 2013 to USD 3.5 billion in 2023," it said.

In its 'Asia-Pacific Climate Report', ADB said India gradually phased out the subsidy on petrol and diesel (from

2010 to 2014) and carried out incremental tax increases (from 2010 to 2017), which created fiscal space to increase government support for renewable energy, electric vehicles, and strengthening of electricity infrastructure.

"The additional tax revenues from increases in excise duty on petrol and diesel from 2014 to 2017, a period of low international crude oil prices, were also redirected to improve access and target subsidies for expanding the use of liquefied petroleum gas (LPG) among the rural poor," it said.

From 2010 to 2017, Government of India introduced a cess (tax) on coal production and imports. Around 30 per cent of the cess collections were channelled to a national clean energy and environment fund that sup-

ported clean energy projects and research.

ADB said the cess significantly contributed to strengthening the budget of the Ministry of New and Renewable Energy during 2010-2017 and provided the initial funds for the country's Green Energy Corridor scheme and its National Solar Mission, which helped bring down the cost of utility-scale solar energy and fund many off-grid renewable energy solutions.

"However, with the introduction of GST in India after 2017, the cess on coal production and imports was subsumed within the country's GST compensation cess, the flows of which were redirected to compensate States for revenue losses associated with the new tax regime," it said. – PTI

Iraq reduces oil exports to 3.3 million barrels per day

BAGHDAD, Nov 2: Iraq's oil ministry said that the country has reduced its oil production and cut its crude exports to 3.3 million barrels per day, in line with its commitment to the OPEC+ agreement on output cuts.

"We confirm that Iraq has lowered its oil production and reduced its exports to 3.3 million barrels per day, along with limiting domestic consumption," the ministry said in a statement on Friday.

According to official data, the country's daily oil export volume was approximately 3.43 million barrels earlier this year, reports Xinhua news agency.

The statement said the reduction will continue in the coming months



to ensure output is within Iraq's OPEC+ specified quota and to compensate for exceeding the quota during previous months.

The statement stressed that the cut in production and exports is

aimed at supporting balance and stability in the global crude oil market.

Iraq's economy heavily relies on crude oil exports, which account for about 90 per cent of the country's revenues. – IANS

एडीबी ने भारत के जीवाश्म ईंधन सब्सिडी सुधारों को सराहा

नई दिल्ली, (भाषा)। भारत ने 2010 से जीवाश्म ईंधन सब्सिडी सुधार पर एक सुनियोजित हटाओ, लक्ष्यित करो और स्थानांतरित करो दृष्टिकोण के माध्यम से उल्लेखनीय प्रगति की है। एशियाई विकास बैंक एडीबी की एक नई रिपोर्ट में यह कहा गया है।

रिपोर्ट में कहा गया, भारत तीन प्रमुख नीतिगत कारकों- खुदरा मूल्य, कर दरें और चयनित पेट्रोलियम उत्पादों पर सब्सिडी के संयुक्त प्रभाव को सावधानीपूर्वक संतुलित करके तेल और गैस क्षेत्र में अपनी राजकोषीय सब्सिडी को 85 प्रतिशत तक कम करने में सक्षम रहा, जो 2013 में 25 अरब डॉलर के अस्थिर शिखर से 2023 में 3.5 अरब डॉलर तक आ गया। अपनी एशिया-प्रशांत जलवायु रिपोर्ट में एडीबी ने कहा कि भारत ने पेट्रोल और डीजल पर सब्सिडी

धीरे-धीरे समाप्त कर दी। 2010 से 2014 तक और करों में क्रमिक वृद्धि की। 2010 से 2017 तक, जिससे नवीकरणीय ऊर्जा, इलेक्ट्रिक वाहनों और बिजली के बुनियादी ढांचे को मजबूत करने के लिए सरकारी समर्थन बढ़ाने के लिए राजकोषीय गुंजाइश बनी। रिपोर्ट में कहा गया, वर्ष 2014 से 2017 तक एकच्चे तेल की कम कीमतों का दौरा पेट्रोल और डीजल पर उत्पाद शुल्क में वृद्धि से प्राप्त अतिरिक्त कर राजस्व को ग्रामीण गरीबों के बीच तरलीकृत पेट्रोलियम गैस एलपीजी के उपयोग को बढ़ाने के लिए पहुंच में सुधार और लक्षित सब्सिडी के लिए पुनर्निर्देशित किया गया। इसमें कहा गया, एलपीजी के लिए सब्सिडी में वृद्धि हुई है और अब लक्ष्यीकरण में सुधार करने और गैर-जीवाश्म ईंधन खाना पकाने के

विकल्पों को विकसित करने के प्रयासों की आवश्यकता हो सकती है। साल 2010 से 2017 तक भारत सरकार ने कोयला उत्पादन और आयात पर उपकर ठकरा लगाया। उपकर संग्रह का लगभग 30 प्रतिशत राष्ट्रीय स्वच्छ ऊर्जा और पर्यावरण कोष में डाला गया, जिसने स्वच्छ ऊर्जा परियोजनाओं और अनुसंधान का समर्थन किया। भारत के सब्सिडी सुधारों और कराधान उपायों के परिणामस्वरूप, देश की जीवाश्म ईंधन सब्सिडी 2014 से 2018 तक कम हो गई। रिपोर्ट में कहा गया, इसकी अक्षय ऊर्जा सब्सिडी भी 2017 में चरम पर पहुंच गई थी, लेकिन अब एक बार फिर बढ़ रही है, जिसमें प्रमुख समर्थन योजनाएं सौर पार्कों, सार्वजनिक क्षेत्र के उद्यमों एसओई और वितरित अक्षय ऊर्जा को लक्षित कर रही हैं।

अगले 15 दिन विंडफॉल टैक्स में कोई बदलाव नहीं

नई दिल्ली, 2 नवम्बर (एजेंसी) : कूड ऑयल पर लगने वाले विंडफॉल टैक्स को लेकर खबर आई है कि अगले 15 दिनों के लिए टैक्स में कोई बदलाव नहीं है। कम से कम 15 नवम्बर तक कच्चे तेल पर जीरो विंडफॉल टैक्स जारी रहेगा।



18 सितंबर से लगातार जीरो विंडफॉल टैक्स जारी है। जब से विंडफॉल टैक्स लगा है तब से पहली बार ऐसा हुआ है कि इतने लंबे समय तक विंडफॉल टैक्स शून्य रहा है।

वित्त मंत्रालय ने बताया कि घरेलू स्तर पर उत्पादित होने वाले कच्चे तेल और निर्यात-आधारित पेट्रोलियम प्रोडक्ट्स पर लगने वाले विंडफॉल टैक्स को खत्म करने के किसी प्रस्ताव पर विचार नहीं कर रहा है। आज की तारीख में घरेलू स्तर पर पैदा होने वाले कच्चे तेल और निर्यात-आधारित पेट्रोलियम उत्पादों पर टैक्निकल रूप से विशेष अतिरिक्त उत्पाद शुल्क (एस.ए.ई.डी.) के रूप में जाना जाने वाला कर शून्य है।

विंडफॉल टैक्स को खत्म करने का मुद्दा तब सुर्खियों में आया जब प्रधानमंत्री के सलाहकार तरुण कपूर ने हाल ही में कहा कि कच्चे तेल पर विंडफॉल टैक्स लगाने में ज्यादा प्रासंगिकता नहीं है। एक रिपोर्ट के मुताबिक कपूर ने कहा कि पेट्रोलियम और प्राकृतिक गैस मंत्रालय ने इस मुद्दे पर वित्त मंत्रालय से संपर्क किया है।

यह पूछे जाने पर कि क्या टैक्स को औपचारिक रूप से समाप्त करने का कोई प्रस्ताव है, वित्त मंत्रालय के एक वरिष्ठ अधिकारी ने बताया, "नहीं"। प्रधानमंत्री के सलाहकार कपूर पहले तेल सचिव रह चुके हैं।

2022 में लगाए जाने वाले इस टैक्स का मकसद ग्लोबल कच्चे तेल की कीमतों से तेल और गैस कंपनियों के अर्जित असामान्य रूप से मोटे मुनाफे को संतुलित करना है। इस टैक्स की हर पखवाड़े समीक्षा की जाती है। सरकार ने 18 सितंबर से घरेलू स्तर पर उत्पादित कच्चे तेल पर विंडफॉल टैक्स को घटाकर 'शून्य' प्रति टन कर दिया था।

एडीबी ने भारत के जीवाश्म ईंधन सब्सिडी सुधारों की सराहना की

एजेंसी ■ नई दिल्ली

भारत ने 2010 से जीवाश्म ईंधन सब्सिडी सुधार पर एक सुनियोजित हटाओ, लक्षित करे और स्थानांतरित करे दृष्टिकोण के माध्यम से उल्लेखनीय प्रगति की है। एशियाई विकास बैंक की एक नई रिपोर्ट में यह कहा गया है। रिपोर्ट में कहा गया, भारत तीन प्रमुख नीतिगत कारकों- खुदरा मूल्य, कर दरें और चयनित पेट्रोलियम उत्पादों पर सब्सिडी के संयुक्त प्रभाव को सावधानीपूर्वक संतुलित कस्के तेल और गैस क्षेत्र में अपनी राजकोषीय सब्सिडी को 85 प्रतिशत तक कम करने में सक्षम रहा, जो 2013 में 25 अरब डॉलर के अस्थिर शिखर से 2023 में 3.5 अरब डॉलर तक आ गया। अपनी एशिया-प्रशांत जलवायु रिपोर्ट में एडीबी ने कहा कि



भारत ने पेट्रोल और डीजल पर सब्सिडी धीरे-धीरे समाप्त कर दी (2010 से 2014 तक) और करों में क्रमिक वृद्धि की (2010 से 2017 तक), जिससे नवीकरणीय ऊर्जा, इलेक्ट्रिक वाहनों और बिजली के बुनियादी ढांचे को मजबूत करने

के लिए सकारण समर्थन बढ़ाने के लिए राजकोषीय गुंजाइश बनी। रिपोर्ट में कहा गया, वर्ष 2014 से 2017 तक (कच्चे तेल की कम कीमतों का दौर) पेट्रोल और डीजल पर उत्पाद शुल्क में वृद्धि से प्राप्त अतिरिक्त कर राजस्व को ग्रामीण गरीबों के बीच

तस्वीकृत पेट्रोलियम गैस (एलपीजी) के उपयोग को बढ़ाने के लिए पहुंच में सुधार और लक्षित सब्सिडी के लिए पुनर्निर्देशित किया गया। इसमें कहा गया, एलपीजी के लिए सब्सिडी में वृद्धि हुई है और अब लक्ष्यकरण में सुधार करने और गैर-जीवाश्म ईंधन

खाना पकाने के विकल्पों को विकसित करने के प्रयासों की आवश्यकता हो सकती है। साल 2010 से 2017 तक भारत सरकार ने कोयला उत्पादन और आयात पर उपकर (कर) लगाया। उपकर संग्रह का लगभग 30 प्रतिशत राष्ट्रीय स्वच्छ ऊर्जा और पर्यावरण कोष में डाला गया, जिसने स्वच्छ ऊर्जा परियोजनाओं और अनुसंधान का समर्थन किया। भारत के सब्सिडी सुधारों और कराधान उपायों के परिणामस्वरूप, देश की जीवाश्म ईंधन सब्सिडी 2014 से 2018 तक कम हो गई। रिपोर्ट में कहा गया, इसकी अक्षय ऊर्जा सब्सिडी भी 2017 में चरम पर पहुंच गई थी, लेकिन अब एक बार फिर बढ़ रही है, जिसमें प्रमुख समर्थन योजनाएं सौर पार्कों, एसओई और वितरित अक्षय ऊर्जा को लक्षित कर रही हैं।