

4TH RE-INVEST SUMMIT

'100-day work shows our priorities'

PM highlights approval to building 12 industrial smart cities, ₹1 trn fund to promote innovation, EV initiatives

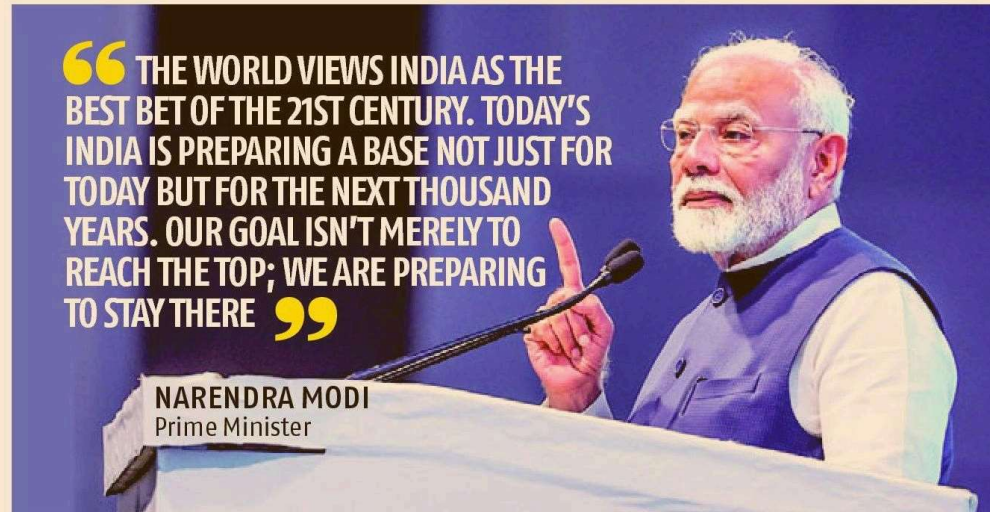
SHREYA JAI

Gandhinagar, 16 September

Lauding his government for the speed and scale of its planning, Prime Minister (PM) Narendra Modi praised the '100-day' plans of various sectors focused on infrastructure and social development. The PM spoke at the inaugural session of the 4th RE-Invest, a flagship event of the Ministry of New and Renewable Energy.

"The government's work in the first 100 days highlights its priorities and reflects its speed and scale. In these 100 days, multiple decisions have been made to expand the nation's physical and social infrastructure. India is on track to build 70 million houses, more than the population of many countries, while 40 million homes have already been provided during the last two terms," the PM said.

He added that the government has promptly taken decisions to build 12 new industrial cities, approved eight high-speed road corridor projects, launched over 15 semi-high-speed Vande Bharat trains, initiated a research fund worth ₹1 trillion to promote innovation, announced several initiatives to drive electric mobility, promoted high-per-



formance biomanufacturing, and approved the BioE3 (Biotechnology for Economy, Environment and Employment) Policy, among other key measures.

The PM reaffirmed the government's commitment to sustainability on the green energy front, despite rising energy demands and the country's oil and gas deficit.

"The launch of a viability gap funding scheme for offshore wind energy projects,

worth over ₹7,000 crore, is a milestone. India is working towards producing 31,000 megawatt of hydropower, with an outlay of ₹12,000 crore recently approved," he said.

"India's diversity, scale, capacity, potential, and performance are unique and set the stage for Indian solutions with global applications. The world views India as the best bet of the 21st century. Today's India is preparing a base not just for today but for the next thousand

years. Our goal isn't merely to reach the top; we are preparing to stay there. India knows what it takes to become a developed nation by 2047, and we also understand our energy constraints — we don't have our own oil and gas reserves. We are not energy-independent. That's why we've chosen to build our future on solar, wind, nuclear, and hydropower," the PM said, addressing a packed hall at Mahatma Mandir.

Earlier, the PM met with beneficiaries of the recently launched Pradhan Mantri Surya Ghar Yojana, which aims to implement rooftop solar solutions in households. He noted that around 375,000 homes have already installed rooftop solar projects.

"With this one scheme, every house in India will become a power producer. So far, over 13 million families have registered for the scheme. Installation has been completed in 325,000 homes," the PM added.

The PM also highlighted the Pradhan Mantri Kisan Urja Suraksha evam Utthan Mahabhiyan (PM KUSUM) scheme, which seeks to solarise the agriculture sector, and mentioned Modhera village, India's first model solar village. He further announced that Ayodhya is preparing to become the country's first model solar city.



AGM— OIL INDIA

OIL, a Maharatna CPSE, held its 65th AGM recently. Dr Ranjit Rath, CMD addressed the shareholders of the Company and thankfully acknowledged their continuous trust & investment in the company. In his address, Dr Rath highlighted OIL's ongoing efforts to expedite its exploration initiatives with total domestic exploration acreage of 58,564.2 Sq. KM across category I, II and III sedimentary basins.



CPCB issues notice to BPCL for failing to install vapour recovery systems

Press Trust of India

New Delhi

The Central Pollution Control Board (CPCB) has issued a show cause notice to Bharat Petroleum Corporation Limited (BPCL) for failing to install vapour recovery systems at 28 of its storage terminals to capture carcinogenic benzene emissions and other volatile compounds.

PTI reached out to BPCL for a comment but could not get one immediately.

The notice, issued on September 4, said an environmental compensation of

₹1 crore could be imposed if the BPCL fails to provide a satisfactory response by September 19.

On September 18, 2020, the CPCB directed BPCL to install vapour recovery systems at petrol pumps selling more than 100 kilolitres of fuel per minute (KLPM) in cities with over one million residents, and at pumps selling more than 300 KLPM in cities with populations between one lakh and 10 lakh, as well as at storage terminals.

In December 2021, the National Green Tribunal (NGT) directed the CPCB to

take appropriate action against petroleum outlets and depots that failed to install vapour recovery systems (VRS). BPCL approached the Supreme Court and obtained a stay.

However, in March last year, the court directed CPCB to ensure full compliance with the NGT's orders.

“The status submitted by BPCL via emails dated May 10, 2024, and June 27, 2024, shows delays in the installation of VRS Stage 1A at 28 storage terminals in violation of the timelines prescribed by the CPCB,” the notice said.



MOU—OIL INDIA

An MoU was signed between Indian entities comprising OIL, OVL & KABIL & Int'l Resources Holding RSC Ltd. (IRH), UAE, recently for global cooperation in Critical Mineral supply chain primarily with the objective of collaboration, identification, acquisition, & development of Critical Mineral projects on a global scale, including India. The Parties intend to leverage their respective expertise, resources, & networks to pursue mutually beneficial opportunities, achieve operational excellence & secure a stable supply of critical energy minerals. Under the terms of the MoU, the Parties will work together in a cooperative & coordinated manner & will focus on Project Identification, conducting joint due diligence, collaborating on risk management strategies & devising a long-term offtake strategy.



Natural gas futures bullish, go long now

Gurumurthy K

bl research bureau

Natural Gas prices have been increasing rapidly over the last three weeks. The natural gas futures contract on the Multi Commodity Exchange (MCX) made a low of ₹156.70 per mmBtu in August last week and surged about 30 per from there to make a high of ₹202.4 last week. It has come off from there and is currently trading at ₹191 per mmBtu.

COMMODITY

CALL.

OUTLOOK

The outlook is bullish. Immediate support is around ₹190. Below that, ₹187 is the next important support. We expect the contract to bounce from either of these two supports. Such a bounce can take the futures up to ₹210-₹215 in a week or two.



It will keep the doors open for the contract to target ₹235-₹240 in the coming weeks. The near-term outlook will turn negative if it declines below ₹187. That can take the contract down to ₹182 initially.

The trend will turn down only if the contract breaks below ₹182. If that happens, we can see a fall to ₹170 and lower again. But such a fall looks less likely. Traders can go long now at ₹191.

Accumulate on dips at ₹188. Keep the stop-loss at ₹181. Trail the stop-loss up to ₹193 as soon as the contract goes up to ₹196. Move the stop-loss further up to ₹199 when the price touches ₹204. Exit the longs at ₹210.

'MAKE IN INDIA' PUSH

No Better Place than India to Innovate and Invest in Renewable Energy: PM

'Vast opportunities not only in energy generation but also in manufacturing'

Shilpa Samant

Gandhinagar: Prime Minister Narendra Modi on Monday said India's leap in the renewable energy segment offers tremendous opportunities for investors not only in energy generation but also in the manufacturing sector.

"India is striving for complete made in India solutions and creating many possibilities. It is truly a guarantee of expansion and better returns," Modi said at Global Renewable Energy Investors Meet and Expo organised by the ministry of new and renewable energy and CII.

India's renewable energy demand is rising and the government is making new policies to support it, he said. Efforts are being made for 'Make in India' in the sector and the growth in the segment presents a good opportunity for the same, he said.

"There is no better place than India in the renewable energy sector for investment and innovation," the prime minister said. He underlined that as a developing economy, India had a valid excuse to stay out of these commitments but did not choose that path.

"Today's India is preparing a base not only for today but for the

next thousand years," he said.

Modi underscored that India's aim was not just to reach the top, but to prepare ourselves to sustain at the top. He added that India was very well aware of its energy needs and requirements to make it a developed nation by 2047.

The country will build its future on the basis of renewable energy sources like solar, wind, nuclear and hydro, as there was dearth of reserves of oil and gas.



India is striving for complete made in India solutions and creating many possibilities. It is truly a guarantee of expansion and better returns

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Prime Minister

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Prime Minister Narendra Modi at Renewable Energy Investor's Summit in Gandhinagar on Monday - AFP



Oil India holds its 65th Annual General Meeting: Oil India Limited (OIL), a Maharatna CPSE, held its 65th Annual General Meeting (AGM) on 14 September. Ranjit Rath, Chairman & Managing Director (CMD) addressed the shareholders of the Company and thankfully acknowledged their continuous trust & investment in the company.

Oil prices climb on hurricane impact

NICOLE JAO

New York, September 16

OIL PRICES ROSE more than 1% on Monday as the ongoing impact of Hurricane Francine on output in the U.S. Gulf of Mexico offset persistent Chinese demand concerns.

Brent crude futures for November were up 92 cents, or 1.28%, at \$72.53 a barrel. US crude futures for October rose \$1.12, or 1.63%, to \$69.77. Nearly a fifth of crude oil production and 28% of natural gas output in the Gulf of Mexico remains offline after Hurricane Francine.

"We've still got the remnants of the storm," said Matt Smith, lead oil analyst at Kpler. "The impact is more on the production side than on refining. Therefore, it leans a little bit bullish."

Overall, however, the market remains cautious ahead of the Federal Reserve's interest rate decision on Wednesday.

"For the next two and a half days, the markets will be collectively holding their breath," said Tim Snyder, chief economist at Matador Economics.

Traders are increasingly betting on a Fed rate cut of 50bps rather than 25 bps, as shown by the CME FedWatch tool that tracks Fed fund futures.



Lower interest rates typically reduce the cost of borrowing, which can boost economic activity and lift demand for oil.

But a cut of 50 bps could also signal weakness in the US economy, which could raise concerns over oil demand, said OANDA analyst Kelvin Wong.

Weaker Chinese economic data over the weekend dampened market sentiment, with the low-for-longer growth outlook in the world's second-largest economy reinforcing doubts over oil demand, IG market strategist Yeap Jun Rong said in an email. —REUTERS



ONGC ARRESTS MINOR OIL LEAK IN MUMBAI PIPELINE



A MINOR OIL leak happened on a pipeline in offshore Mumbai on Monday morning, which was promptly arrested, state-owned ONGC said. The ONGC team of Uran Plant in Mumbai swung into action to arrest a minor leak in the flow line originating from offshore. The team ensured no spillage of oil into the beach, the firm said in a statement.



Pollution board sends notice to BPCL

New Delhi: The Central Pollution Control Board (CPCB) has issued a show-cause notice to Bharat Petroleum Corporation Ltd (BPCL) for failing to install vapour recovery systems at 28 of its storage terminals to capture carcinogenic benzene emissions and other compounds.



PTI

Pvt Oilcos' Fuel Retail Share Rises on Stable Domestic Pump Prices

RIL-BP and Nayara report higher sales in April-August even as refining margins shrink



Sanjeev Choudhary

New Delhi: The joint venture of Reliance Industries and BP has sold about 50% more petrol and diesel in the retail market this year over the previous year as refining margins slump globally while stable domestic pump prices ensure attractive gains.

RIL-BP's sales of petrol and diesel rose 49% and 53% respectively in the April-August period this year over the previous year, according to industry data. This gave them a national market share of 2.75% for petrol and 4.35% for diesel.

Nayara, the Rosneft-backed refiner that operates the largest number of petrol pumps among private players, sold 14% more petrol and 12% more diesel this year, ending up with a market share of 5.7% in petrol and 5.2% in diesel. Shell, another private retailer, sold 11% less petrol this year. It, however, sold 6% more diesel. It has less than 0.5% share in both fuels.

Private players' share in petrol retail has risen to 9% this year from 8% in the previous year; in diesel, it's up to 9.6% from 7.7%.

Refining margins have been under tremendous pressure for months, prompting refiners to focus on marketing margins by retailing petrol and diesel, said a sector analyst who declined to be named.

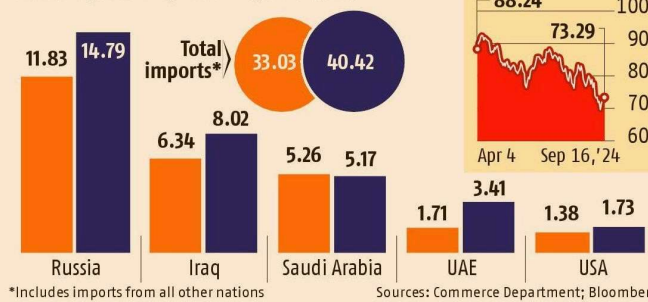
Private refiners export as well as sell to state-run oil companies in the domestic market at a price prevalent in the international market. If they do so, they realise only refining margins, which have sharply contracted in recent months. But if they choose to push their product through their own retail network, they end up getting an additional marketing margin, which has sharply expanded these days because domestic pump prices haven't fallen in line with international prices of petrol and diesel. Domestic pump prices have been nearly unchanged for a year, except to marginally decline ahead of the general elections.

Refiners turn to traditional markets for crude purchase

Place spot orders with West Asian suppliers

RUSSIA REMAINS TOP SOURCE

Crude imports Q1FY24 Q1FY25 (\$ bn)



*Includes imports from all other nations

Sources: Commerce Department; Bloomberg

SUBHAYAN CHAKRABORTY
New Delhi, 16 September

With global crude oil prices remaining below \$75 in September so far, oil marketing companies (OMCs) have placed spot orders with traditional West Asia suppliers such as Iraq, and United Arab Emirates (UAE), industry insiders said.

Currently, most of the orders are being planned for deliveries over the next 2-3 months, they added.

“Lower prices have given us an opportunity to replenish volumes. While all major studies show prices not rising by a large margin in the short term, it is always a good idea to be prepared with enough inventory first,” an official said. Global crude prices have fallen every month since April, when they had breached the \$90 per barrel level.

Last week, benchmark Brent crude futures prices fell to a 33-month low of \$69 per barrel. This was over weak demand and concerns of oversupply. On Monday, Brent crude futures stood at \$72.9 per barrel at the time of writing this report.

While most of the crude from West Asia is usually purchased on term contracts, spot purchase allows refineries to secure different grades of oil, otherwise unavailable, another official from a state-run refiner said.

The series of Basrah crude export grades originating in Iraq are attractive for upgraded Indian refineries. They are also of great value for production of items such as diesel.

As part of a long planned overhaul of its crude grades, Iraq has over the past year increased the availability of Basrah Medium and Basrah

State retailers' diesel sales drag on rains

The country's state retailers' diesel sales fell in the first half of September from the previous month, preliminary sales data showed on Monday, as monsoon rains hit industrial activity and mobility. State retailers sold 2.4 million metric tons of diesel in the first half of September, down 4 per cent from the same period in August and by 12.3 per cent from a year earlier, the data showed.

REUTERS

Heavy — relatively cheaper than Basrah Light — that are suited for India's upgraded plants.

In May, *Business Standard* had reported crude oil purchases in Q1 FY25 would remain tilted towards Russia if Brent crude prices remain above \$81 per barrel.

However, industry sources had then said it may swing towards crude from Iraq and the UAE if prices fall beyond that level, even for a few days. In Q1, Brent crude futures prices dipped below the \$81 level for a week.

As a result, data from the commerce department shows flows from Iraq, Saudi Arabia, UAE, Kuwait, Qatar and Oman rising to \$18.56 billion in the first quarter of FY25.

This constitutes 45.9 per cent of all crude imports during the quarter. It is slightly up from 44.89 per cent in the same quarter of the preceding year.

Even without the price argument, officials feel a stable supply of crude oil should be established from outside the West Asian region.

'Sliding oil, OMC margins offer room for fuel price cut'

Economists cite global oil costs falling below \$70 a barrel as making a strong case for a fuel price reduction; stress that cheaper fuel will also help slow the pace of inflation and boost consumption

The Hindu Bureau
NEW DELHI

With global crude oil prices slipping below \$70 a barrel, economists reckon there is a strong case for a fuel price cut, stressing that cheaper petrol and diesel would also help slow inflation, paving the way for interest rate cuts, and boost consumption.

While fuel prices are deregulated with oil marketing companies (OMCs) free to reset prices, in practice, prices have not been reset in line with supply price



Poll angle: The decision on the price cut may also be influenced by the upcoming elections in Maharashtra and Haryana. FILE PHOTO

trends for a few years now. Retail prices for petroleum products have been static since March, when they were reduced by ₹2 a litre

ahead of the general election.

"There is a strong case for another cut in fuel prices, possibly by ₹2-₹4 per

litre if global crude prices continue to remain below \$75 per barrel over the next one-two months," said Suman Chowdhury, ED and chief economist at Acuité Ratings & Research. "The decision on the price cut may also be influenced by the upcoming State elections in Maharashtra and Haryana," he added.

Bank of Baroda chief economist Madan Sabnavis said softening oil prices will help control India's import bill and stabilise the rupee, but the impact on retail inflation will depend on government action.

VAT hike flip side: Bulk diesel buyers turn to HP & Jammu

RUCHIKA M KHANNA
TRIBUNE NEWS SERVICE

CHANDIGARH, SEPTEMBER 16

The flip side of the increase in value added tax on petrol and diesel in Punjab is the shifting of the bulk diesel consumers to neighbouring Himachal, Jammu and Chandigarh.

Information gathered by *The Tribune* shows that most oil-marketing companies have already started feeding the consumer pumps (dedicated pumps for bulk consumers like transporters, big industries) with diesel from their depots in Jammu and Himachal. This ensures that their bulk consumers get diesel at rates Rs 5-7 per litre cheaper than the rate of diesel in Punjab.

Aware of this, Punjab Finance and Taxation Minister Harpal Cheema has reportedly called a meeting of taxation officers to stop the shifting of sale of diesel from Punjab to other states on Tuesday, and find a solution to stop revenue loss to the

Minister to hold meeting with taxation officials today



exchequer. The price of petrol and diesel went up by 61 paise and 92 paise per litre earlier this month.

Retail pump owners in the border districts of Pathankot, Gurdaspur, Hoshiarpur, Nawanshahr, Ropar, Mohali and Patiala have told *The Tribune* that their retail customers are shifting to petrol pumps located in Chandigarh, Jammu and Himachal, just along the border with Punjab.

"The state government is not earning any additional

revenue from increase in VAT. It's rather losing revenue. At the same time, the petrol pump dealers are losing business," lamented Navneet Kumar, a petrol pump dealer in Hoshiarpur. He said even the farmers growing potatoes and peas in Doaba, who buy diesel in bulk, are not buying it from them. They are now buying it from dealers in HP.

Diesel price in Hoshiarpur is Rs 87.50 per litre, while the same is available at Rs 85.77 per litre in neighbouring Una of HP.

In Amritsar and Tarn Taran, petrol pump dealers lament how they are losing business as bulk diesel customers are buying fuel from Jammu. "The rate at which my bulk diesel sales are plummeting, I anticipate sales loss of around 60,000 litres in a month," says Sarabjit Lally, who has petrol pumps in both districts.

"The oil marketing companies, fearing a loss in business, have started supplying diesel from their depots in the Jammu region, which makes it cheaper by Rs 5 per litre," he added. Against the price of Rs 87.99 per litre in Amritsar, the price of diesel in Jammu is Rs 81.28 per litre.

Monty Sehgal, spokesperson for the Punjab Petrol Pump Dealers Associates, said to stop this practice they had demanded that the government should tell oil-marketing companies to stop this practice or impose Rs 5 per litre entry tax on the bulk supply coming from other states.

कच्चे तेल में गिरावट से पेट्रोल-डीजल सस्ते होने की उम्मीद

■ सुगंत बनर्जी

नई दिल्ली। कच्चे तेल के दाम मार्च 2024 के बाद से 20 फीसदी गिरकर 75 डॉलर प्रति बैरल से नीचे आ गए हैं। इससे भारत में पेट्रोल और डीजल के दामों में कटौती की संभावना है।

अप्रैल के बाद से वैश्विक स्तर पर कच्चे तेल में 19 फीसदी की भारी गिरावट आई है। अब यह 72.48 डॉलर पर है। कोरोना की वजह से, जब मार्च 2020 में कीमतें दो दशक के निचले स्तर 19.9 डॉलर तक गिरीं तब से कीमतों में तेज वृद्धि हुई है।

मार्च 2022 में कीमतें 2014 के बाद पहली बार 100 डॉलर को पार कर गईं और जून 2022 में दशक के उच्चतम स्तर 116 डॉलर प्रति बैरल पर पहुंच गई थीं।

mint

गिरावट की वजह

दरअसल, दुनिया के सबसे बड़े तेल आयातक चीन से मांग कम होने से वैश्विक स्तर पर कच्चे तेल कीमतों में गिरावट आई है। ओपेक ने चालू वर्ष के लिए अपने वैश्विक तेल मांग पूर्वानुमान को 2.11 मिलियन बैरल प्रतिदिन से घटाकर 2.03 मिलियन बैरल प्रति दिन किया था।

दामों में कमी नहीं हुई

भारत में पेट्रोल और डीजल की कीमतों को क्रमशः वर्ष 2010 और वर्ष 2014 में नियंत्रण मुक्त किया गया था। वर्ष 2017 तक तेल विपणन कंपनियों ने हर पाक्षिक दामों में बदलाव किया, तब से कीमतों को दैनिक रूप से संशोधित किया जाना चाहिए, लेकिन ऐसा नहीं हुआ है।

अप्रैल 2024 के बाद तेज फिसले दाम

चीन द्वारा कच्चे तेल की मांग में भारी कटौती किए जाने से इसकी कीमतों में जबरदस्त गिरावट आई है।



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डॉलर प्रति बैरल से नीचे, मार्च 2024 के बाद से 20 फीसदी गिरावट

10

रुपये प्रति लीटर पेट्रोल में और डीजल में 6-7 रुपये की कटौती की उम्मीदें

अर्थव्यवस्था पर प्रभाव

इससे 58 लाख से अधिक डीजल मालवाहक वाहनों, छह करोड़ कारों और 27 करोड़ दो पहिया वाहनों की परिचालन लागत कम होगी, जो बड़े पैमाने पर पेट्रोल पर चलते हैं। सस्ते डीजल से परिवहन और रसद लागत में कमी आती है, जिससे मुद्रास्फीति कम होती है, क्योंकि अधिकांश सामान सड़क मार्ग से ले जाए जाते हैं। दरअसल, कार और दो पहिया वाहन उपयोगकर्ताओं की बचत का एक हिस्सा अर्थव्यवस्था के अन्य क्षेत्रों में खर्च होता है।

कटौती की संभावना कितनी

पेट्रोलियम सचिव ने कहा है कि वैश्विक स्तर पर कच्चे तेल की कीमत लंबे समय तक कम रहती है तो तेल कंपनियां खुदरा कीमतों में कटौती पर विचार करेंगी। अमूमन, कच्चे तेल की कम कीमतों और किसी आगामी चुनाव के कारण दामों में कटौती हुई है। अगले 20 दिनों में हरियाणा और जम्मू-कश्मीर में विधानसभा चुनाव होने हैं। फिर साल के अंत में महाराष्ट्र और झारखंड में चुनाव होने हैं।