ECONOMIC TIMES, Delhi, 27.1.2025
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AS OF DEC-END, 648 OF 750 POSITIONS WERE YET TO BE FILLED

Govt on a Hiring Spree as 86% Indp Director Posts Lie Vacant at CPSEs

Extending tenure of some existing non-official directors also being explored

Banikinkar Pattanayak

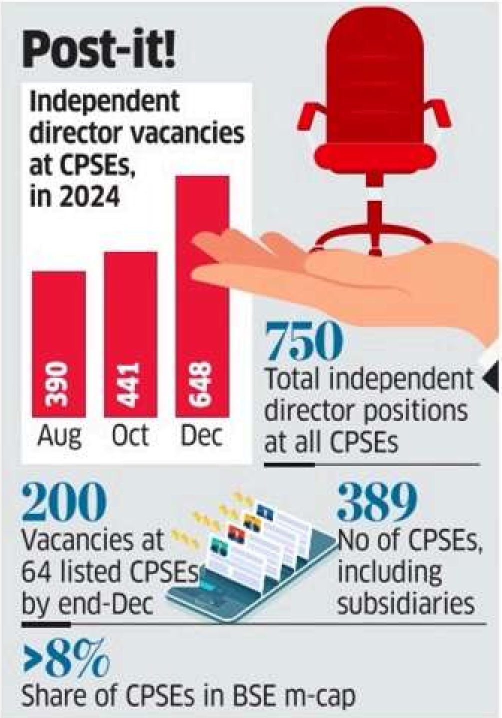
New Delhi: About 86% of the total independent director positions among central public sector enterprises (CPSEs) were vacant as of December 2024, having risen from about 59% two months earlier, prompting the government to try and accelerate the hiring process, people aware of the details said.

As many as 648 of about 750 independent or non-official director positions on the CPSE boards were vacant at the end of December, showed the latest official data. The vacancies stood at 392 at the end of September and 441 at the end of October, as tenures of many of them got over in recent months.

Urgent efforts are being made to fill the 200 such vacancies on the boards of 64 listed CPSEs, a senior official told ET.

CPSEs and their administrative ministries are engaged in talks with the departments of personnel and training (DoPT) and public enterprises, and the corporate affairs ministry to fill in the positions urgently so that corporate governance isn't hampered, ET has reported.

Options are being explored to fast-track the appointment process, and in some cases, extending the tenure of non-official directors are being considered to fill in the vacancies, he said.



As per norms, at least one-third of a listed company's directors must be the independent ones. An unlisted public company, beyond a stipulated size, needs to have at least two.

There are 389 CPSEs, including subsidiaries, in India, of which 70 are listed. The listed CPSEs account for more than 8% of the total market capitalisation of BSE firms.

Filling in the vacancies assumes significance as independent directors act as custodians of the most exacting standards of corporate governance and protectors of stakeholders' interests. The audit committees of companies, which oversee their statutory audit compliances, comprise mostly independent directors.

Such directors are usually appointed for a period of three years, with a provision for an extension of three years in the same CPSE. Beyond that, the directors can't serve on the board of the same CPSE.

Usually, the proposals for the appointment of non-official directors on the CPSE boards are initiated by the relevant administrative ministries or departments. They are supposed to recommend at least three eligible persons for each position and the selection is made by a search committee headed by the DoPT secretary.

The panel also includes the secretaries of public enterprises and the administrative departments concerned and non-official members.

INDIAN EXPRESS, Delhi, 27.1.2025
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Easing oil prices: What it means for India

HITESH VYAS
MUMBAI, JANUARY 26

NEARLY A week since Donald Trump assumed office as the 47th President of the US, and declared a national energy emergency while promising to increase oil production in America, Brent crude oil prices have softened by around 3 per cent.

Brent crude oil prices were at $80.79 per barrel on January 17 (before Trump's inauguration) but dropped to $78.26 a barrel on January 24. Analysts expect the trend in crude oil prices to go downwards going forward on weak demand. For India, lower crude prices are expected to be a boon as they will reduce oil import costs, narrow the current account deficit and bring inflation down.

Kotak Securities senior vice president and head of commodity, currency and interest rate, Anindya Banerjee, said that the surge in crude oil prices seen towards the end of 2024 and early part of January was because of the fresh set of sanctions imposed by the US on Russia, which the market did not anticipate. "Now the realisation is coming on two fronts. One, post Trump there is an expectation of a resolution of the Ukraine-Russia conflict this year, and so the geo political premium on oil has evaporated a bit. Second, the focus of the US administration is to increase crude output. These two reasons have led to softening in oil prices," Banerjee said.

File

EXPLAINED

In his inaugural address after taking oath on January 20, Trump announced a sweeping plan to maximise domestic oil and gas production.

"The inflation crisis was caused by massive overspending and escalating energy prices, and that is why today I will also declare a national energy emergency. We will drill, baby, drill," he said.

Trump vowed to bring energy prices down, fill the country's "strategic reserves up again right to the top", and export "American energy all over the world".

Implications of lower crude prices

Analysts said the drop in crude oil prices will help in narrowing India's current account deficit and also help in a faster gross domestic product (GDP) growth. Since oil serves as a raw material for many industries, a lower price will ease input costs, thereby reducing inflation pressures. But there is one more factor that could come into play. The sweeping sanctions package announced earlier this month by the outgoing administration in Washington against Russia's oil trade is an issue, which has already started having an impact on near-term supply of Russian oil to Indian refiners, who are finding it hard to secure enough cargoes for Moscow's crude. The situation is forcing Indian refiners to look elsewhere — mainly to West Asia — to replace volumes from Russia, currently India's largest source market for crude. How the Trump administration views these sanctions could be a factor going forward.

Road ahead

"The US policy is to drill more oil, which is going to create a higher supply of oil. Over the next few months, we expect oil prices to decline further because the Chinese economy is slowing so the demand for oil from there will reduce," said Dharmakirti Joshi, chief economist, Crisil.

INDIAN EXPRESS, Delhi, 27.1.2025

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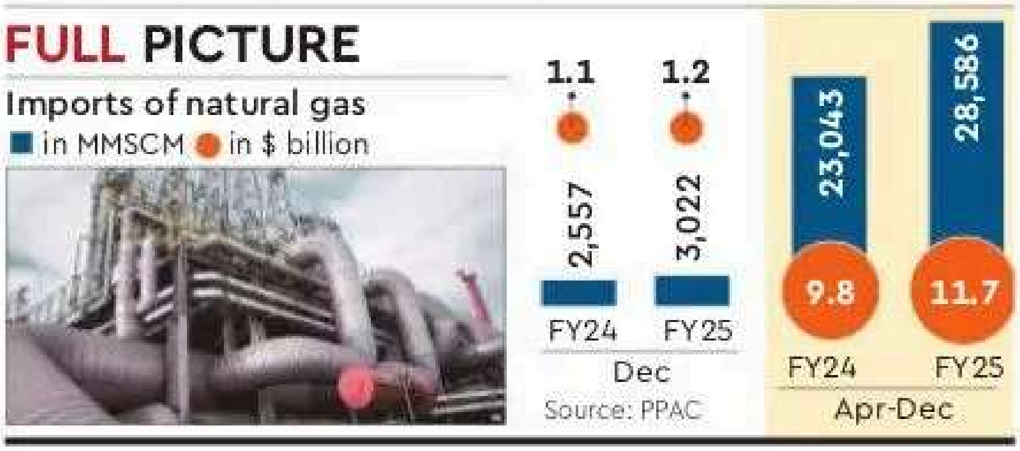
M/O Petroleum India Energy Week 2025 (IEW'25), the flagship energy event of GOI, will be held under the patronage of the Ministry of Petroleum and Natural Gas, organized by the Federation of Indian Petroleum Industry (FIPI), from 11 to 14 Feb. 2025 at the Yashobhoomi Convention Centre in New Delhi. The first major global event of the energy calendar, IEW 2025, is poised to be the most comprehensive and inclusive global energy gathering of the year.

Rising demand fuels over 19% jump in natural gas import bill

ARUNIMA BHARADWAJ
New Delhi, January 26



INDIA'S NATURAL GAS import bill surged by 19.4% to $11.7 billion during April-December of the current fiscal, compared with $9.8 billion in the same period last year, driven by rising consumption, according to data from the Petroleum Planning and Analysis Cell (PPAC). In December, the import bill increased by approximately 9% to $1.2 billion, compared to December 2023.

The country imported 28,586 million standard cubic meters (mmscm) of liquefied natural gas (LNG) during the period, reflecting a 24% increase over the corresponding period of FY24. Analysts attributed this growth to a combination of rising demand and stabilised global natural gas prices, which had previously surged to record highs in FY23.

India's natural gas consumption rose by 12% to 55,496 mmscm, driven by higher demand from the city gas distribution (CGD), fertiliser and power sectors. This pushed the country's reliance on imported gas to 51.5%, up from 46.3% in the same period last fiscal.

Despite the rise in imports, domestic natural gas production showed only a marginal increase of 0.3% during April-December. State-owned ONGC produced 14,172 mmscm of natural gas during this period, a decline from 14,550 mmscm in the same period last year. Production remained below targets, highlighting the widening gap between demand and domestic supply.

India's LNG imports are expected to moderate in 2025, with growth projected to slow to 10%, compared to 21% in 2024, according to the International Energy Agency (IEA). This slowdown is attributed to tempered demand growth and continued global competition for LNG cargoes.

The IEA projects an 8% increase in India's natural gas demand in 2025 (or an additional 6 billion cubic meters), supported by the country's expanding energy requirements and rapid economic growth.

BUSINESS STANDARD, Delhi, 27.1.2025
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Energy transition fund unlikely to make return

Petroleum ministry had requested to reinstate the fund in Union Budget

SUBHAYAN CHAKRABORTY
New Delhi, 26 January

A mega fund for energy transition in the crude oil sector, earlier promised and subsequently scrapped, is not expected to return anytime soon, officials from the Ministry of Petroleum and Natural Gas have said.

The fund, intended to focus on investments in new-age fuels — such as green hydrogen, ethanol, and other biofuels — had been requested to be reinstated by the petroleum ministry in the upcoming annual Budget. The Budget for 2023-24 (FY24) initially earmarked a capital outlay of ₹30,000 crore for priority investments in projects aimed at energy transition, energy security, and achieving net-zero emissions by 2070. However, this allocation was never disbursed. The Interim Budget presented in February 2024 halved the fund to ₹15,000 crore, and in the July Budget, it was scrapped entirely. The equity infusion was deferred to the next financial year (2024-25).

Officials indicated that the fund is unlikely to return soon, citing reservations from the finance ministry.

"The withdrawal of such a substantial fund could delay the energy transition for these companies by slowing their investments in renewable energy, electric vehicle infrastructure, and other green initiatives. Additionally, this move could undermine investor confidence in the government's commitment to achieving net-zero emissions by 2070, potentially discouraging future investments in the sector," said Raju Kumar, energy tax leader at EY.

Given the critical role oil-marketing companies (OMCs) play in India's energy landscape, their energy transition road map should be clearly defined, setting an example for private-sector players to follow, Kumar added.

Although the government has not provided specific reasons for withdrawing the allocation for OMCs, an analysis of market and industry reports suggests the decision may stem from their recovery of losses and the reporting of robust profits. The combined profit of public-sector OMCs — Indian Oil Corporation (IndianOil), Bharat Petroleum Corporation (BPCL), and Hindustan Petroleum Corporation (HPCL) — rose to ₹86,000 crore in FY24, over 25x higher than the preceding year. In 2022-23, a combined profit of ₹20,224 crore by IndianOil and BPCL was offset by a loss of ₹8,974.03 crore by HPCL.

Transition underway

Nonetheless, all OMCs have already initiated measures towards energy transition.

The companies are currently drafting a comprehensive plan to ramp up green hydrogen production. Under the Centre's ₹19,744 crore Green Hydrogen Mission, mandatory procurement of green hydrogen has been stipulated for various sectors, including refineries.

The OMCs have also started producing ethanol from bio-residue and agricultural waste. This plan aligns with the Centre's long-term target of achieving higher levels of ethanol blending with petroleum. The retailing of E20, or petrol blended with 20 per cent ethanol, is now nationwide.

VIRAT VAIBHAV, Delhi, 27.1.2025
Page No. 15, Size:(3.85)cms X (12.95)cms.

इमल्शन तकनीक का परीक्षण कर रही हैं भारतीय रिफाइनरियां

नई दिल्ली। भारतीय तेल रिफाइनरियों ने अत्यधिक प्रदूषणकारी बंकर ईंधन को साफ करने के लिए मोनाको स्थित एक कंपनी की ईंधन इमल्शन प्रणाली का परीक्षण शुरू किया है। रिफाइनरी कंपनियों का मानना है कि इस प्रणाली को अपनाकर उन्हें ईंधन लागत में पर्याप्त बचत और जहाजों में इस्तेमाल होने वाले उच्च कार्बन उत्सर्जक ईंधन के पर्यावरणीय प्रभाव में कम करने में मदद मिलेगी। मामले से अवगत सूत्रों ने बताया कि दो सरकारी पेट्रोलियम कंपनियों ने इमल्सीफाइड ईंधन तेल (बंकर ईंधन) की सफाई के लिए अपनी रिफाइनरी और डिपो प्रतिष्ठानों में फॉवे इको सॉल्यूशंस (एफओडब्ल्यूई) के उपकरणों को लगाया है। उन्होंने कहा कि इन परीक्षणों से उत्सर्जन में पर्याप्त कमी और बेहतर ईंधन दक्षता दिखाई दी है। उन्होंने कहा कि रिफाइनरी अब इसके वाणिज्यिक उपयोग के लिए परीक्षण पर विचार कर रही हैं। यह प्रक्रिया जमीन पर या जहाज पर की जा सकती है।