



India's coal-to-gas plan calls for fine calibration

This initiative in favour of energy security holds immense promise, but India must take due care to keep it in synchrony with the realities of technology, costs and other dynamic factors

For an economy that imports 90% of its oil and 50% of its gas to meet 35% of its primary energy needs (28% met by oil and 7% by gas), the Indian government has acted swiftly in the wake of the world's largest ever supply disruption. Last week, it launched an effort to review old geological data and secure more of it to ignite investor interest in hydrocarbons. Better data improves the odds of explorers finding oil and gas, but does not guarantee a commercially viable discovery. Seismic studies reveal only indicative spots to drill, imprecision can be unforgiving and a strike may turn out too small. Another recent initiative holds greater promise: a hefty package of financial incentives with an outlay of ₹37,500 crore designed to fast-track projects that convert coal into gas. This is potentially a giant leap towards India's goal of energy independence by 2047, as set by Prime Minister Narendra Modi under the slogan of self-reliance. We have no dearth of extractable coal and this mission's target of gasifying 100 million tonnes of coal every year by 2030 is ambitious: if met, it would give the country twice the volume of natural gas it currently consumes. Syngas drawn from coal can serve as feedstock for a diverse range of products, from fertilizer and chemicals to hydrogen and transport fuels like ethanol, apart from dimethyl ether, an alternative to the single largest petroleum product we use, diesel.

Coal gasification, however, has challenges as well as a policy trade-off that must be assessed against the aim of self-reliance. China's story is instructive. It is the world's largest coal producer but depends on imports to meet some three-quarters of its oil needs. With gas, Bei-

jing's pursuit of self-reliance began early; today locally gasified coal accounts for over three-quarters of its output of urea, the most widely used nitrogen-based plant nutrient. In contrast, producers of urea from natural gas, like India, have been reeling from a 70% spike in the price of this input caused by the choke of Hormuz. At a time like this, we have a compelling case to gasify coal. India's urea subsidy bill is likely to exceed ₹1.7 trillion, with this fertilizer sold at a tenth of its global price. Advances in process technology, though, will determine how efficiently it is done and how quickly it scales; R&D pacts could guardrail the incentive package.

Coal's syngas can support far more than urea production. The process yields hydrogen, for example, which is used by industries like steel and cement, whose final products are not under state control. In such cases, especially, the Centre must assess global technology and prices before incentives are awarded. Late last year, globally, spiralling costs and weak demand led to almost 60 projects amounting to four times the world's installed capacity for low-carbon hydrogen getting scrapped. While global majors had embraced this clean-tech idea, they struggled to scale up. Now they are on the lookout for a cheaper and faster path ahead. We also have climate goals that the coal-to-gas initiative could help achieve, particularly if its use as an energy source reduces overall carbon emissions. But to gasify coal cleanly, we would need it done within coal mines with appropriate mechanisms to entrap carbon. The technology for this, however, has some way to go before it can be deployed safely and at scale. All said, a complex mix of variables must be managed for an optimal policy balance between costs, self-reliance and carbon reduction.

Cabinet clears ₹10K-cr package to shield airlines from fuel price surge

TRIBUNE NEWS SERVICE

NEW DELHI, JUNE 3

The Union Cabinet on Wednesday approved a Rs 10,000 crore fuel price stabilisation scheme for airlines, extending financial support to state-owned oil marketing companies to moderate aviation turbine fuel (ATF) prices and cushion carriers from cost pressures arising from the ongoing West Asia crisis.

A one-time, interest-free advance of up to Rs 10,000 crore will be provided to oil marketing companies (OMCs), enabling them to supply jet fuel to scheduled Indian air-

NOD TO 4 NATIONAL HIGHWAYS

- The Cabinet Committee on Economic Affairs on Wednesday approved four major national highway projects worth ₹24,200 crore, aimed at reducing travel time and boosting economic activity across Odisha, Telangana, Bihar and Madhya Pradesh
- Among the key approvals is the new coastal highway from Rameshwar to Paradeep in Odisha at a cost of ₹8,300.79 crore

lines at a fixed price for both domestic and international operations. Information and Broadcasting Minister Ashwini Vaishnaw said the government has capped the ATF price for domestic airlines at Rs 75.6 per litre, significantly below the current market price.

While the cap is expected to provide immediate relief to air-

lines, it could increase financial pressure on refiners and fuel retailers, which will be compensated through the stabilisation fund. The support mechanism comes as international jet fuel prices have surged amid geopolitical tensions in West Asia.

Vaishnaw said international ATF prices have risen nearly 2.5 times, from Rs 60.5 per litre

in March to about Rs 142 per litre in May. Fuel accounts for roughly 40 per cent of airline operating costs and can rise to as much as 60 per cent during periods of extreme price volatility, making it one of the industry's largest cost components.

Under the approved framework, OMCs will be compensated whenever international import parity prices exceed a benchmark level determined by the government. Once global fuel prices moderate, the support provided to OMCs will be recovered and returned to the Consolidated Fund of India through a defined true-up mechanism.





Cabinet approves Rs 10K cr jet fuel 'stabilisation' fund

NARESH BISWANI

NEW DELHI: The Union Cabinet, chaired by Prime Minister Narendra Modi, has approved a one-time budgetary support of up to Rs 10,000 crore to help stabilise Aviation Turbine Fuel (ATF) prices for Scheduled Indian Airlines amid unprecedented volatility in global fuel markets triggered by the ongoing West Asia crisis.

Beginning with a government directive, funds flow to Oil Marketing Companies via the Ministry of Petroleum and Natural Gas in the form of zero-interest advances. Stability in domestic and global flight operations remains the central focus, as price swings in aviation turbine fuel are absorbed by this mechanism.

Under the approved mechanism, OMCs will be compensated whenever international ATF prices exceed a benchmark level. Once prices moderate, the differential amount will be recovered from OMCs and returned to the Consolidated Fund of India through a structured recovery and true-up process.

Every qualified Indian airline may join the program, operating at home or abroad. For a period reaching thirty-six months, those involved obtain aviation turbine fuel solely through Oil Marketing Companies. A set rate applies

throughout, shielding against abrupt increases in fuel costs. This structure remains active only if suppliers commit without exception. Duration limits stand firm regardless of market shifts. Stability forms the core focus during implementation.

A committee tasked with oversight will include members from the Ministry of Civil Aviation, the Ministry of Petroleum and Natural Gas, along with officials from the Department of Expenditure. Oversight duties cover claim verification, implementation tracking, audit processes, followed by reconciliation work. Each phase unfolds under structured review, ensuring alignment across agencies involved. Procedures remain consistent, guided by assigned responsibilities within the group. A shift in policy aims to strengthen airline finances by reducing swings in ticket prices. Stability in fares may help preserve jobs tied to aviation networks. Connectivity to smaller urban centres should remain intact under the plan. For a period of three years, the assistance arrangement stays active, continuing unless ended earlier through yearly assessments or once full repayment occurs. It persists until either the complete sum has been reclaimed or reassessment determines continuation unnecessary.



Oil demand growth set for covid low on war

Bloomberg

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India's oil demand growth this year could tumble to its lowest level since the pandemic as the fallout from the West Asia conflict saps fuel consumption in the world's third-biggest crude importer.

Oil demand growth is forecast at 78,000 barrels a day, according to Kpler Ltd, which has slashed its pre-war estimate by almost 40%. Beyond the covid-19-hit 2020, that would be the lowest in a decade. Another consultant, Rystad Energy, projects diesel demand growth will plummet to a trickle.

India is heavily reliant on imported crude and fuels, and the Iran war has led to surging energy prices that are squeezing state-run refiners and weighing on the broader economy. A weaker currency is compounding the pressure, and Prime Minister Narendra Modi has urged people to save fuel by working from home, using public transport, and avoiding non-essential overseas travel. State-owned oil refiners have made modest fuel-price hikes to cushion the blow, but they pale compared with the surge in international crude since the war started at the end of February. Processors have been losing ₹600 crore a day selling diesel, petrol and LPG below market rates, as per oil ministry estimates.

Crude oil futures hit record ₹9,260/barrel amid escalating tensions in West Asia

PIONEER NEWS SERVICE

■ New Delhi

Crude oil prices surged by ₹310 to a fresh record high of ₹9,260 per barrel in futures trade on Wednesday, tracking strong gains in global benchmarks amid escalating tensions in West Asia.

On the Multi Commodity Exchange (MCX), the most-active June crude oil contract climbed by ₹310, or 3.46 per cent, to an all-time high of ₹9,260 per barrel.

"Crude oil extended its rally for a third consecutive session on Wednesday as regional escalation intensi-



fied overnight," brokerage firm Kotak Neo said.

The US and Iran have exchanged fire, with Iran launching missiles toward Kuwait and Bahrain, which

were intercepted by US and Bahraini defence forces. The US military also shot down three drones targeting civilian shipping in the Strait of Hormuz, while Iran's Islamic Revolutionary Guard Corps (IRGC) claimed strikes on US military assets.

In the international markets, Brent crude futures for August delivery rose nearly 3 per cent to USD 98.62 per barrel, while West Texas Intermediate (WTI) advanced 3 per cent to USD 96.34 per barrel.

Analysts said investors are closely monitoring ongoing diplomatic efforts in West

Asia, including talks related to Israel and Lebanon, with any agreement involving the Strait of Hormuz likely to be crucial for easing geopolitical risk premiums embedded in oil prices.

Oil markets have remained volatile in recent sessions amid conflicting signals on US-Iran negotiations.

President Donald Trump said talks with Tehran remain active and suggested a potential agreement on reopening the Strait of Hormuz could be reached within a week; persistent military exchanges have kept traders on edge, they added.

'E85 fuel will be priced much lower than petrol'

Our Bureau
New Delhi

The Centre is working on a pricing framework for E85 ethanol-blended fuel to make it significantly cheaper than regular petrol as part of efforts to accelerate flex-fuel vehicle adoption and reduce dependence on imported crude oil.

According to Hardeep Singh Puri, Union Minister for Petroleum and Natural Gas, the Centre is actively examining policy measures to support the launch of higher ethanol blends.

"E85 fuel will be used for vehicles compliant with E85. It will be substantially cheaper than normal fuel," said Puri at the launch event of Hero MotoCorp's flex-fuel variants of Splendor and HF Deluxe motorcycles in New Delhi.

The Minister did not provide details on the proposed pricing structure, but indicated that a policy announcement could be made shortly. "We are actively examining supportive policy frameworks to accelerate affordable adoption," he said. "I've already said it will be substantially cheaper. You'll find out in a few days."

ETHANOL PUSH

The development comes as India seeks to move beyond its conventional ethanol-blending programme, which has emerged as a key pillar of the government's strategy to lower crude oil imports, reduce emissions and support rural incomes. Besides, Puri said that India has increased ethanol blending in petrol from around 1.5 per cent in 2014 to 20 per cent currently, achieving its original 2030 target six years ahead of schedule.

The Minister said the ethanol-blending programme has helped save ₹1.84 lakh crore in foreign exchange,



Hardeep Singh Puri,
Union Minister for
Petroleum and Natural Gas

substitute 302 lakh metric tonnes of crude oil and reduce carbon dioxide emissions by 909 lakh metric tonnes. In addition, farmers have earned around ₹1.58 lakh crore through ethanol production, he added.

Puri said the launch of Hero MotoCorp's flex-fuel motorcycles marks India's entry into mass-market flex-fuel mobility. The Minister noted that even a limited shift towards E85-compatible vehicles could generate substantial ethanol demand.

Puri added that India's future mobility strategy will not rely on a single technology pathway, but will combine electric vehicles, bio-fuels, hydrogen and renewable energy solutions based on sectoral requirements.

"A calibrated approach comprising fuel price support and targeted fiscal incentives can create strong consumer economics and accelerate adoption," he said.

India has an active fleet of more than 300 million two-wheelers, giving an opportunity for wider adoption of ethanol-based fuels. Consequently, if only one per cent of annual petrol vehicle sales transitions to E85 in the 2026-27 ethanol supply year, more than 40 million litres of incremental ethanol demand could be created, while foreign exchange savings may reach approximately ₹195 crore.

Centre approves scheme to cut pollution levels in Delhi-NCR

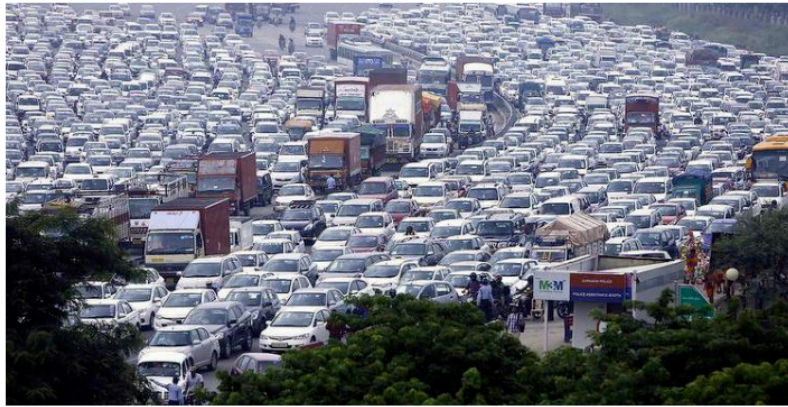
Two-year programme with financial outlay of ₹9,585 crore aims at contributing to improved air quality index in the region by encouraging vehicle owners to transition to BS-VI variants or EVs; it will benefit 1.91 lakh trucks, 16,329 buses, says govt.

The Hindu Bureau
NEW DELHI

The Union Cabinet on Wednesday approved a two-year scheme aimed at reducing air pollution in the Delhi-National Capital Region (NCR) by accelerating the transition to cleaner transport technologies.

With a total financial outlay of ₹9,585 crore, including ₹5,041 crore from the Centre and an estimated ₹1,601 crore in tax concessions from the participating States, the scheme seeks to incentivise owners of trucks and buses registered in the Delhi-NCR that comply with BS-IV or earlier emission norms to replace them with BS-VI or stricter emission-compliant vehicles, or electric vehicles (EVs).

By speeding up the transition to cleaner transport technologies, the scheme



The scheme will be funded through the National Capital Region Planning Board and implemented by the Ministry of Road Transport and Highways and Ministry of Petroleum and Natural Gas. FILE PHOTO

is expected to reduce vehicular emissions and contribute to improved air quality index (AQI) across the Delhi-NCR, read an official statement.

The scheme will be funded through the National Capital Region Planning Board under the Ministry of Housing and

Urban Affairs and implemented by the Ministry of Road Transport and Highways and Ministry of Petroleum and Natural Gas.

Govt. vehicles excluded

The move will benefit approximately 2.07 lakh (1.91 lakh trucks and 16,329 buses) owners in Delhi-NCR

(comprising Delhi, Haryana, Rajasthan, and Uttar Pradesh), it stated.

For BS-III or older vehicles, scrapping at registered vehicle scrapping facilities is mandatory. BS-IV vehicles may either be "scrapped or sold outside the NCR in non-National Clean Air Programme ci-

ties/towns". Owners must then purchase and register a BS-VI or stricter norms-compliant or an EV within the NCR. However, in Delhi, light goods vehicles purchased under the scheme must be electric while buses must be compliant with BS-VI norms, run on CNG, or be electric only. Government vehicles are excluded from the scheme.

The Centre will provide 5% interest subvention on loans for five years, monthly fuel vouchers worth up to ₹4,800 depending on vehicle category, and lump-sum benefits for EV purchases or Certificate of Deposit trading.

State governments will waive registration fees and grant up to 100% motor vehicle tax concessions for new vehicles and 50% for used vehicles for 10 years. They will also waive pending liabilities on old vehicles under the scheme.

India's exports of refined products hit multi-year low in May

Rishi Ranjan Kala

New Delhi

The imposition of windfall tax, coupled with re-prioritisation of refinery operations to increase LPG output and refinery maintenance, pulled down India's refined petroleum product exports in May to their lowest levels since October 2022.

May 2026 also marked the third consecutive month of decline in the export of petroleum, oil and lubricants (POL) products, following the government's re-imposition of Special Additional Excise Duty (SAED) on diesel and aviation turbine fuel (ATF) to discourage out-bound shipments in March.

The prices of jet fuel and

diesel have been surging in the global market due to the conflict.

INVENTORY LEVELS

The windfall tax also came after India's crude oil inventory levels declined, slipping below 100 million barrels in March.

Kpler said India's refined product exports fell to around 930,000 barrels per day (b/d) in May 2026, which is the lowest export level recorded since October 2022 (926,000 b/d).

"This sharp retrenchment was driven by a combination of lower refinery throughput, maintenance activity, and a structural pivot toward the domestic market," the real-time data and analytics provider added. Sumit Rito-

lia, Kpler's Lead Research Analyst for Refining & Modelling, told *businessline*: "State-owned refiners have increasingly prioritised domestic market requirements amid continued uncertainty in global energy markets. Concerns around supply security and the mandate to maintain adequate local availability encouraged PSU refiners to direct a larger share of production towards the domestic grid rather than international export channels."

DOMESTIC TAXES

Besides, he explained that export economics have become less supportive for incremental overseas shipments, as domestic taxes on refined product exports con-



OUTPUT DISRUPTION. Planned maintenance at Reliance's Jamnagar complex significantly reduced exports in May

tinue to reduce the attractiveness of international sales relative to local supply.

Ritolia also pointed out that the planned mainten-

ance at Reliance Industries Ltd's (RIL) Jamnagar complex significantly reduced export availability in May.

"As India's largest refiner

and refined product exporter, Reliance plays a disproportionate role in determining national export volumes. The maintenance turnaround lowered crude intake and refinery throughput," he added.

Beyond maintenance-related run cuts, Ritolia pointed out that refiners actively adjusted product yields to prioritise domestically required fuels, particularly liquefied petroleum gas (LPG), and this has led to lower production (80,000 b/d in total) of gasoline and gasoil. Shifting refinery configurations to maximise local LPG output directly reduced the availability of export barrels, with gasoline and gasoil exports bearing the largest impact.

Cabinet approves ₹10,000 cr. ATF price stabilisation fund

One-time budgetary support to oil companies is aimed at backing airlines in the backdrop of escalating jet fuel prices due to the West Asia conflict; fund to be offered as interest-free advances

The Hindu Bureau
NEW DELHI

Seeking to cushion airlines in the backdrop of escalating jet fuel prices due to the West Asia conflict, the Union Cabinet on Wednesday approved a one-time budgetary support of ₹10,000 crore to oil-marketing companies (OMCs) towards a price stabilisation fund.

The budgetary support would be made available to scheduled airlines in India for both domestic and international operations and would be provided in the form of interest-free advances to OMCs.

Union Petroleum Minister Hardeep Singh Puri said that the price stabilisation fund would help stabilise (aviation turbine fuel) ATF prices in the backdrop of the West Asia conflict.

“The fund will help stabilise ATF prices for scheduled Indian carriers and will prevent disruption of airline operations while protecting air passengers from fare spikes driven by the geopolitical conflict involving several energy producers,” read his social media post.

The budgetary support would function like a self-sustaining revolving fund.

The Cabinet has sought that once the international ATF prices moderate, the differential amount shall be recovered from the oil-marketing companies

Cushioning effect

Petroleum Minister Hardeep Singh Puri says the price stabilisation fund will prevent disruption of airline operations and protect air passengers from fare spikes



■ The scheme will be implemented via an MoU between OMCs and participating airlines

■ Airlines can procure ATF only from those OMCs — either for up to three years or until advance amount is fully recovered

■ Once international ATF prices moderate, differential amount will be recovered from OMCs and returned to govt. exchequer

■ The budgetary support would function like a self-sustaining revolving fund

(OMCs) and returned to the government exchequer.

It would be implemented through an MoU between OMCs and participating airlines and would mandate the latter to procure ATF only from OMCs — either for up to three years or until the advance amount is fully recovered.

Under-recovery

Officials at the Union Petroleum Ministry had informed on Monday that State-run OMCs were presently incurring an under-recovery of ₹30 on every litre of ATF meant for domestic scheduled carriers.

Further, the government observed that international ATF prices surged nearly 2.5 times from ₹60.5 per litre in March to ₹142 per litre in May.

ATF prices for domestic scheduled carriers were

hiked 9% April 1 this year and have been kept unaltered since then.

In fact, Air India, along with its low-cost subsidiary Air India Express and Indigo, together cut down 250 daily domestic flights from June amid rising prices of jet fuel. The move was expected to further escalate airfares.

The government informed that to protect air commuters from a potential sudden price shock, it had capped the ATF prices at ₹75.6 per litre.

‘No adequate cushion’

However, the continuing crisis did not offer adequate cushion.

“ATF accounts for nearly 40% of airline operating costs and during periods of extreme fuel volatility, can constitute up to 60% of total operating expenditure,” it said.

Crude oil futures hit record high of ₹9,260 per barrel

NEW DELHI

Crude oil prices surged by ₹310 to a fresh record high of ₹9,260 per barrel in futures trade on Wednesday, tracking strong gains in global benchmarks amid the escalating tensions in West Asia. On the MCX, the most-active June crude oil contract climbed by ₹310, or 3.46%, to an all-time high of ₹9,260 per barrel. “Crude oil extended its rally for a third consecutive session on Wednesday as regional escalation intensified overnight,” brokerage firm Kotak Neo said. P11

Refined fuel exports fall to lowest since 2022

NEW DELHI

India's exports of refined petroleum products fell to about 9,30,000 bpd in May, their lowest level since October 2022, as refinery maintenance, changing production priorities and stronger domestic demand curtailed overseas shipments. Exports declined to around 9,30,000 bpd, down to levels last seen when shipments averaged 9,26,000 bpd in October 2022, reflecting a combination of lower refinery throughput and growing focus on supply to the domestic market, according to data analytics firm Kpler. P11

Centre mulls policy to boost E85 fuel uptake

The Hindu Bureau

NEW DELHI

The government is actively examining supportive policy framework to accelerate affordable adoption of E85 fuel, said Union Minister for Petroleum and Natural Gas Hardeep Singh Puri.

Speaking at the launch of Hero MotoCorp's flex-fuel motorcycles on Wednesday, he said that E85 (85% blending of ethanol with gasoline), fuel would be "substantially cheaper than normal fuel [variant]".

"If 1% of annual petrol vehicle sales in India during ethanol supply year 2026-27 shifts to E85, over four crore litres of ethanol demand would be generated, [and] nearly ₹266 crore



Hardeep Singh Puri

estimated payments would be made to distillers," he said, adding that about ₹195 crore would be earned in foreign exchange savings, approximately 0.28 lakh metric tonnes (LMT) of crude oil imports would be reduced, net CO2 reduction of nearly 0.86 LMT will be achieved, and nearly ₹160 crore would go directly to farmers.

TO SHIELD AIRLINES, OMCs FROM GLOBAL FUEL PRICE SURGE

Centre clears Rs 10,000 cr to keep ATF prices stable

Price stabilisation fund mechanism will provide more predictability in fuel costs

Sukalp Sharma
New Delhi, June 3

THE CENTRE on Wednesday approved a one-time budgetary support of Rs 10,000 crore to public sector oil marketing companies (OMCs) to provide stable fuel pricing for scheduled Indian airlines as it sought to cushion the blow from soaring jet fuel prices in the international market.

The government expects this arrangement, which will be in place for three years, to ease the pain for the OMCs as well as Indian airlines in the prevailing environment of extreme fuel price volatility. It also expects the move to rein in runaway airfares due to fuel price pressure.

According to the government, this price stabilisation fund mechanism will provide greater predictability in fuel costs by adopting a fixed-price arrangement, thereby reducing the airlines' exposure to sudden fuel price spikes.

The facility will only be available to Indian airlines, and not to foreign carriers.

It will be implemented through an agreement between the airlines and the OMCs, under which the carriers will have to procure aviation turbine fuel (ATF) exclusively from the OMCs for up to three years, "subject to annual review or until the advance amount is fully recovered, whichever is earlier". Jet fuel prices have gone up significantly in the international market due to the West Asia war and the consequent closure of the Strait of



The price strain forced Air India to substantially curtail its international flight operations. REUTERS

Hormuz. The OMCs have been selling ATF at a loss for domestic flights, which is adversely impacting their financial health.

They are also bearing losses on other fuels like petrol, diesel, and cooking gas sold to households. On the other hand, Indian airlines have also been struggling, particularly in international flight operations, as they are required to pay the full market-linked price for overseas operations.

The strain forced Air India to substantially curtail its international flight operations for the June-August period. The airline has also reduced domestic flights due to the impact of high international fuel prices on its overall operations.

Indian airlines had made repeated pleas to the government to stabilize jet fuel prices, while also seeking parity between fuel prices for domestic and international flights.

Usually, ATF accounts for about 40% of Indian airlines' operational costs. The price surge had led to a further increase to 55-60%, according to an Indian airline association.

The hike in jet fuel prices resulted in most major airlines increasing fuel surcharges, particularly for international flights, even as they claimed that the surcharges would set off only a part of the cost escalation.

The government said that the West Asia crisis pushed up international jet fuel prices to Rs 142 per litre in May from Rs 60.50 per litre in March, an increase of 135%.

"The budgetary support shall be in the form of interest-free advances to OMCs through the Demands for Grants of the Ministry of Petroleum and Natural Gas. The support shall be provided to OMCs to facilitate stable ATF pricing for airlines during the ongoing period of exceptional fuel price volatility arising from the West Asia crisis," the government said in a release.

"The corpus shall compensate OMCs for losses arising from elevated international ATF prices whenever the prevailing Import Parity Price exceeds the benchmark price determined under the approved mechanism... When international ATF

• FUND MECHANICS

THE CORPUS shall compensate OMCs for losses arising from elevated international ATF prices whenever the prevailing Import Parity Price exceeds the benchmark price determined under the approved mechanism

WHEN INTERNATIONAL ATF prices moderate, the differential amount will be recovered from OMCs and returned to the Consolidated Fund of India, said the Centre

THE FACILITY will only be available to Indian airlines, and not to foreign carriers. The OMCs have been selling ATF at a loss for domestic flights, which is adversely impacting their financial health

prices moderate, the differential amount shall be recovered from OMCs and returned to the Consolidated Fund of India. The arrangement shall continue until the entire support amount is fully recovered and settled," it added. The implementation will be overseen by a monitoring committee of the Ministry of Civil Aviation (MoCA), Ministry of Petroleum & Natural Gas (MoPNG), and the Department of Expenditure.

This committee will also oversee claim verification, reconciliation, and settlement, and all claims and recoveries shall be subject to audit.

On Monday, in their monthly revision of ATF prices, the OMCs kept the price unchanged for scheduled domestic flights for the second month in a row. Additionally, relief also came for Indian carriers in the form of a 27% cut in jet fuel price for international flights. With this cut, the price of jet fuel for international flights came down to levels similar for domestic flights.

FULL REPORT ON

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Centre clears ₹9k-cr scheme to replace BS-IV trucks, buses

Soumya Chatterjee

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NEW DELHI: The Union government on Wednesday approved a ₹9,585-crore scheme to replace around 200,000 BS-IV heavy vehicles, including 191,000 trucks and 16,329 buses, in Delhi-NCR with vehicles operating on cleaner BS-VI emission standards or CNG or battery, to curb air pollution in the region.

Under the scheme, vehicles owners have been offered a 5% interest subvention on loans for five years, monthly fuel vouchers of up to ₹4,800, and 8% discount on ex-showroom price of new vehicles, as per a government release. To avail of the benefits, owners will have to scrap BS-III and older emission vehicles at authorised scrapping facilities.

"It is estimated that a single pre-BS heavy-duty vehicle emits as much as 14 BS-VI compliant vehicles. Even a BS-IV vehicle emits 2.7 times more than a BS-VI counterpart. The newer fleet is expected to reduce pollution substantially," the gov-

For cleaner air

SCHEME AT A GLANCE

- Centre approves ₹9,585-crore vehicle replacement scheme
- Targets around 200k BS-IV trucks and buses in Delhi-NCR
- Vehicles to be replaced with BS-VI, CNG or electric models

INCENTIVES FOR OWNERS	WHY IT MATTERS
● 5% interest subvention on loans for five years	● Trucks and buses are just 3% of vehicles, but cause 36% of transport PM2.5 emissions
● Fuel vouchers worth up to ₹4,800 per month	
● 8% discount on ex-showroom price of new vehicles	● BS-VI cuts particulate matter emissions by 82%
● Registration fee waivers and tax concessions for up to 10 years	

ernment press release said.

According to Bharat Stage (BS) emission standards, BS-VI diesel trucks have significantly less pollution.

According to IQAir's 2025 World Air Quality Report, New Delhi remained the world's most polluted Capital for the eighth consecutive year, recording an annual average PM2.5 concentration of 82.2 micrograms per cubic metre (ug/m³) which is more than 16

times the World Health Organization's guideline of 5ug/m³.

The scheme will be funded by the National Capital Region Planning Board (NCRPB) under the ministry of housing and urban affairs (MoHUA) and implemented by the ministry of road transport and highways (MoRTH) and the ministry of petroleum.

State governments of Delhi, Haryana, Rajasthan, and Uttar Pradesh will waive registration

fees and grant up to 100% motor vehicle tax concessions for new vehicles and 50% for used vehicles for 10 years.

The state governments will also waive pending liabilities on old vehicles that are replaced under the scheme.

Briefing reporters after the cabinet meeting, Union minister Ashwini Vaishnaw said, "We will also request state governments for a 100% tax concession and registration fee waiver for 10 years. These measures will bring a significant change and create the possibility of replacing over two lakh vehicles."

Experts said that the step would help curb emissions.

Amit Bhatt, India managing director at International Council on Clean Transportation, said, "It is a welcome step because our real-world emission study in Delhi showed that pre-BS VI vehicles have high emissions. Transitioning to cleaner fuels and batteries will help improve Delhi's air quality. However, it is essential to scrap these vehicles in the proper manner."

India Imports 55% of LPG from US and 12% from Iran in May

US supplies doubled to 666,000 T compared to February's level

Sanjeev Choudhary

New Delhi: The US and Iran emerged as India's top two liquefied petroleum gas (LPG) suppliers in May, together accounting for nearly two-thirds of imports, even as the ongoing conflict between the two countries continued to disrupt global energy flows.

LPG supplies from the US more than doubled to 666,000 tonnes in May compared to February's level, making up 55% of India's imports during the month, according to energy cargo tracker Kpler.

"As the world's largest LPG producer and exporter, the US is emerging as an alternative supplier for Indian buyers during this period of uncertainty," said Nikhil Dubey, lead analyst-refining at Kpler. "Unless supply conditions in West Asia normalise, US LPG is likely to remain a key source of incremental supply for India, with import volumes expected to stay strong in the near term."

The US was not a significant player in India's LPG market until last year, when Indian state refiners

New Lifeline

Shift in India's LPG Import Sources

BEFORE CONFLICT	Key suppliers:
West Asia supplied 90% of India's LPG imports	UAE, Qatar, Saudi Arabia, Kuwait

AFTER CONFLICT

West Asia supplies decline sharply	US imports more than doubled since February	Iran resumed LPG exports to India after a 7-year gap
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INDIA ALSO SOURCED LPG CARGOES FROM

Australia, Russia, Argentina, Congo, Angola, Nigeria, Cameroon



signed annual purchase deals with American suppliers covering around 10% of the country's LPG imports. Supplies began in January, but the near closure of the Strait of Hormuz accelerated purchases from the US, giving it an outsized share of India's imports.

West Asia — primarily the UAE, Qatar, Saudi Arabia and Kuwait — accounted for 90% of LPG imports before the war. But supplies from these traditional partners have fallen sharply since the US-Israel war against Iran started on February 28. At the same time, imports from Iran, with which India's energy tra-

de ceased seven years ago under US pressure, resumed in March.

Iran supplied 145,000 tonnes of LPG in May, making it India's second-largest supplier after the US and accounting for about 12% of total imports.

India also sourced cargoes from countries that rarely supplied LPG to the country in the past. Australia, Russia, Argentina, Congo, Angola, Nigeria and Cameroon all shipped small volumes to India.

India's overall LPG imports increased 25% month-on-month in May but remained 40% lower than February's level.

कैबिनेट ने दी एयरलाइंस को राहत एटीएफ की कीमतें थामने के लिए 10 हजार करोड़ की मदद

भास्कर न्यूज़ | नई दिल्ली

अन्य फैसले : दिल्ली में

पुराने ट्रक-बस बदले जाएंगे

केंद्र सरकार ने विमानन कंपनियों को बढ़ती ईंधन लागत से राहत देने के लिए 10 हजार करोड़ रुपए के एविएशन टर्बाइन फ्यूल (एटीएफ) मूल्य स्थिरीकरण कार्यक्रम को मंजूरी दी है। केंद्रीय मंत्रिमंडल ने बुधवार को इस योजना को हरी झंडी दी। इसके तहत सरकारी तेल कंपनियों को ब्याज-मुक्त अग्रिम राशि उपलब्ध कराई जाएगी ताकि वे एयरलाइंस को तय कीमत पर एटीएफ उपलब्ध करा सकें।

सूचना एवं प्रसारण मंत्री अश्विनी वैष्णव ने बताया कि घरेलू एयरलाइंस के लिए एटीएफ की कीमत 75.6 रुपए प्रति लीटर पर सीमित की गई है, जो मौजूदा बाजार मूल्य से काफी कम है। सरकार का कहना है कि ईंधन एयरलाइंस की कुल परिचालन लागत का 40 प्रतिशत हिस्सा होता है। असाधारण परिस्थितियों में यह 60 प्रतिशत तक पहुंच सकता है। नई व्यवस्था के तहत जब अंतरराष्ट्रीय कीमतें तय मानक से ऊपर जाएंगी, तो तेल कंपनियों को अंतर की भरपाई की जाएगी। बाद में कीमतें सामान्य होने पर यह राशि वापस सरकारी कोष में जमा कराई जाएगी। योजना अधिकतम तीन वर्ष तक लागू रहेगी और हर साल समीक्षा होगी। सरकार का मानना है कि इससे विमान किरायों में अत्यधिक उतार-चढ़ाव को रोका जा सकेगा।

दिल्ली-एनसीआर में पुराने ट्रकों और बसों को बदलने की योजना मंजूर। रजिस्टर्ड बीएस-4 या उससे पहले के उत्सर्जन नियमों वाले ट्रक-बस को बीएस-6 में बदला जा सकेगा। सरकार 5 साल के लिए कर्ज पर 5 प्रतिशत ब्याज सब्सिडी देगी। वाहन की श्रेणी के आधार पर हर महीने 4,800 रुपए तक के फ्यूल वाउचर देगी। ईवी खरीदने या डिपॉजिट सर्टिफिकेट की ट्रेडिंग पर एकमुश्त फायदे देगी।

नेशनल हाईवे-63 के मौजूदा आर्मर-जगतियाल-मंचेरियल सेक्शन को हाइब्रिड एन्युइटी मॉडल पर चौड़ा करने की मंजूरी। यह हिस्सा तेलंगाना के निजामाबाद, जगतियाल और मंचेरियल जिलों से गुजरता है।

मध्य प्रदेश में एनएच-347बी के हिवरखेड़ी-रोशनी-आशापुर-रुधि सेक्शन (125 किमी) की इंटरमीडिएट लेन को पेव्ड शोल्डर स्टैंडर्ड वाली 2 लेन में अपग्रेड करने और एनएच-347बी के देशगांव-जुलवानिया सेक्शन (108 किमी) में मौजूदा 2 लेन को 4 लेन में चौड़ा करने के लिए 4,415.60 करोड़ रुपए मंजूर।

ओडिशा में रामेश्वर से पारादीप तक नए तटीय राजमार्ग मंजूर। 160.18 किमी लंबे रोड़ की लागत 8300 करोड़ रुपए आएगी।