



HPCL reports strong FY26 results with higher refinery throughput, sales growth & improved financial strength

HPCL reports strong FY26 results with higher refinery throughput, sales growth & improved financial strength. . Board recommends Final Dividend of Rs 19.25 per Equity Share. Board recommends Final Dividend of Rs 19.25 per Equity Share Hindustan Petroleum Corporation Limited (HPCL) today announced its financial results for the quarter and year ended March 31, 2026. The performance reflects resilient refinery operations, sustained growth in market sales, healthy refining margins and continued progress in improving the company's financial strengths. It also reflects benefits from multiple initiatives taken by the Company and demonstrates strong performance of Team HPCL. • 133% increase in Standalone Profit After Tax – FY26 (Rs 17,175 crore) • 168% increase in Consolidated Profit After Tax – FY26 (Rs 18,047 crore) • Highest-ever Refinery throughput of 26.04 MMT in FY26 with 3.0% increase YoY.

Reality check of govt.'s LPG stock claim

Govt. assured people that India had 45 days of LPG 'rolling stock,' implying there was enough stock and no need for panic; this came as a puzzle to many since India had rather limited LPG storage capacity and needs regular shipments to the extent of one shipload of LPG arriving every day

NEWS ANALYSIS

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CHENNAI

A few days ago, the government assured the people that India had 45 days of "rolling stock" in LPG, implying there were enough stocks and there was no need for panic.

The implication came as a puzzle to many since India has rather limited LPG storage capacity and needs regular shipments from abroad to the extent of an average of one shipload of LPG arriving every day.

Total LPG capacity

As per government data, India has a total LPG tankage capacity of some 1.6 million tonne of which some 53% is in import terminals, some 31% in bottling plants, 16% in refineries and related facilities.

As per government data, this would account for some 17 days of consumption as per January 1, 2026 consumption figures, assuming all the tanks are



Precious commodity: A worker handles a filled LPG gas cylinder amid reports of nationwide shortage of the cooking fuel. ANI

full, no fresh LPG came in and none were produced in Indian refineries in that period.

Long-term storage

India has almost negligible long-term storage such as caverns unlike, say, Europe in the case of natural gas.

One could say that a few days can be added to the figure of 17 given the cutbacks in bulk LPG and commercial LPG supplies. There is always LPG currently under transportation as cylinders within In-

dia and that could be considered too.

Yet, this still leaves a large shortfall from the claimed figure of 45 days even if all the tanks are full, unless the government has considered the LPG on ships, which have been ordered and are on their way, as inventory.

It is industry practice to consider certain types of import shipments as inventory though they may not be considered reliable buffer stocks. The term "rolling stock" usually applies to

goods transported by train.

The Hindu has been able to track 15 LPG tankers that left various ports in the U.S. for India using open-source marine traffic data.

Crystal Explorer, which left Houston, was scheduled to arrive in Ennore, Chennai, on Friday (May 15), while the tanker Hannibal reached Mangaluru on Saturday (May 16), as per *marinetraffic.com*.

The tanker Ethane Opal had discharged its cargo and left the Dahej port on Thursday.

The LPG tankers Vega Sky and Jirisan Explorer are scheduled to arrive in Vishakhapatnam and Ennore respectively on May 22, as per *marinetraffic.com*. Jia Yuan (Dhamra) and BW Aries (Vishakhapatnam) are likely to reach India this month.

Future Ace, which set sail from the port of Netherland in the U.S., is now in the Bay of Bengal abutting the Odisha coast. While *marinetraffic.com* did not show its final destination, it is nearing port of Dhamra.

Marine data show that the tankers Gas Planet, Pinza and Shergar, that

have recently left the U.S., are likely to reach Vishakhapatnam in the third week of June. Ethane Pearl and Clipper Guardian are scheduled to dock at Dahej and Haldia respectively by mid-June or thereafter.

The combined deadweight of these 15 ships is 8.38 lakh tonne.

Among the 15 tankers, two vessels – Ethane Crystal (bound for Dahej) and Badrinath (Mangalore) – are going to Port Louis in Mauritius, where they are likely to refuel before heading towards India.

Boom in marine fuel

According to *Business Insider Africa*, Port Louis has seen a boom in marine fuel sales after the surge in marine traffic around the Cape of Good Hope, effected by the closure of the Strait of Hormuz and threats of disruptions in the Red Sea.

On Thursday, LPG tanker Marshall Island-flagged Symi appeared to be sailing in the Gulf of Oman.

The vessel has been in the Persian Gulf since early March, having loaded its cargo at Ras Laffan in Qa-

tar. It was among the 20 ships marked for evacuation by the government since it was critical to India's energy needs.

Reports said another LPG tanker, the Vietnam-flagged NV Sunshine had transited the Strait of Hormuz and has entered India and is now off the Gujarat coast. It too had switched off its AIS while sailing through the chokepoint. The combined dead weight of the two vessels is 81,572 tonne.

More LPG vessels

The vessels described above could carry some one million tonne of LPG but the list is not comprehensive. There could be more such vessels and spot purchases the government can make from vessels already loaded. India's post-war LPG consumption in March was some 2.4 million tonne – a drop of 6 lakh tonne compared with normal months. Import deficit was about 1 million tonne, made up by higher local output. By this account, 1 million tonne of shipment could add to another 12 days.

Gulf war cuts India's LPG imports by 4.3 lakh barrels/day

Rishi Ranjan Kala
New Delhi

The closure of the Strait of Hormuz, through which India gets nearly two-thirds of its LPG imports, sharply disrupted supplies of the cooking fuel, with imports falling by about 430,000 barrels per day (b/d) or 430 kb/d in March-April.

The International Energy Agency, in its latest commentary on the impact of the West Asia conflict on liquefied petroleum gas (LPG) flows, said the crisis had triggered an unprecedented global energy shock.

Around 3.4 billion people across developing countries depend on LPG as the primary cooking fuel. In 2025, about 30 per cent of global seaborne LPG exports transited through the Strait, the agency noted.

INDIA HIT HARDEST

"India's LPG imports have



been particularly affected, dropping by more than half during the first two months of the conflict, a loss of around 430 kb/d," the IEA said.

To offset the shortfall, the government directed domestic refineries to maximise LPG production, adding an estimated 180 kb/d. Additional demand curbs were also introduced to reduce the impact on supplies.

Companies secured some alternative cargoes, but supplies from the US take nearly 40 days to reach

Mumbai, compared with just four-five days from the Gulf region.

India's LPG storage capacity covers a little over 10 days of consumption, offering only a limited cushion during supply disruptions. The shortage hit commercial users the hardest, with many unable to access pre-conflict supply volumes, while both commercial and household consumers faced sharply higher prices in unregulated markets.

SUPPLY SHOCK

The IEA said LPG exports through the Strait plunged about 80 per cent in March, falling from an average 1.5 million barrels per day (mb/d) in 2025 to just 0.3 mb/d during the conflict.

Almost all Middle East LPG exports were shipped to Asia in 2025, with nearly 60 per cent used by homes, restaurants, street vendors and commercial establish-

ments — enough to meet the cooking needs of around 820 million people.

The remaining volumes were largely used for water heating and as feedstock for petrochemicals, particularly in China, where some flexibility exists to switch to alternative feedstocks.

INFRA DAMAGE

The agency also noted that damage to LPG infrastructure in Qatar, Oman and Iran has resulted in production losses of around 170 kb/d. Eight additional LPG-related facilities in the region were reportedly hit, though the extent of the damage remains unclear.

LPG prices surged sharply in March, with benchmark rates in India and East Africa rising as much as 90 per cent above 2025 average, while West African prices climbed about 70 per cent.

Set to break out

CRUDE CHECK. Participants can buy futures

Akhil Nallamuthu

bl. research bureau

Crude oil prices surged last week. Brent crude oil futures on the Intercontinental Exchange (ICE) (\$109.30/barrel) and crude oil futures in the domestic market (₹9,685/barrel) were up 7.9 per cent and 10.9 per cent, respectively.

BRENT FUTURES (\$109.30)

Brent crude oil futures found support in early May showed signs of bulls gaining traction. In line with this, the contract saw a considerable rise last week.

The price remains above both 21- and 50-day moving averages and the daily chart shows that Brent crude futures has formed a higher base last week at around \$100 compared to the base at \$94 made in April. The price action maintains a positive inclination and the probability of further rally is high.

We expect Brent crude futures to break out of \$115 and soon touch \$125. In case there is a decline, it will most likely be arrested at \$94.



MCX-CRUDE OIL (₹9,685)

Crude oil futures (June), in the first week of May, saw good buying interest on the back of the support at ₹8,400, which coincided with the 21-day moving average.

A rebound last week and the formation of a higher low adds strength to the bulls' case.

There is a good chance for crude oil futures to surpass the barrier at ₹9,800 and rally to ₹11,000.

If there is a decline from the current level, the contract can find support at ₹9,000. Below this, is the support band of ₹8,200-8,400.

Trade strategy: Buy crude oil futures if the price dips to ₹9,200 to achieve a better risk-reward ratio. Target and stop-loss can be ₹11,000 and ₹8,200.

₹ decline can wipe out gains from fuel price hike, says SBI Research

NEW DELHI: The rupee has reached a critical level where any further depreciation could wipe out the gains from the recent Rs 3 per litre increase in petrol and diesel prices, according to an SBI Research Ecowrap report.

The report warned that “even an additional depreciation of Rs 2 in the Rupee raises the effective crude oil price, pushing the landed import cost, which fully offsets the gains from the current fuel price hike.”

The SBI Research report said the recent fuel price hike was aimed at reducing losses faced by Oil Marketing Companies (OMCs) due to elevated crude oil prices and unchanged retail fuel prices.

“OMCs’ under recoveries on sales of petrol and diesel are soaring because of unchanged retail prices,” the report said. It added that OMCs are “incurring losses to the tune of Rs 1000 crore per day, which amounts to around Rs 3.6 lakh crore a year.”

According to the report, the Rs 3 per litre increase in fuel prices is expected to provide relief of around Rs 52,700 crore to OMCs, covering only around 15 per cent of their estimated FY27 losses.

Highlighting the pressure from currency weakness, the report said, “the Rupee has already approached a critical depreciation threshold, beyond which further currency weakness could substantially erode the intended benefits of domes-



‘The recent fuel price hike was aimed at reducing losses faced by OMCs due to elevated crude oil prices and unchanged retail fuel prices’

tic fuel price revisions.”

The report estimated that, assuming an average FY27 exchange rate of Rs 94 per US dollar and crude oil prices at \$106 per barrel, the landed crude oil cost works out to nearly Rs 9,964 per barrel. It said the Rs 3 fuel price increase provides a benefit of around Rs 477 per barrel to OMCs, but a further Rs 2 depreciation in the Rupee significantly raises import costs.

SBI Research also said India needs a broader strategy to manage external sector risks. “There is a need for a comprehensive policy on balance of payments,” the report said. The report further noted that global

Key Points

- » ‘OMCs’ under recoveries on sales of petrol and diesel are soaring because of unchanged retail prices’
- » OMCs are ‘incurring losses to the tune of Rs 1000 crore per day, which amounts to around Rs 3.6 lakh crore a year’
- » ‘The Rs 3/litre hike in fuel prices is expected to provide relief of around Rs 52,700 crore to OMCs, covering only around 15% of their estimated FY27 losses’

crude oil markets remain under pressure amid disruptions in the Strait of Hormuz due to the ongoing West Asia conflict. “As per the latest IEA report, crude will continue to remain under pressure owing to the depleting inventories,” the report said.

The report added that shipments through the Strait of Hormuz have declined sharply in recent months, impacting both crude oil and LNG flows.

On inflation, SBI Research said the fuel price hike may have an immediate impact of around 15-20 basis points on Consumer Price Index (CPI) inflation during May-June 2026 and revised its FY27 inflation forecast to 4.7 per cent.

AGENCIES



US allows Russia oil sales waiver to expire

BLOOMBERG
May 16

THE TRUMP ADMINISTRATION allowed a waiver that encouraged more Russian crude sales to lapse, even as the Iran war stokes concerns about global oil supplies and higher fuel costs. The expiration effectively ends for now a brief period where the administration eased sanctions on some Russian oil, enabling purchases that would otherwise be barred. The Trump administration issued an initial waiver in March and a second after the first expired in April — both applying only to a subset of Russian oil that had already been loaded onto tankers.

Some countries, including India and Indonesia, had lobbied the Trump administration for extended sanctions waivers.

Further ₹ fall may negate fuel price hike benefits

ENS ECONOMIC BUREAU @ Mumbai

WITH the rupee breaching the 96-per-dollar level, SBI has warned that any further depreciation could negate the gains from the recent fuel price hike and excise duty cut.

“Even a ₹2 depreciation in the rupee from the current average of ₹94 per dollar raises the effective crude price and pushes up the landed cost of crude, fully offsetting the gains from the fuel price hike,” SBI Research said in a report.

It argued that the rupee has already reached a critical depreciation threshold, and any further weakness could substantially erode the intended benefits of domestic fuel price revisions.

The warning is based on assumptions of an average FY27 exchange rate of ₹94 per dollar, an average Indian basket crude price of \$106 a barrel, and a landed crude cost of nearly ₹9,964 per barrel. The ₹3-per-litre hike in fuel prices provides



a benefit of around ₹477 per barrel to oil marketing companies. However, an additional depreciation of ₹2 per dollar would raise the effective crude price and push up the landed import cost, fully offsetting the gains from the price hike.

The report said if the rupee weakens by another ₹2 against the dollar, the landed cost of crude would rise to ₹10,372 per barrel, increasing costs by ₹410 a barrel.

The government on Friday

raised retail fuel prices by ₹3 per litre to help reduce the losses incurred by oil companies amid rising Brent crude prices, which are hovering near \$110 a barrel. OMC under-recoveries on petrol and diesel sales are mounting due to unchanged retail prices, touching nearly ₹1,000 crore per day, or around ₹3.6 lakh crore annually. The current ₹3 hike in pump prices is expected to provide relief of around ₹52,700 crore to OMCs, covering only about 15% of their projected FY27 losses.

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INFLATION | After petrol, diesel and CNG hikes in 48 hours, auto drivers warn of fare jump and demand government relief

CNG price hike triggers widespread protests by auto drivers in Gujarat

FPJ News Service

AHMEDABAD

Within just 48 hours, fuel costs have delivered a double shock to Ahmedabad's commuters. After petrol and diesel prices jumped by ₹3 per litre on May 15, CNG users woke up to another blow on May 16 as Adani raised CNG prices by ₹2.25 per kg. The sudden back-to-back hikes have pushed auto-rickshaw drivers to the brink, triggering protests and a fresh demand to sharply increase fares — a move that could soon hit millions of daily passengers.

The latest hike pushed CNG prices from ₹83.77 per kg to ₹86.02 per kg overnight. For a city where lakhs of auto-rickshaws depend on CNG, the increase has triggered widespread anger.

Drivers say the back-to-back hikes in petrol, diesel and CNG have created an unsustainable situation. The Ahmedabad Rickshaw Drivers Ekta Union has now



formally approached the Transport Commissioner and Transport Minister Harsh Sanghvi seeking a fare revision.

A proposal has been submitted to raise: Base fare (without meter) from ₹20 to ₹30, Per kilometre fare from ₹15 to ₹20. If approved, commuters could soon face significantly higher travel costs.

Vijay Makwana from the Ahmedabad Rickshaw Drivers Ekta Union said the price rise has pushed drivers to a breaking point.

"The price hike of ₹4 in a month is going to badly im-

pact rickshaw drivers. Around 2.5 lakh drivers depend heavily on CNG. This increase directly affects our homes and families."

He added that the daily fuel burden has jumped sharply.

"Company owners have tried to extract money from the pockets of rickshaw drivers. We demand the hike be withdrawn. If drivers benefit from CNG, passengers benefit too."

Drivers say they have avoided increasing fares for three years despite rising inflation. But repeated CNG price hikes have forced them to reconsider.

Makwana explained the dilemma. "Inflation has increased in all items for the last three years but we have not increased fares even by one rupee. When the public is already suffering, we did not want to raise fares. But repeated CNG hikes have left us with no choice."

The union had earlier raised the fare revision issue in April when CNG prices rose by ₹1.50, but the proposal is still under consideration.

Many drivers say their livelihoods are under threat as household expenses soar.

Rickshaw driver Virajbhai shared his struggles. "We drive all day just to keep our kitchen running. Buying vegetables has become difficult, paying children's school fees is harder. The government must provide subsidies or reduce CNG prices."

Drivers argue the gap between petrol and CNG prices has nearly disappeared, removing the biggest incentive to operate CNG vehicles.



जगजीत नगर में कई बार सड़क खोदी, जीना दुश्वार

पूर्वी दिल्ली। उत्तर पूर्वी दिल्ली स्थित जगजीत नगर में पाइपलाइन कार्यों की अव्यवस्था से लोगों की परेशानी बढ़ गई है। पिछले कुछ महीनों में पीएनजी गैस और जल विभाग द्वारा बार-बार की गई खुदाई से सड़क खराब हो गई है। सड़क पर फैली मिट्टी और बजरी से उड़ती धूल अब स्वास्थ्य के लिए खतरा बन रही है।

स्थानीय लोगों ने कहा कि पहले पीएनजी गैस कनेक्शन के लिए सड़क को खोदकर पाइपलाइन बिछाई गई, जिससे लोगों को असुविधा का सामना करना पड़ रहा है। लेकिन यह समस्या यहीं खत्म नहीं हुई और कुछ समय बाद जल विभाग की टीम पानी की पाइपलाइन बदलने के लिए उसी क्षेत्र में पहुंची और उन्होंने सड़क को फिर से खोद दिया।

जल विभाग द्वारा अपना काम पूरा करने के बाद पीएनजी कंपनी को फिर से पाइपलाइन बिछाने के लिए मजबूर होना पड़ा। सड़कों को एक बार फिर खोदा गया। बार-बार की इस खुदाई ने सड़कों की हालत बेहद खराब कर दी है। वर्तमान में स्थिति यह है कि सड़क पर मिट्टी और बजरी डालकर काम को अस्थायी रूप से छोड़ दिया गया है। स्थानीय निवासी बताते हैं कि सुबह और शाम के समय जब वाहनों की आवाजाही बढ़ती है, तब धूल का स्तर और अधिक बढ़ जाता है। संवाद