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Oil erases gains that followed Saudi-led production cut

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Oil erased all the gains that followed Saudi Arabia's surprise weekend pledge for extra supply cuts.

West Texas Intermediate dipped below $71 a barrel on Tuesday, down by about $1 from Friday's close. The drop comes after Monday's short-lived surge following the tense OPEC+ meeting and Saudi announcement. The kingdom also raised its crude prices for July.

Saudi Arabia pledged to do "whatever is necessary" to stabilize the market with concerns over the demand outlook, especially from China, weighing on prices in recent weeks. Oil tumbled 11% last month, in part due to resilient Russian output, despite the

The kingdom raised its crude prices for July REUTERS

OPEC+ producer saying earlier this year it would reduce supply. "The Saudis undoubtedly believed a unilateral cut of 1 million would give prices a boost," said Ole Hansen, head of commodity strategy at Saxo Bank A/S. "The 10% production cut would need an $8 higher price to keep revenues stable, and that is clearly not happening. But considering the higher fuel burn inside the kingdom during the next couple of months, exports will be lower." Saudi Arabia followed its move to cut output in July with an increase to its crude prices for the same month. That's pushing some Asian refiners to consider buying more crude from other suppliers including Russia.

WTI oil prices have also fallen further down the futures curve, with prices for December 2023 and 2024 lower than Friday's close. "Demand is looking weaker and non-OPEC supply stronger by year-end than many analysts had forecast," Citigroup Inc. analysts said in a note. The bank's view is now "even more bearish demand for 2H '23 than it was at the start of the year. This is particularly true for China, and not only in oil but across commodities."

BUSINESS LINE, Delhi, 7.6.2023
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Crude oil falls as economic fears outweigh output cut

London: Crude oil prices tumbled more than $1 a barrel on Tuesday, after a strong rally in the previous session as worries about global economic growth outweighed Saudi Arabia's pledge to deepen output cuts. Brent crude futures were down $1.50, to $75.21 a barrel by 1046 GMT. U.S. West Texas Intermediate crude fell $1.47 to $70.68 a barrel. REUTERS

FINANCIAL EXPRESS, Delhi, 7.6.2023
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Further cuts by Opec+

Saudi-led cartel faces the prospect of flagging oil prices and glut in global supplies

GLOBAL OIL PRICES rose briefly by more than 2% before dipping back to lower levels after the meeting of the oil cartel Opec (together with allies like Russia), in which Saudi Arabia pledged voluntary cuts of one million barrels a day initially for July according to its energy minister Prince Abdulaziz bin Salman. The other members of the grouping have been spared any reductions this year beyond the 1.6 million b/d agreed upon in April and 2 million b/d last October. This amounts to a substantial reduction of 4.6 million b/d to shore up oil prices that have been flagging for various reasons, including slower global growth prospects. Even after Opec's production cuts in April, oil prices rose close to \$90/barrel but retreated to lows of \$72/barrel last week. From highs of \$100.94 a barrel in 2022, the benchmark Brent crude prices are expected to average \$78.65/barrel this year and \$74.47/barrel in 2024, according to the US Energy Information Administration. Saudi Arabia intends to reverse this downslide by significantly reducing its output to 9 million b/d in July, while its capacity is 12 million b/d. There is also a larger dynamic at work as the kingdom wants Opec back in control of the global oil market to exercise pricing power. It has huge stakes in higher oil prices, with \$80/barrel plus needed to balance its budget and to fund its modernisation plans.

But that scenario is not in prospect as there is a glut in global oil supplies relative to demand this year and in 2024. For Opec and its allies' plans to succeed, cartel discipline is necessary. But that is not a given as different members have their own compulsions to boost output. Russia, the world's second-largest exporter, is selling as much oil as it can to fund its war in Ukraine. UAE, the fourth-largest producer in the larger grouping, seeks a higher production quota and even clashed with Saudi Arabia in this regard a couple of years ago. It has a voluntary production level of 2.87 million b/d but wants to produce up to 4 million b/d. Its production limit was raised to 3.2 million b/d for 2024 at the recent meeting of the cartel. Angola wants to reverse the recent decline in its oil production and boost exports in July to 1.24 million b/d, the highest level since October 2020, but its production has been restricted to 1.28 million b/d next year. The larger grouping therefore is far from unified to curb production to prop up global oil prices. If cartel discipline breaks down, this state of affairs will only contribute to higher supply vis-à-vis demand and exert further downward pressure on prices.

The efforts of the Saudi-led oil cartel and its allies to curb output and exercise pricing power are not good news for developing countries like India, which import the bulk of its oil requirements. This makes it more difficult for it to ensure its energy security. Although the likelihood of lower global oil prices may be welcome, the big question is for how long would cheaper oil flow from Russia on which the country is highly dependent? Simply put, there is no alternative to boosting domestic production of oil over the medium-term as the outlook of the global oil market remains uncertain.

'OIL' IS WELL

Brothers facing fraud charges in India flourishing in Nigeria

WILLIAM CLOWES
June 6

AT A CEREMONY in November, the Nigerian government celebrated the discovery of as many as 1 billion barrels of oil in the country's arid northeast, almost 1,000 kilometers (621 miles) away from the crude-rich Niger Delta.

The state's partners in the multi-billion dollar project in the impoverished, landlocked corner of the country is a company founded by two brothers from India. The siblings have built the largest independent oil company in Africa's biggest crude producing nation even as India pursues them as criminals — accusing them of perpetrating "one of the largest economic scams in the country."

Now, as newly elected President Bola Tinubu sets ambitious targets for Nigeria's hydrocarbons sector, companies created by the brothers, Nitin and Chetan Sandesara, seem poised for an increasingly prominent role — especially as international oil giants such Shell Plc and ExxonMobil Corp. retreat from the West African country.

"This discovery will provide a multiplicity of opportunity and great prosperity for Nigeria," Tinubu said at the November event. Sworn in on May 29, he was the ruling party's presidential candidate at the time.

The selection of a firm owned by the family of the duo branded as fugitives by India to drill wells for the project is just the latest sign of how Nigeria has provided the brothers a haven, effectively insulating them from troubles back home. Indian Prime Minister Narendra Modi's government has accused the tycoons of absconding after defrauding public banks of more than $1.7 billion. Nigeria has refused India's request to extradite them.

The Sandesara brothers, Gujarati businessmen who left India in 2017, deny cheating their lenders and say they are victims of political persecution. Having ventured into the Nigerian oil industry almost 20 years ago when they won two onshore licenses in the delta, the brothers — faced with problems in India — have shifted their focus to Lagos.

They even applied for Nigerian citizenship, according to India's Central Bureau of Investigation, or CBI, the country's top investigating agency. It's not clear if they succeeded. The brothers' lawyer and Nigerian authorities didn't respond to queries on the matter.

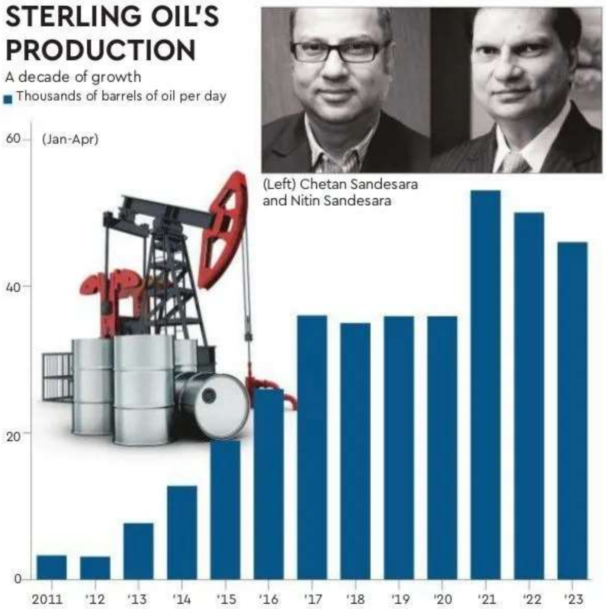
While the brothers fight fraud charges and non-bailable warrants from India, the Sandesara businesses are flourishing in Nigeria. The African nation refused to arrest them four years ago saying the Indian allegations "appeared to be political in nature," according to a letter published by the Organised Crime and Corruption Reporting Project.

The African nation refused to arrest them four years ago saying the Indian allegations "appeared to be political in nature"

In India, the brothers' private jet, swanky cars and star-studded parties at a 60,000-square-foot farmhouse in Ampad village in Gujarat routinely provided fodder for tabloids and social media sites, according to news outlet The Print. From a sanctuary on Lagos' upscale Victoria Island, one of their Nigerian companies has continued that glitzy tradition, sponsoring annual Diwali celebrations that are the talk of the city's small Indian community, even flying in Bollywood singers like Shreya Ghoshal to perform.

The family's Nigerian oil and gas business — with the slogan "Success is Natural" — is thriving. The group's subsidiaries — Sterling Oil Exploration & Production and Sterling Global Oil Resources. — pump about 50,000 barrels of crude a day in the delta via contracts with the state-owned Nigerian National Petroleum. Another unit expects to bring a third block into production this year that will eventually raise total daily output to above 100,000 barrels.

Other than the international majors such as Shell and Chevron, the Sandesara family is the top exporter of oil from Nigeria. Its firms' taxes contributed 2% of the Nigerian government's revenue, Nitin said in 2019. An export system of transporting crude on barges to a floating storage vessel in the Atlantic Ocean — rather than relying on pipelines that are vulnerable to thieves — has enabled the family's companies to maintain a consistent performance as other producers have floundered.



(Left) Chetan Sandesara and Nitin Sandesara

Sources: Nigerian national petroleum Co., Nigerian upstream petroleum regulatory commission, Bloomberg

The brothers have hired the plugged-in former head of the Nigerian government's oil regulator to head their energy operations, and concluded major contracts with the state. Two years ago, Sterling Oil sealed a separate deal with the NNPC for the commercialisation of the gas within one of its oil blocks in a project designed to boost the anemic power supply in Africa's biggest economy.

"You are a very reliable partner because when you say things, you get them done," NNPC Chief Executive Mele Kyari said of Sterling Oil, announcing the deal.

Indian authorities take a less rosy view of the Sandesaras' practices. Beginning in the 1980s, the brothers transformed a family tea-trading business into a Mumbai-headquartered conglomerate spanning oil and gas, health care, construction and engineering and owning one of the world's largest manufacturers of pharmaceutical grade gelatin. By the early 2010s, the group said it was valued at almost $7 billion.

Some of that expansion was bankrolled by a "well calculated economic fraud" that left the group owing more than 140 billion rupees ($1.71 billion) to public lenders including State Bank of India, Bank of Baroda and Union Bank of India, the CBI told the country's Supreme Court a year ago.

Among accusations leveled against them include the use of "false and fabricated documents" to secure bank loans and the diversion of funds overseas. The same lenders also provided credit lines to the entity that owned the Nigerian oil business, the CBI said in a December 2019 charge sheet.

State-backed lenders, including Bank of India, won two judgments from UK courts — in 2018 and 2021 — ordering Sandesara companies providing services to Sterling Oil to pay almost $60 million after they defaulted on loans. India's Enforcement Directorate (ED), which investigates money laundering and forex violation cases, said in 2019 that it wanted to seize the brothers' overseas assets, including a Nigerian oil field, four drilling rigs and a Gulfstream aircraft. The group's flagship business Sterling Biotech Ltd was sold to California-based alt-dairy firm Perfect Day Inc. in November for about $78 million in a transaction approved by India's bankruptcy court. Following a petition by the Sandesaras to quash the CBI and ED cases against them, India's Supreme Court paused proceedings last year. The brothers said they wanted to reach a financial resolution with creditors. But the investigating agencies have said any settlement "cannot absolve the criminal liability of the accused."

The brothers, who told the court their Indian companies have repaid more than was disbursed to them in loans, say the agencies' "sole aim is to browbeat, harass, harangue and humiliate" them, and claimed they were declared fugitives in "a grossly illegal manner." They say the Modi government has a vendetta against the Sandesaras because of their ties to opposition and Muslim politicians, according to media reports that cite their filings in other court cases.

The ED accused them in 2020 of "shifting their base from one country to another to escape the clutches of law"

An Indian lawyer for the Sandesaras didn't respond to multiple emails requesting comment. The group chairman and two directors of the Nigerian oil companies didn't reply to questions sent by Bloomberg. The CBI, ED and the Sandesaras' main creditors also didn't address queries on the status of the proceedings against the brothers. Ironically, even as the Indian government was building its case against the pair, their Nigerian companies supplied cargoes of crude worth almost $1.5 billion to India's state-owned refineries in the seven years to January 2020, the brothers said in court filings. With their troubles in India showing no signs of abating, the brothers' ties in Nigeria are deepening.

In Indian court filings in September 2022, the brothers claim ownership of Sterling Oil, the subsidiary responsible for most of the group's crude production, touting it as a "very prominent company of Nigeria." An online registry for Nigerian natural resources companies lists another family member — Devak Patel, the 31-year-old son of Chetan Sandesara's brother-in-law — as the owner. Patel didn't respond to queries seeking clarity on the company's ownership. Where the brothers currently spend their time is unclear. The ED accused them in 2020 of "shifting their base from one country to another to escape the clutches of law" and said they were presumed to be in Nigeria, the UK, the US or the UAE. They have also obtained Albanian passports, according to The Wire and other Indian media outlets. The brothers have neither confirmed nor denied the reports. Chetan signed an affidavit for the Indian court from Lagos in August.

Meanwhile, the Sandesaras' participation in the new development in Nigeria's north — a pet project of former President Muhammadu Buhari, who stepped down this month — may be yet another sign that their future lies in the West African country. Sterling Oil will carry out the venture with the NNPC and another public company controlled by Nigeria's 19 northern states to bring oil production to the upper part of the country for the first time. Almost all of Nigeria's crude currently comes from the Niger Delta and off its shores.

"It is to the credit of this administration that at a time when there is near-zero appetite for investment in fossil fuel energy, coupled with the location challenges, we are able to attract investment of over $3 billion to this project," Buhari said at the November ceremony.

His successor Tinubu has promised to increase daily oil output by more than 60% to 2.6 million barrels by 2027 and to 4 million barrels by 2030 – an aspiration many analysts believe to be implausible. If the incoming government intends to achieve these goals, it will have to lean on independent producers such as Seplat Energy Plc and Sterling Oil since the likes of Shell and Exxon are trying to sell their onshore and shallow water assets.

—BLOOMBERG

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IOC edges out pvt refiners in Russian oil buys in May, Moscow share at high

SUKALP SHARMA
NEW DELHI, JUNE 6

PUBLIC SECTOR refining giant Indian Oil Corporation (IOC) overtook private sector major Reliance Industries (RIL) as the biggest Indian buyer of Russian crude oil in May, the first such instance since the imposition of the West's $60-per-barrel price cap on seaborne Russian oil six months ago, as per an analysis of data shared by commodity market analytics and intelligence firm Kpler.

EXPLAINED

E. The war, the surge

SOON AFTER the invasion of Ukraine, Moscow began offering discounts. From less than 1%, the share of Russian crude in India's oil import has shot up to over 40% now.

In fact, IOC's Russian oil imports in May dwarfed the cumulative imports of private sector refiners RIL and Nayara Energy (NEL), a first in as many as 10 months.

IOC imported around 783,000 barrels per day (bpd) of Russian oil in May, up 66.5 per cent over April. RIL imported close to 525,000 bpd of Russian

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• IOC edges out pvt refiners in Russian oil buys in May

crude in May, just 1.3 per cent higher than what it imported in April. NEL's Russian oil imports for the month were close to 196,000 bpd, down 7.2 per cent month-on-month.

IOC is the country's largest refiner with a consolidated capacity of 80.55 million tonnes per annum (mtpa), which includes the refining capacity of its arm Chennai Petroleum Corporation. RIL is India's second-largest refiner with a crude processing capacity of 68.2 mtpa. NEL operates a 20-mtpa refinery.

Overall, Indian refiners imported 2.16 million bpd of Russian crude oil in May, or 45 per cent of India's overall crude oil imports for the month, marking a new all-time high mainly driven by the surge in imports by IOC and consolidating Moscow's newfound position as New Delhi's top source of crude, Kpler data shows.

Prior to May, there were three instances – June, July, and October of 2022 – when IOC bought more Russian oil than RIL in a month ever since Indian refiners started stepping up purchases of discounted Russian barrels following Moscow's February 2022 invasion of Ukraine. In those months, however, India's overall oil import volumes from Russia were about half of the May 2023 volumes.

Except for May, July 2022 was the only other month when IOC imported more Russian oil than RIL and NEL put together. Ever since the European Union (EU) and other major Western powers imposed a price cap on Russian seaborne crude from early December, RIL had been the biggest Indian buyer of Russian oil month after month.

"Reliance has been remarkably stable in buying 500,000-600,000 bpd every month of this year, so the change is really coming from IOC ramping up purchases. First of all, they (IOC) are the only Indian refiner to have a term contract with a Russian oil exporter," Kpler's Lead Crude Analyst Viktor Katona said.

IOC had signed a term contract with Rosneft in December 2021 to buy up to 2 million tonnes of Russian oil in 2022. In March this year, IOC and Rosneft inked a term deal to "substantially increase" supplies of Russian oil, but did not indicate any volume. To be sure, IOC continues to buy a large chunk of its Russian oil purchases through spot deals, but higher volumes in the term deal mean higher guaranteed offtake for the refiner. All of RIL's Russian oil purchases, on the other hand, are through spot deals, Katona said.

RIL is India's largest exporter of refined petroleum products and NEL is also seen as an export-oriented refiner, while IOC and other public sector refiners sell most of their production in the domestic market.

According to Katona, the focus on the domestic market translates to relatively lower profitability for IOC vis-a-vis private sector players, which makes any margin boost coming from cheaper crude feedstock – discounted Russian oil in this case – all the more welcome for the state-owned refiner and fuel retailer.

IOC did not respond to a request from The Indian Express for comments on the reasons behind the recent surge in the refiner's Russian oil volumes.

Public sector refiners and fuel retailers led by IOC have not revised petrol and diesel prices since early April of 2022 and, therefore, for a majority of the past 13 months, they incurred under-recoveries on fuel sales. On the other hand, being marginal players in India's fuel retail market, export-oriented private sector refiners managed to make far better margins on fuel exports to markets like Europe.

The RIL also buys 120,000 to 130,000 bpd of Russian fuel oil as secondary refining feedstock for diesel and petrol production, which means that its overall purchases of refinery feedstocks from Russia would be higher than what the crude import data suggest, Katona said. However, in May, IOC's Russian oil imports beat even RIL's cumulative refinery feedstock import volumes from Russia.

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Transparent pricing

Petrol pump prices need to be reviewed

India has a complex mechanism to determine the prices of petrol and diesel at the pumps. Indian motorists paid in the range of ₹90 to ₹97 a litre for diesel in June 2022, when international rates were at $170 a barrel, and continue paying the same price now when the global rates have halved. The stated policy, however, is that pump prices will reflect fluctuations in international prices. State-run refiners use a combination of the import parity price (IPP) of fuel and the export parity price (EPP) to arrive at an industry price — in the case of petrol and diesel, they use 80 per cent IPP and 20 per cent EPP. The IPP is arrived at by taking the Arab Gulf S&P Platts assessment price, to which are added freight costs between an Arab port and India, insurance, port charges, and taxes. The rupee-dollar exchange rate is also factored in. Further, after calculating the delivered price at Mumbai port, inland pipeline costs and other logistics charges are added to calculate the refinery gate price. Finally, local distribution costs and marketing margins are added to calculate pump prices.

India is not only self-sufficient in petrol and diesel but exported $58 billion worth of oil products in 2022-23. However, state refiners are allowed to use the IPP. It can be argued that the imported crude oil price, on which India depends for 87 per cent of its needs, must be the benchmark. In June 2022, for example, diesel and petrol traded at $170 a barrel and $149 a barrel, respectively. But the price of crude oil was about $116 a barrel, around a third lower than that of diesel. Using crude oil as a benchmark would have lowered prices, but also reduced the profits of refiners. The fuel-pricing formula thus seems skewed in favour of state oil companies. Discounted Russian oil has further added to their benefits. State-run refiners have bought more than 300 million barrels of Russian crude oil since Moscow invaded Ukraine in late February 2022 — at an average discount of $10 a barrel, which amounts to $3 billion in savings. Moreover, Russian oil made up 46 per cent of India's crude oil imports in May. It is, therefore, reasonable to argue that Russian grades should reflect in India's formula to calculate the price of the crude oil basket. But the basket reflects the prices of Gulf crudes and Brent grades. It ignores cheap Russian oil.

Furthermore, since April last year, refiners have stopped following their own pricing formula and kept rates unchanged — despite high volatility in international prices and the exchange rates. Private-sector refiners and potential investors are waiting on the sidelines. It is thus imperative that the government review both its pricing policy and the formula to calculate pump prices to assuage the concerns of both consumers and investors. It is critical that fuel prices are transparent and competitive like any other good or service in a functioning market economy. It is possible that the government may like to extend support to some consumers in the case of a sharp increase in prices. Such support can be given directly to consumers or by compensating refiners. Opaque pricing will hurt potential investment.

Oil Firms may Get to Operate Fields for Full Economic Life

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New Delhi: The oil ministry is planning to offer companies the licence to operate oilfields for their full economic life in a shift from the current practice of limited durations, with a view to reducing uncertainties for investors and make investments in the Indian upstream attractive, according to people familiar with the matter.

The proposal is expected to apply to all future contracts as well as existing contracts at the time of renewal, they said.

Companies will not be required to seek renewal in future contracts, helping them plan their investments better.

For the existing contracts, the current rules allow an extension of only 10 years. If the oil ministry's proposal takes off, the renewal will be for the entire economic life of an oilfield.

Explorers get around 3-7 years for exploration and, if they make a discovery and intend to develop it commercially, another 20 years

to operate the field under the Open Acreage Licencing Policy (OALP), the latest government guide on exploration and production. The duration varies for contracts under the policies that preceded OALP.

For exploration, companies have to obtain Petroleum Exploration Licence (PEL). And for the field operation, they must obtain a Petroleum Mining Lease (PML) based on the production or revenue-sharing contract with the Centre.

The government is planning to offer companies both PEL and PML at the beginning of the exploration period itself, people cited before said.

This will give companies flexibility, save time, cut bureaucratic hassle and expedite the monetisation of discoveries, they said.

The central government grants PEL and PML for offshore blocks while the state governments do so at the recommendation of the Centre for onshore blocks.

Private companies have been lobbying the government for making contractual durations equal to the economic life of oilfields. Vedanta, which has been engaged in a legal tussle with the government over the terms of the renewal of its contract for the prolific Barmer block in Rajasthan, wants the government to offer a longer extension.

Private sector operators of coal bed methane (CBM) fields have also been lobbying for longer contracts as they feel it would allow them to invest more in their fields to explore shale resources. They say longer contracts would help them raise finance and make better returns on investments.

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IN CRITICAL SECTORS

PSUs, Govt Bodies Sensitised to Chinese Investment, Tech

National Security Council Sect undertakes year-long exercise to socialise stakeholders

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New Delhi: The government has prepared a list of sectors where it has advised public sector undertakings (PSUs) and other government bodies to refrain from using Chinese technology even if it comes at a lower cost compared to other service providers.

Technologies identified as sensitive where organisations are advised to avoid procurement from China include 3D printing, technology used by cranes at ports like SCADA systems, technology used for data streaming including broadcasting, biotechnologies, ICT, and software, ET has learnt.

PSUs have also advised not to source from China for sectors such as atomic energy, broadcasting, print and digital media. defence, space, and telecommunications. Certain other sectors including power, civil aviation, mining, railways, health, and urban transportation are also considered sensitive where procurement from China has been discouraged, ET has learnt.

The idea is not just to thwart possible threats to these sectors from China via malware or other methods, but also to discourage single-source procurement of products, officials privy to the development said.

China has emerged as a single source for many products for not just India but globally. In future, in case of a conflict or war-like situation, supplies can be impacted if there is a single source for products and commodities that are critical to the economy, the officials said.

Chinese companies often make use of the L1 method of procurement – where the tender goes to the bidder quoting the lowest cost – to bag contracts from public sector companies and government departments.

The National Security Council Secretariat under national security advisor A K Doval has undertaken a year-long exercise to sensitise departments, ministries and PSUs about the dangers of depending on China for sourcing sensitive products and technologies.

The exercise to sensitise or socialise various stakeholders were made in the backdrop of attempts to disrupt India's power grid and hacking of the database of All India Institute of Medical Sciences (AIIMS) by Chinese hackers.

The idea is not to put a blanket ban on all procurements from China but to control procurements in sensitive sectors and critical technologies where backend manipulation is possible, officials cited above said.

Ethanol plant in HP to prove a boon for farmers

STATESMAN NEWS SERVICE
SHIMLA, 6 JUNE

The Central government has given its nod for the establishment of an ethanol plant to be installed in the Una district of Himachal Pradesh by Hindustan Petroleum Corporation Limited (HPCL).

An official spokesperson said here on Tuesday that due to the concerted efforts of the Chief Minister Thakur Sukhvinder Singh Sukhu the Centre government has approved to establish an ethanol plant in the Una district.

This plant will be set up on 30 acres of land with a cost of Rs. 500 crore, he added.

"Since major raw materials for producing ethanol are rice, sugarcane and maize the plant will go a long way in strengthening the economy of the farmers of the region as this raw material will be procured from Kangra, Hamirpur, Bilaspur and Una districts," he said.

Apart from this, the plant will provide employment and self-employment opportunities to the local people and farmers from Kangra, Hamirpur, Bilaspur and other parts of the state, said the spokesperson. This will also provide direct and indirect employment to about 300 persons, he said, besides, the project will accelerate the pace of development in the State and earn an annual revenue of Rs 20 to Rs 25 crore for the exchequer in the form of state GST.

The state government has agreed to invest 50 percent equity in the Project and will extend full cooperation to the company for setting up this plant.

"Directions have been issued to the district administration to start land acquisition for the approach road from Bhanjal within 10 days and to ensure that all obstacles in the construction of the plant would be removed," he said.

Ethanol is a clear, colorless liquid. It is also known as ethyl alcohol, grain alcohol and has same chemical formula regardless of whether it is produced from starch or sugar-based feedstocks, such as corn grain, or sugarcane, or from cellulosic feedstocks such as wood chips or crop residues.

The plant produces ethanol from grains to be mixed in petrol and diesel, which will help reduce pollution of vehicular emissions.

This would also help in protecting the environment in the state.

VIRAT VAIBHAV, Delhi, 7.6.2023
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डीजल में पांच प्रतिशत एथनॉल के मिश्रण पर काम कर रहा है इंडियन ऑयल कॉरपोरेशन

वैभव न्यूज़ ■ नई दिल्ली

इंडियन ऑयल कॉरपोरेशन (आईओसी) और दो घरेलू इंजन विनिर्माता कंपनियां डीजल में पांच प्रतिशत एथनॉल के मिश्रण की संभावना पर काम कर रही हैं। देश की सबसे बड़ी पेट्रोलियम कंपनी आईओसी के निदेशक (शोध एवं विकास) एस एस वी रामकुमार ने सोमवार को कहा कि डीजल में एथनॉल मिश्रण का परीक्षण प्रयोगशाला में और दो इंजन विनिर्माताओं के शोध एवं विकास केंद्रों में चल रहा है। वाहन विनिर्माताओं के निकाय सियाम द्वारा आयोजित एक कार्यक्रम में उन्होंने

कहा, दो प्रमुख भारतीय हेवी-ड्यूटी डीजल इंजन विनिर्माता, इंडियन ऑयल और एक अन्य तेल विपणन कंपनी के साथ डीजल में पांच प्रतिशत एथनॉल मिश्रण पर काम कर रहे हैं। उन्होंने कहा कि इस पूरे मामले में एक प्रमुख आशंका यह है कि मिश्रण में ईंधन इंजेक्टर के साथ कुछ समस्याएं आ सकती हैं। रामकुमार ने कहा, इसलिए हम उत्सुकता से प्रयोग कर रहे हैं और एथनॉल मिश्रण के प्रभाव को देख रहे हैं। अगले छह माह में आपको हमारी ओर से इस बारे में कुछ बताया जाएगा। पेट्रोल में 10 प्रतिशत एथनॉल मिलाया जाता है और सरकार 2025 तक इस मात्रा को दोगुना करने पर विचार कर रही है। उन्होंने कहा कि डीजल में एथनॉल मिलाना काफी महत्वपूर्ण है क्योंकि यह देश के परिवहन क्षेत्र में सबसे अधिक इस्तेमाल किया जाने वाला ईंधन है। रामकुमार ने कहा कि बताया कि मौजूदा वाहनों में ई-20 ईंधन के इस्तेमाल पर अध्ययन लगभग पूरे होने वाले हैं, लेकिन दीर्घावधि का परीक्षण इस साल जुलाई तक ही पूरा हो पाएगा।

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अध्ययन : रसोई ईंधन पर पांच अंतरराष्ट्रीय संगठनों ने जारी की रिपोर्ट

230 करोड़ लोग कर रहे प्रदूषणकारी ईंधन का इस्तेमाल

संयुक्त राष्ट्र, 6 जून (एजेंसी): दुनियाभर में 230 करोड़ लोग खाना पकाने के लिए प्रदूषणकारी ईंधन का उपयोग कर रहे हैं और 67 करोड़ 50 लाख लोगों के पास बिजली नहीं है। पांच अंतरराष्ट्रीय संगठनों की ओर से मंगलवार को जारी एक रिपोर्ट में यह दावा किया गया है।

रिपोर्ट में कहा गया है कि अगर इसी दर से चीजें चलती रहीं तो अनुमान है कि 2030 तक 66 करोड़ लोगों के पास बिजली और 190 करोड़ लोगों के पास रसोई के लिए स्वच्छ ईंधन नहीं होगा। साल 2015 में संयुक्त राष्ट्र ने सभी के लिए 2030 तक किफायती, विश्वसनीय, टिकाऊ और आधुनिक ऊर्जा की उपलब्धता सुनिश्चित करने का लक्ष्य रखा था।

स्वास्थ्य पर पड़ेगा असर : अंतरराष्ट्रीय ऊर्जा एजेंसी, अंतरराष्ट्रीय नवीकरणीय ऊर्जा एजेंसी, संयुक्त राष्ट्र सांख्यिकी डिविजन, विश्व बैंक और विश्व स्वास्थ्य संगठन की रिपोर्ट में कहा गया है कि लक्ष्य को हासिल करने की दिशा में आधा समय गुजर चुका है और दुनिया उसे हासिल करने के रास्ते पर नहीं चल रही है। इससे लाखों लोगों के स्वास्थ्य तथा जलवायु पर नकारात्मक प्रभाव पड़ेगा।

...तो 190 करोड़ लोगों को नहीं मिलेगा स्वच्छ ईंधन

जताई चिंता

2030 तक 66 करोड़ लोगों के पास नहीं होगी बिजली

“ यूक्रेन पर रूस के आक्रमण के कारण पैदा हुआ ऊर्जा संकट दुनियाभर में लोगों पर अपना नकारात्मक प्रभाव छोड़ रहा है। ऊर्जा के दामों में बेतहाशा वृद्धि से विशेष रूप से विकासशील देशों में सबसे संवेदनशील लोगों पर बुरा प्रभाव पड़ा है।

फातिह बिरोल, कार्यकारी निदेशक, अंतरराष्ट्रीय ऊर्जा एजेंसी

PETROLEUM & NATURAL GAS

The Crude Reality

Cheaper crude oil imports from Russia have been a relief, but India has to step up domestic production

By M.G. Arun

Hardeep Singh Puri
Minister of Petroleum & Natural Gas

THE OIL-GUZZLING NATION that we are, India saw its crude oil imports rise to 232.4 million tonnes in 2022-23, a 9.4 per cent year-on-year growth. In value terms, the imports, which help meet over 80 per cent of the country's crude oil requirement, stood at $158.3 billion (Rs 13 lakh crore), a 31 per cent y-o-y rise.

Amid the protracted Russia-Ukraine war, crude oil prices have remained volatile, ranging between $75 and $130 a barrel through the year. But with the Union government striking deals with Russia to import oil at discounted rates, despite the West threatening sanctions, Russia has replaced Saudi Arabia as India's largest crude oil supplier in recent months. The ongoing war is also creating opportunities for Indian refiners. As the European Union stopped imports of petroleum products from Russia, Indian refiners have stepped in to fill the void. India exported petroleum products worth $86.21 billion (Rs 7 lakh crore) during the first 11 months of FY23, accounting for more than 21 per cent of our total commodity exports.

Though international crude oil prices have fallen since the highs recorded just after the war began, petrol is still selling for over Rs 100 a litre in several parts of the country. This makes the job of Hardeep Singh Puri, the Union minister for petroleum and natural gas, a lot tougher, as high fuel prices have been a major contributor to rising inflation.

Domestic consumption of petroleum products in FY23 rose over 10 per cent y-o-y to a record 222.3 million tonnes. This, even as the country produced only 29.2 million tonnes of crude in the fiscal, a 1.7 per cent y-o-y decline. This points to the need to improve self-sufficiency in oil. But attracting private investment is a challenge. In fact, the government had to extend the bid submission period for 10 oil and gas blocks under the eighth round of the Open Acreage Licensing Programme for international competitive bidding multiple times to March 30 this year. As an incentive, exploration and production companies have been allowed to sell crude oil produced by them to any company within the country, including PSU refiners. ■