

India jostles with China for April ESPO crude from Russia

Reuters
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Private Indian refiners are jostling with independents in China for Russian ESPO crude loading in April, pushing prices higher after Moscow lowered exports of its flagship grade Urals, industry sources said.

China, which is set to import record volumes of Russian crude in March, typically sweeps up all of the ESPO crude exported from the Pacific port of Kozmino due to close proximity while sanctions on Russian oil have shrunk the pool of buyers.

However, for April, Indian refiners Reliance Industries Ltd and Nayara Energy have snapped up at least five of the about 33 ESPO crude cargoes due to low prices, four people familiar with the matter said.

Reliance and Nayara did not immediately respond to requests for comment.

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a delivered ex-ship (DES) basis.

Indian refiners mostly buy Russian oil on a delivered basis, with the seller arranging for insurance, freight and ship.

While most cargoes are below the price cap imposed by G7 countries and the European Union, prices of Russian low sulphur oil purchased by

India have risen above the \$60 a barrel cap due to rising demand. China has also been buying ESPO at above the price cap level, according to Reuters calculations.

Indian companies are using non-dollar currencies to settle payment for certain niche Russian crudes and are avoiding use of Western services and banks to avoid sanctions.

Competition from India has narrowed discounts for April-loading ESPO shipments to about \$6.80 a barrel against June ICE Brent DES basis to northern China from \$8.50 a barrel last month for March-loading oil, three trading sources said.

Similar quality Murban crude from Abu Dhabi was traded at a premium of around \$3.30 a barrel to Dubai quotes on a free-on-board basis.

In comparison, April-loading Murban crude is about \$9 a barrel more expensive than ESPO delivered to China and India, according to Reuters calculations.

Seaborne ESPO crude exports averaged 800,000 barrels per day in 2022, Kpler's data showed, accounting for 17.3% of Russia's total seaborne exports. Exports of flagship Russian grade Urals averaged 1.74 million bpd.

India, China race boosts Russia's oil price

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India's crude oil deals with Russia dent decades-old dominance of US dollar

The country is the world's number three importer of oil and Russia became its leading supplier after Europe shunned Moscow's supplies

NEW DELHI/LONDON: US-led international sanctions on Russia have begun to erode the dollar's decades-old dominance of international oil trade as most deals with India - Russia's top outlet for seaborne crude - have been settled in other currencies, *Reuters* reported.

The dollar's pre-eminence has periodically been called into question and yet it has continued because of the overwhelming advantages of using the most widely-accepted currency for business.

India's oil trade, in response to the turmoil of sanctions and the Ukraine war, provides the strongest evidence so far of a shift into other currencies that could prove lasting.

The country is the world's number three importer of oil and Russia became its leading supplier after Europe shunned

Moscow's supplies following its invasion of Ukraine begun in February last year.

After a coalition opposed to the war imposed an oil price cap on Russia on December 5, Indian customers have paid for most Russian oil in non-dollar currencies, including the UAE's dirham and more recently the Russian rouble, multiple oil trading and banking sources said.

The transactions in the last three months total the equivalent of several hundred million dollars, the sources added, in a shift that has not previously been reported.

The Group of Seven economies, the European Union and Australia, agreed the price cap late last year to bar Western services and shipping from trading Russian oil unless sold at an enforced low price to deprive

Moscow of funds for its war.

Some Dubai-based traders, and Russian energy companies Gazprom and Rosneft are seeking non-dollar payments for certain niche grades of Russian oil that have in recent weeks been sold above the \$60 a barrel price cap, three sources with direct knowledge said.

Those sales represent a small share of Russia's total sales to India and do not appear to violate the sanctions, which US officials and analysts predicted could be skirted by non-Western services, such as Russian shipping and insurance.

Three Indian banks backed some of the transactions, as Moscow seeks to de-dollarise its economy and traders to avoid sanctions, the trade sources, as well as former Russian and US economic officials, told *Reuters*.

But continued payment in

dirhams for Russian oil could become harder after the United States and Britain last month added Moscow and Abu Dhabi-based Russian bank MTS to the Russian financial institutions on the sanctions list.

MTS had facilitated some Indian oil non-dollar payments, the trade sources said. An Indian refining source said most Russian banks have faced sanctions since the war but Indian customers and Russian suppliers are determined to keep trading Russian oil.

"Russian suppliers will find some other banks for receiving payments," the source told *Reuters*.

"As it is, the government is not asking us to stop buying Russian oil, so we are hopeful that an alternative payment mechanism will be found in case the current system is blocked."

Paying for oil in dollars has been the nearly universal practice for decades. By comparison, the currency's share of overall international payments is much smaller at 40 per cent, according to January figures from payment system SWIFT.

Daniel Ahn, a former chief economist at the US State Department and now a global fellow at the Woodrow Wilson International Center for Scholars, says the dollar's strength is unmatched, but the sanctions could undermine the West's financial systems while failing to achieve their aim.

"Russia's short-term efforts to try and sell things in return for currencies other than the dollar is not the real threat to Western sanctions," he said.

"(The West) is weakening the competitiveness of their own financial services by adding yet

another administrative layer."

The price cap coincided with an EU embargo on imports of Russian seaborne oil, rounding off a year of bans and sanctions, including largely expelling Russia from the SWIFT global payments system.

Around half of its gold and foreign exchange reserves, which stood near \$640 billion, were frozen.

In response, Russia said it would seek payment for its energy in the currency of "friendly" countries and last year ordered "unfriendly" EU states to pay for gas in roubles.

For Russian firms - as payments were blocked or delayed even if they were not violating any sanctions, due to overly zealous compliance - dollars became potentially a "toxic asset", independent analyst and former adviser at the Bank of Russia

Alexandra Prokopenko, said. "Russia desperately needs to trade with the rest of the world because it's still dependent on its oil and gas revenues so they are trying all options they have," she told *Reuters*.

India's largest lender State Bank of India has a nostro, or foreign currency, account in Russia. Similarly, many banks from Russia have opened accounts with Indian banks to facilitate trade.

IMF Deputy Managing Director Gita Gopinath said in the month after Russia's invasion of Ukraine that sanctions on Russia could erode the dollar's dominance by encouraging smaller trading blocs using other currencies.

"The dollar would remain the major global currency even in that landscape but fragmentation at a smaller level is cer-

tainly quite possible," she told the Financial Times. Beyond Russia, tensions between China and the West are also eroding the long-established norms of dollar-dominated global trade.

Russia holds a chunk of its currency reserves in renminbi while China has reduced its holdings of dollars, and Russian President Vladimir Putin said in September Moscow had agreed to sell gas supplies to China for yuan and roubles instead of dollars.

India in the last year displaced Europe as Russia's top customer for seaborne oil, snapping up cheap barrels and increasing imports of Russian crude 16-fold compared to before the war, according to the Paris-based International Energy Agency. Russian crude accounted for about a third of its total imports. AGENCIES

Iraq reaches out to India to discuss oil discounts

Focus on buying Russian crude has led to a decline in imports from West Asia

SUBHAYAN CHAKRABORTY
New Delhi, 9 March

With 33 per cent of India's oil import consistently coming from Russia, Iraq has reached out to refiners here with offers to open discussions on what level of discounts would be needed to lure them back, several people in the know said.

Multiple officials and industry executives said Iraq, wants to discuss discounts expected by Indian refiners. Iraq was the largest source of crude oil for India in the first 10 months of the current fiscal year. But imports from Russia are gaining fast and may catch up with Iraq by FY23 end, experts said.

India's focus on snapping up ever higher volumes of Russian crude oil has led to a proportionate decline in import from West Asia. Flows from Iraq, Saudi Arabia, and the UAE have suffered.

"Iraq has communicated to Indian refiners its willingness to explore a further cut in the prices of crude oil it offers. It has sought discussions to better plan flows at a time when the Indian uptake has become volatile," a top industry executive with a public-sector oil refiner said.

The government is aware of this, he added.

Officials said while no bilateral discussions on the issue were expected, the latest move was not unexpected.

"At a time when Moscow's relations with the West continue to sour, and deep discounts for crude oil become the norm rather than the exception, Iraq is being proactive in stopping a further slide in its share of the Indian crude oil basket," an official said.

Tug of war

Baghdad last year had undercut Russia from June by supplying a range of crude oils that on average cost \$9 a barrel less than the Russian variety. The extremely price-sensitive market, therefore, had shifted heavily back in favour of Iraq.

This had continued till the G7 nations had imposed a \$60 per barrel price cap on Russian crude oil on December 5, 2022. This was implemented concurrently with a separate ban on Russian seaborne crude oil shipments by European Union nations.

"Pushed into a corner, Moscow had offered more competitive prices since then to retain a steady flow of crude oil to new buyers like India and China to make up for the lost volumes which were earlier going to Europe. That trend continues till February," a senior industry executive said.

Even without the price argument,

INDIA'S CRUDE OIL IMPORT PIE

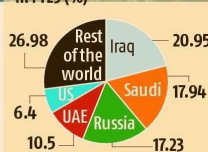
Iraq remains at top

Top 5 source FY23 (Apr-Jan) countries in (\$ billion)

Iraq	26.5
Saudi	22.7
Russia	21.8
UAE	13.3
US	8.2

Total from top 5 source nations 92.5

Share of total imports in FY23 (%)



Total from top 5 source nations 73.02

Note: Trade data is available till January, 2023
Source: Commerce Department



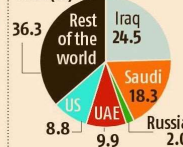
Russia has improved from last year

Top 5 source countries in FY22 (\$billion)

Iraq	26.4
Saudi	19.7
Russia	2.2
UAE	10.7
US	9.5

Total from top 5 source nations 68.5

Share of total imports in FY22 (%)



Total from top 5 source nations 63.7

officials say a stable supply of crude oil should be established from outside the West Asian region.

"While oil imports from Iraq have remained the mainstay of our purchases, given global complications and Iraq's volatile internal situation, India needs alternative mechanisms," another official said.

The series of Basrah crude oil export grades from Iraq are attractive for upgraded Indian refineries. They are also of great value for producing items such as diesel. As part of a long-planned overhaul of its crude oil grades, Iraq has over the past year increased the availability of Basrah Medium and Basrah Heavy —cheaper than Basrah Light — that are suited for India's upgraded plants.

Russia gaining fast

On the other hand, import from Russia again firmed up in recent months. It remained the single-largest supplier of crude oil for a fifth straight month as of February, show estimates made by London-based commodity data analytics provider Vortexa, which tracks ship movements to estimate imports.

According to Vortexa, India imported 1.6 million barrels per day (bpd) from

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REUTERS

Russia in February -- an all-time high-- up from 1.4 million bpd in January and 1 million bpd in December.

Meanwhile, Iraqi oil import fell slightly to 939,921 bpd in February. It had risen in January to a seven-month high of 983,000 bpd, up from 803,228 bpd in December.

Local gas prices may be tied to crude from Apr

Panel suggested a floor price of \$4 per mmBtu and a ceiling price of \$6.5 per mmBtu

Rituraj Baruah, &
Subhash Narayan
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India is poised to transition to a new domestic gas pricing regime based on crude oil prices starting 1 April, as suggested by the Kirit Parikh panel, with a person familiar with the development saying that the proposal may get cabinet approval this month.

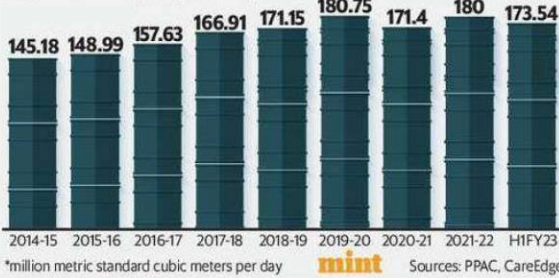
In November, the Kirit Parikh committee made several recommendations to the petroleum ministry, including pricing locally produced natural gas at 10% of crude oil prices and implementing a floor price of \$4 per mmBtu and a ceiling price of \$6.5 per mmBtu.

"Efforts are on to get things cleared by 1 April. The new rates are about to come. It is being tried that the new rates come on the basis of the formula suggested by the Parikh panel," the person cited above said, requesting anonymity.

ON THE RISE

A CareEdge Ratings report showed that in FY22, the total consumption of natural gas in India stood at 180 mscmd.

India's Gas Consumption (MMSCMD*)



MAJOR SHIFT

CURRENTLY, India reviews gas prices every six months

INDIA imports large amount of LPG and crude oil

THE shift may not impact the rates immediately

SARVESH KUMAR SHARMA/MINT

Another person aware of the development said that the committee suggested linking the prices to crude oil in this case. "They would be linked to the prices at which India purchases oil, which would be the Indian crude basket," the person said, also declining to be named. The Indian basket

of crude oil represents a derived basket comprising sour grade (Oman and Dubai average) and sweet grade (Brent Dated) of crude oil processed in Indian refineries.

Currently, India reviews gas prices every six months, based on rates in surplus gas nations with a one-quarter

lag. As of 1 October 2022, the price of gas from old fields, which make up nearly two-thirds of India's production, rose to \$8.57/mmBtu, marking the third increase since April 2019.

Kirit Parikh, chairman of the panel, said: "Globally, gas prices have been linked to crude for several years now. Since efforts are on to promote the use of cleaner fuels, such as PNG (piped natural gas) and CNG (compressed natural gas), over LPG and diesel, respectively, it is expected that linking the price of gas to crude would make PNG and CNG more affordable compared to LPG and diesel."

He noted that India imports a significant amount of LPG and crude oil to meet its energy requirement, and a higher demand for PNG and CNG, which can substitute both LPG and diesel, a byproduct of crude oil, may help curb import bills.

TURN TO PAGE 6

Domestic gas prices are likely to be tied to crude from April

FROM PAGE 1

In November, he said that the ceiling and floor prices had been suggested for gas from legacy fields as the fuel from there primarily goes into city gas distribution, fertilizer production and power plant, and the panel's objective was to get a fair price for the consumers.

India's potential shift to crude-linked gas prices may not have an immediate impact on rates, one of the officials cited above said, as both gas and crude prices have declined from the multi-year highs of 2021.

Queries emailed to the spokesperson for the petroleum and natural gas remained unanswered till press time.

Other panel recommendations include linking domestic gas prices to international prices in years ahead and removing the price cap in the next three years. The price of gas from difficult fields, including deepwater and high-pressure-high-temperature areas, already has a cap.



Both gas and crude prices have declined.

BLOOMBERG

Historically, India's natural gas consumption has been significantly higher than its domestic production, and the difference is met through imports.

A CareEdge Ratings report showed that in FY22, the total consumption of natural gas in India stood at 180 million standard cubic metres per day (MSCMD), of which 95 MSCMD was met through domestic production and 85 MSCMD through imports.

"According to the existing formula, the price of domestic

gas would otherwise have been at \$10/mmBtu for FY24. The revision in the pricing mechanism is likely to result in a lower realization of at least \$3.50/mmBtu for domestic gas production from legacy fields.

Accordingly, CareEdge Ratings believes that domestic gas producers of legacy fields could have the lower realization of natural gas to the extent of ₹23,000 crore in FY24," the report published after the submission of the Parikh panel's report in November said.

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Modi, Hasina to launch pipeline to export diesel to Bangladesh

New Delhi: PM Modi and Sheikh Hasina will virtually inaugurate the cross-border India-Bangladesh friendship pipeline, through which India will export diesel to the neighbouring country on March 18, Bangladesh foreign minister AK Abdul Momen announced on Thursday.

The 130-km pipeline, constructed at a cost of Rs 377 crore, will carry fuel from Assam-based Numaligarh Refinery Ltd's (NRL) marketing terminal at Siliguri in West Bengal to the Parbatipur depot of Bangladesh Petroleum Corporation (BPC). PM Modi had agreed to finance this pipeline in 2017. TNN

PNG, CNG for Andaman, Lakshadweep

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NEW DELHI

The government is planning to expand piped natural gas (PNG) and compressed natural gas (CNG) connectivity to Andaman and Nicobar islands and Lakshadweep islands, two officials aware of the development said.

As part of the plan, cargo ships will transport liquified natural gas (LNG) to these islands where it would be converted to PNG and CNG, one of the two officials cited above said.

“There is a thought of providing LNG supplies to Andaman and Lakshadweep. Centre is in talks with Lakshadweep and Andaman administrations. We want to provide CNG (through LNG shipments) which can replace lot of their energy requirements. For Andaman, tankers on ships would be filled at the Kochi terminal,” the official said on condition of anonymity.

The Centre is awaiting proposals from administrations of both the union territories to develop city gas distribution (CGD) networks and work will



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start once approvals are in place, the official added. Supplying piped gas to homes would require distribution infrastructure in place.

Another official said that given the sensitivity attached to the islands and the required security clearances, the project may not be opened up for bidding. Instead it may be directly

assigned to a company by the Petroleum and Natural Gas Regulatory Board (PNGRB). Alternatively, the Centre would

authorize entities for the CGD network.

“Discussions are on whether Centre should authorize or ask PNGRB to make the authorization. It cannot be

opened up for everyone,” the official added.

Queries sent to the ministry of petroleum and natural gas remained unanswered till press time.

The move aims to replace LPG and diesel with cleaner variants in view of climate concerns. Further, elevated petrol

and diesel prices are also expected attract users to CNG, which is used as auto fuel.

The plan is in line with the government’s aim to create a gas-based economy, expanding the network of LNG supplies within the country. While work on a National Gas Grid is underway for the mainland, for supply of LNG to these group of islands, the government would take the maritime route and supplies would be shipped from the nearest terminals in the gas grid.

The development comes at a time when the government also plans to set up a trans-shipment hub at Galathea Bay in the Great Nicobar islands. According to the ministry of shipping, the project is expected to complete with an estimated investment of ₹41,000 crore (\$5 billion) including both government and private sector participation. Infrastructure development in both archipelagoes has received a major push from the government, more so, in the Andaman and Nicobar islands given its strategic significance from the command it provides India over the eastern Indian Ocean and the growing interest shown by China in the Bay of Bengal area.

Cargo ships will transport LNG to these islands where it would be converted to PNG and CNG, said officials

PROFITS FROM FUEL SALES turn positive, which along with lower under-recoveries will boost profitability and their stocks

Rising Marketing Margins to Lift OMCs in Q4

Ashutosh.Shyam@timesgroup.com

ET Intelligence Group: The blended marketing margin of oil marketing companies (OMCs) such as Indian Oil Corp, BPCL, and HPCL has turned positive after a gap of more than a year amid improving refining margins.

This may result in higher profitability in the March 2023 quarter compared with the depressed operating profit in the first nine months of FY23. It may support the performance of OMC stocks in the near term, which have underperformed by 16% over the past 12 months compared with the Nifty 50 index.

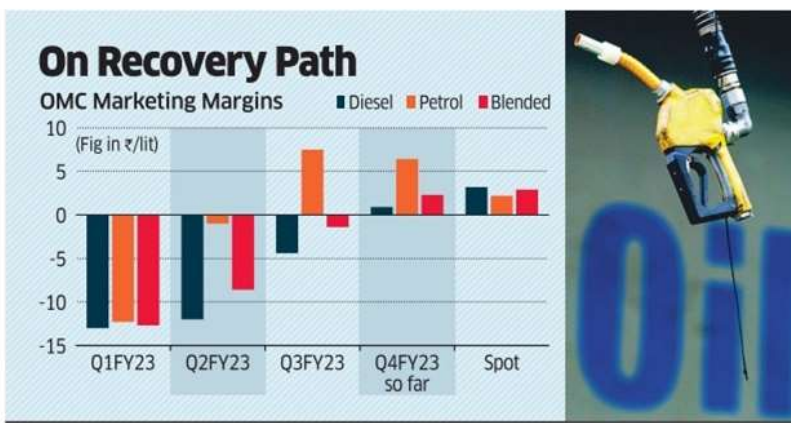
The marketing margin—which represents the profit earned by selling fuels at petrol pumps—on diesel rose to a nearly 14-month high of ₹2.5 per litre. It had turned negative in

the fourth quarter of the last fiscal year as retail prices were unchanged despite rising crude oil prices.

The margin on petrol turned positive in the second quarter of FY23. It is currently at ₹6.4 per litre. The blended marketing margin in the fourth quarter so far has reached around ₹2-2.5 per litre compared with a loss of ₹1.4 per litre in the previous quarter. The current blended margin is close to the long-term average blended margin of ₹2.9 per litre.

India consumes about 23-24 billion litres of diesel and 11 billion litres of petrol in a quarter. The fuel under-recoveries or losses on selling fuels in the first half of FY23 reached around ₹1.1 lakh crore. With improving marketing margins, it should reduce to around ₹10,000 crore in the second half of the fiscal year.

A lower under-recovery on petro-



leum products may reduce the debt pressure on the balance sheets of OMCs. The gross debt of HPCL and Indian Oil Corp rose to a multi-quarter high of ₹68,500 crore and ₹1.1 lakh crore, respectively, at the end of the December quarter. The pricing curve of crude futures indicates that Brent price may remain at

around \$80 per barrel. If that happens, the current marketing margins may sustain in the near term.

Every fifty paise increase in the blended marketing margin improves projected earnings of OMCs by 12-18%. HPCL has the highest sensitivity to change in marketing margin as its refining volume is 57-63%

of its marketing volume, while the ratio is 80-93% for the other two state-owned entities.

On the refining side, a sequential increase in the Singapore gross refining margin (GRM) to \$8.5 per barrel in the March quarter from \$6.3 in the previous quarter, driven by a higher spread for most of the fuels, may help refining profitability. Every dollar increase in the GRM improves projected earnings per share (EPS) by 9-15% for OMCs.

According to Bloomberg consensus estimates, the combined impact of marketing and refining profits may lead to a cumulative net profit of around ₹32,068 crore for the next fiscal year for the three OMCs compared with an expected loss of ₹5,838 crore in FY23. The stocks of HPCL, BPCL, and IOC trade at a price-book value multiple of 0.8, 1.9, and one in that order, a discount of 18-35% to their respective five-year average valuations.

ET ANALYSIS

The spectre of coal over climate change

Record summer heat has caused electricity demand to soar. Despite the focus on renewables, thermal power will meet additional demand, sending sustainability targets for a toss

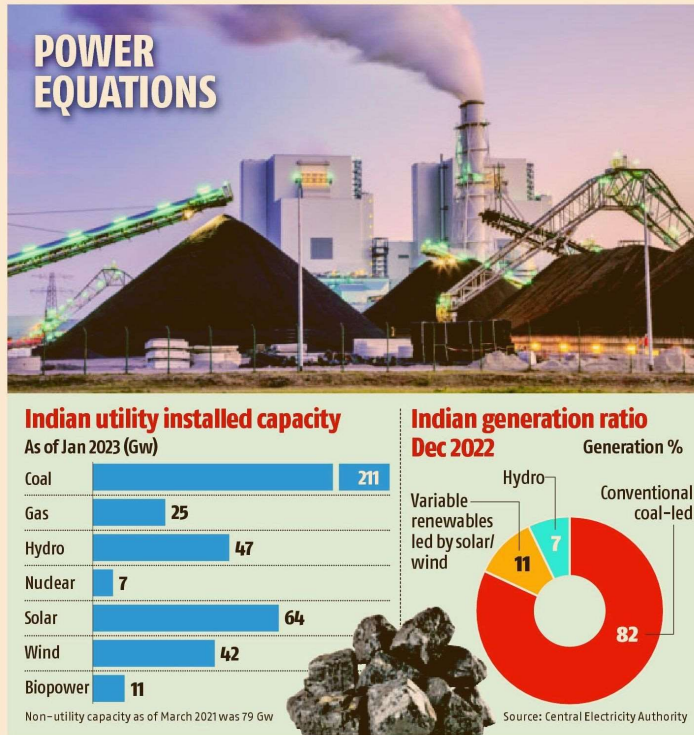
S DINAKAR
9 March

Summers last a decade in the *Game of Thrones*, now in its final season, against a three-month Indian summer. But the Starks and the Lannisters did not use air-conditioning to cool their mansions. Not so the case here.

Electricity demand will grow at its highest pace in a decade in 2023-24, as Indian homes and offices rely on coolers and air conditioners to secure themselves against blistering heat waves. That will send peak power consumption to new records, and sustainability targets for a toss. The International Energy Agency (IEA) attributes a surge in power demand in India in the longer term in large part to a six-fold increase in peak daily electricity consumption for air conditioning to 2040.

This summer is not a one-off affair. India has been facing hotter summers and milder winters over the past few years. Heat waves have intensified, sending power demand up by over 8 per cent in 2021-22. That compares with average electricity demand growth rate of 5.2 per cent over 20 years.

India's electricity demand is projected to grow by almost 5 per cent per year to 2040, the IEA says, which indicates that growth rates will be much higher in the next few years before plateauing. The Central Electricity Authority (CEA) expects demand for electricity to grow by 7.2 per cent to 1,874 billion kilowatt hours in the year ending March 2027. Power demand will grow by 10 per cent this fiscal before moder-



ating to 6 per cent next fiscal, predicts Vikram V, vice-president at ratings agency ICRA.

This has implications for India's climate change targets. With imported liquefied natural gas (LNG) priced at over \$15 per million British thermal units, India's gas-fired generators, accounting for 6 per cent of total capacity, are in no position to supply power profitably to the grid.

Renewables (excluding

hydro-power) will account for roughly 11 per cent of power generation this fiscal, marginally rising to 13 per cent next fiscal despite accounting for nearly 30 per cent of the 412-Gw installed capacity, Crisil said. Solar and wind, operating at low efficiencies and high intermittencies, are hardly sufficient to meet 230 Gw of peak demand expected this summer.

That leaves coal to do the

heavy lifting. Coal-fired units of 211 Gw in aggregate capacity, as of January, which constitute 51 per cent of the total installed capacity, generate over 70 per cent of the country's electricity, according to CEA.

"We have upgraded our outlook for the thermal sector to positive from stable because of lower than expected renewable additions and revival of thermal plants," said Vishal Kotecha, director and head of

infrastructure, India Ratings & Research, in a call. "Solar additions are lower than last year for various issues, and the outlook is negative for wind."

"With storage capacities limited at present, thermal capacities continue to shoulder the burden of meeting any sudden surge in power demand, especially in the summer months when water levels in hydro projects drop," said Hetal Gandhi, director, research, Crisil Market Intelligence. "Indeed, the share of hydro had dropped to 8 per cent last summer compared with 11 per cent on average for the full year."

Because of seasonality, availability from wind and hydro will be limited this summer while solar might provide some respite, though additional generation from it will be limited considering past trends. So the onus falls on thermal plants to service the incremental demand, Gandhi said. Domestic coal plants are running at requisite plant load factors as of February 2023, but it is the gas and imported coal plants that will need to brace for servicing incremental demand, if we are to avoid last summer's power outages, Gandhi added. Imported coal-fired facilities are operated at around 21 per cent utilisation, and most gas-fired facilities are hardly operational because of the high cost of LNG.

It was either a miscalculation by Narendra Modi's government over the extent of growth in power demand post-pandemic, or a blind belief in the power of renewables to power an anticipated 8 per cent of GDP growth annually, meet demand from higher use of air conditioning, and cater to an emerging new class of consumers — electric vehicle owners.

India may need 800 Gw of renewables by 2030 to generate half its power from non-fossil fuel sources, according to energy think tank TERI. That involves adding 80-100 Gw a year of renewables, or around 680 Gw until 2030, led by solar and wind. Nuclear facilities take decades to commission while large hydro projects do not qualify as sustain-

able power sources, experts contend — especially after environmental disasters in the Himalayan holy towns of Joshimath and Karnaprayag.

But India's pace of adding variable solar and wind trails the country's requirements. India may add only 165 Gw of capacity over five years, averaging 33 Gw annually, according to a CEA document. New solar plants would make up 93 Gw and wind power another 25 Gw.

CEA's estimates are based on ground realities. Variable renewable energy tenders issued annually in India have fallen from 40 Gw in 2019 to about 28 Gw in 2022, according to US think tank Institute for Energy Economics and Financial Analysis. The total tenders issued for solar, wind and hybrid from 2010 to 2022 amounted to only 161 Gw, with an allotted capacity of 114 Gw.

India needs six times that number in the next seven years to make renewables a dependable source of power. For instance, power shortages touched 2.7 billion units last April, which could have been avoided with an additional 22 Gw solar plus 11 Gw of storage.

But corrective measures are underway where the government has scrapped plans to retire old generators, a top government official said. In fact, coal will play a key role in India's new energy security doctrine.

The spectre of coal looms large over India for the next few decades. The power ministry had advised the closure of coal-fired generators older than 25 years by 2030, amounting to around 50-60 Gw or a quarter of the current coal fleet, to meet India's net zero objectives by 2070. That plan is off the table, an official said. Instead, old generators will operate at lower loads.

Coal-fired capacity of around 25 Gw is under construction and will be operational in a few years. New coal-fired plants are being proposed after the government decided to use thermal power as an option for flexible power storage. India will now give priority to cheaper thermal over high-cost battery storage, the official said.



Vedanta Seeks Bids for Rajasthan Natgas

New Delhi: Vedanta has sought bids for natural gas from Rajasthan block at a floor price of \$9.57 per mmBtu. The company plans to sell 0.70 mmscmd of gas in the first tranche and 0.30 mmscmd in the second

tranche. The first tranche of gas will be supplied from April 1 to 15 and second tranche will be available from April 16 to May 31. The auction will be held on March 17 for tranche 1 and on March 27 for tranche 2.

The floor price for the auction has been set at one dollar above the domestic formula gas price of \$8.57 per mmBtu. The sales price will be the lower of Platts LNG West India marker or 15% of the average Brent price plus a premium that bidders would quote. – **Our Bureau**

भारत को तेल पर छूट देगा इराक!

शुभायन चक्रवर्ती
नई दिल्ली, 9 मार्च

भारत में करीब एक तिहाई तेल का आयात रूस से हो रहा है। ऐसे में इराक ने भारत के तेल आयात में अपनी घटती हिस्सेदारी को थामने के लिए भारतीय रिफाइनरों को छूट देने की पेशकश की है। मामले से वाकिफ लोगों ने बताया कि इराक भारतीयों से खुली बात करना चाहता है कि कितनी छूट देने पर वे उससे पहले, जितना तेल लेने लगे।

उद्योग के वरिष्ठ अधिकारियों ने बताया कि इस समय भारत को सबसे अधिक तेल आपूर्ति करने वाला इराक भारत के रिफाइनरों से पूछना चाहता है कि वे कितनी छूट चाहते हैं। भारत रूस से कच्चे तेल का आयात लगातार बढ़ा रहा है, जिससे पश्चिम एशिया से तेल आयात की मात्रा घटी है। इससे इराक, सऊदी अरब और संयुक्त अरब अमीरात जैसे देशों से तेल की आवक प्रभावित हुई है। एक सरकारी तेल रिफाइनरिंग कंपनी के एक वरिष्ठ अधिकारी ने कहा, 'इसीलिए इराक ने भारतीय रिफाइनरों से कहा है कि वह कच्चे तेल की कीमत और कम करने को तैयार है। उसने तेल की आपूर्ति बेहतर करने के लिए बातचीत की इच्छा जताई है।' उन्होंने बताया कि सरकार भी यह जानती है।

अधिकारियों ने कहा कि इस मुद्दे पर द्विपक्षीय बातचीत के आसार नहीं हैं मगर इराक का यह कदम अप्रत्याशित नहीं है। एक अधिकारी ने कहा, 'जब पश्चिम के साथ रूस के संबंध



सस्ते तेल की पेशकश

■ भारत के आयात बास्केट में रूसी तेल की हिस्सेदारी बढ़ने के साथ अपनी हिस्सेदारी में आ रही गिरावट थामने की इराक की कोशिश

■ फरवरी में भारत ने रूस से 16 लाख बैरल प्रति दिन कच्चे तेल का आयात किया, जो सर्वकालिक उच्च स्तर है

■ जनवरी में यह आंकड़ा 14 लाख बैरल प्रति दिन और दिसंबर में 10 लाख बैरल प्रति दिन रहा था

लगातार बिगड़ रहे हैं और कच्चे तेल में भारी छूट दी जा रही तो इराक का सक्रिय होना स्वाभाविक है ताकि भारत के कच्चे तेल आयात में उसकी हिस्सेदारी और कम न हो जाए।'

पिछले साल जून में इराक ने रूसी तेल के मुकाबले 9 डॉलर प्रति बैरल की कम औसत कीमत पर कच्चे तेल की आपूर्ति कर रूस को पछाड़ दिया था। इसी कारण कीमत के प्रति बेहद संवेदनशील रहने वाले इस बाजार में इराक का बोलबाला हो गया था।

यह सिलसिला तब तक चलता गया, जब तक 5 दिसंबर, 2022 को जी7 देशों ने रूस के कच्चे तेल के लिए 60 डॉलर प्रति बैरल की न्यूनतम कीमत तय नहीं कर दी। इसके साथ ही यूरोपीय संघ के देशों ने समुद्र के रास्ते रूस से कच्चे तेल की आमद पर भी प्रतिबंध लगा दिया।

एक वरिष्ठ अधिकारी ने कहा, 'अलग-थलग किए जाने पर रूस ने ज्यादा प्रतिस्पर्द्धी कीमत कर दी ताकि भारत और चीन जैसे देशों को कच्चे तेल की लगातार आपूर्ति की जाती रहे। इससे यूरोक को तेल आपूर्ति में हुई कमी की भरपाई इन देशों से हो रही थी। फरवरी तक यही चलता रहा।'

एक अन्य अधिकारी ने कहा, 'इराक से तेल का आयात हमारी खरीद का प्रमुख हिस्सा रहा है मगर वैश्विक जटिलताएं और इराक के भीतर अस्थिरता देखते हुए भारत के पास वैकल्पिक इंतजाम होना ही चाहिए।'

हाल के महीनों में रूस से कच्चे तेल का आयात तेजी से बढ़ा है। वह लगातार पांचवें महीने भारत का सबसे बड़ा तेल आपूर्तिकर्ता रहा। कमोडिटी आंकड़ों का विश्लेषण करने वाली फर्म वोटेंक्सा के अनुसार फरवरी में भारत ने रूस से रोजाना 16 लाख बैरल कच्चे तेल का आयात किया, जो सर्वकालिक उच्च स्तर है।