MINT, Delhi, 25.7.2023
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Petro product usage up 4.9% in Apr-Jun

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NEW DELHI

The consumption of petroleum products in India during April-June rose 4.9% to 58.8 million metric tonne.

During the same period of the last financial year, consumption of petroleum products stood at 55.4 MMT.

Data from Petroleum Planning and Analysis Cell (PPAC) showed that the growth was led by a 13.4% growth in jet fuel consumption, followed by 8.1% in diesel and 6.8% in petrol.

A total of 2 MMT aviation turbine fuel (ATF) was consumed during the first quarter of this fiscal, against 1.7 MMT.

Similarly, diesel and petrol consumption stood at 23.9 MMT and 9.4 MMT respectively during the quarter under review, compared to 22.2 MMT and 8.8 MMT, respectively.

The Monthly Tracker for June released by PPAC, showed that consumption of Liquefied Petroleum Gas (LPG), major part of which consists of domestic cooking gas, rose 2.9% to 67.34 lakh metric tonnes in first three months of this fiscal. During same period last fiscal, the LPG consumption across the country stood at 65.41 lakh metric tonnes.

Diesel and petrol consumption stood at 23.9 MMT and 9.4 MMT, respectively, during the June quarter. MINT

The data gains significance as the rise in petroleum product consumption indicates a growth in vehicular traffic, air traffic and industrial activities.

Last fiscal India registered a record consumption of fuel products on reviving economic activities.

Last fiscal, India registered a record consumption of fuel products due to a rebound in the economy

The rise in consumption increased although crude imports declined during the first three months of the fiscal. According to the report, crude oil imports in terms of quantity stood at 60.1 MMT, against 60.7 MMT during the same period last fiscal.

For June, petroleum product consumption rose 4.3% with a volume of 19.3 MMT compared to same period of previous year.

Demand for transportation fuels also decreased in June following a high base achieved in May. On a year-on-year basis, demand was up by 187,000 barrels per day (BPD), or 4%, according to S&P report.

A report by S&P Global Commodity Insights showed that in June the demand was resilient compared to May amid weaker monsoon and continued strength in agricultural and economic activities.

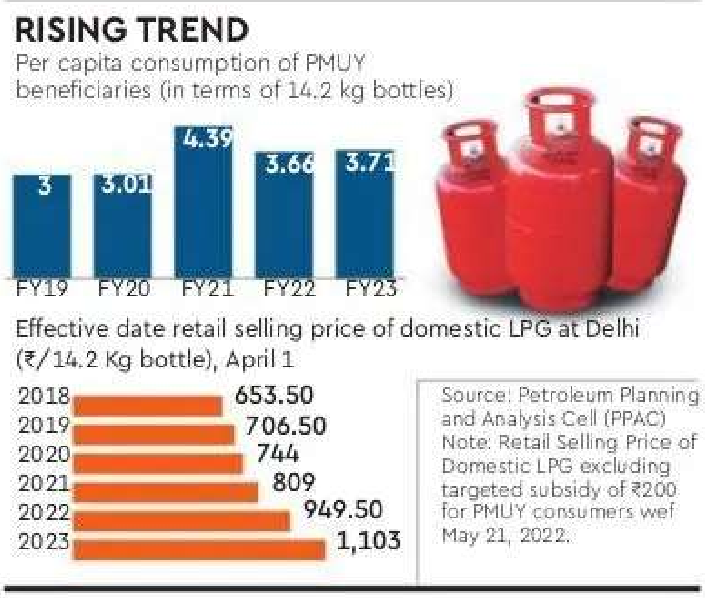
It noted that although demand for transportation fuels rose in June on a year-on-year basis, India's oil products demand fell by 40,000 BPD on the month in June mainly due to a drop in demand for naphtha and transportation fuels as the month marks the beginning of the monsoon season leading to lower transportation fuel consumption.

Wang Zhuwei, oil analyst, S&P Global Commodity Insights, said, "With the onset of monsoon in the country, diesel sales saw a small drop in June over last month as demand in the agriculture sector was cut and vehicular movement declined."

According to S&P Global Commodity Insights, India's oil demand is expected to grow by 246,000 bpd in 2023 due to robust gasoline (petrol) demand being reported. "Oil demand is holding up quite well and should continue rising supported by solid economic growth with more focus on industrial and construction activity, however third quarter (July-September) is expected to see a seasonal dip due to monsoon," Zhuwei said.

Ujjwala scheme: LPG bottle refills remain low

MANISH GUPTA
New Delhi, July 24



AFTER THE RISE in the number of subsidised LPG refills during the pandemic year FY21, thanks to the government's decision to support three free refills for that year, the number of subsidised bottles availed by the Pradhan Mantri Ujjwala Yojana (PMUY) has fallen again.

The average number of refills rose from 3 bottles in a year in FY19-FY20 to 4.4 in FY21, but fell to around 3.7 in the subsequent two years, according to government data.

Though this is reflection of the stagnant income levels among the beneficiaries, a section of the smaller households may not need more than 4 refills a year. Of the 95.9 million beneficiaries under the PMUY, 11.8 million or 12% did not avail a single LPG bottle during the last financial year, minister of state of petroleum and natural gas Rameswar Teli informed the Rajya Sabha on Monday.

Others availed less than four bottles of cooking fuel during the year despite the government's subsidy of Rs 200 per bottle for up to 12 bottles a year. The price of unsubsidised domestic bottle (14.2 kg) in Delhi stood at Rs 1,103 in April 2023.

"As on July 1, 2023, there are about 95.9 million PMUY beneficiaries, out of which 84.1 million have taken at least one refill during 2022-23," Teli said.

The scheme, aimed at providing deposit free LPG connection to adult woman member of poor households across the country, was launched in 2016. The target to release 80 million connections was achieved in 2019. The second phase, Ujjwala 2.0, added 16 million additional beneficiaries. "Per capita consumption of PMUY beneficiaries (in terms of number of 14.2 kg LPG cylinders taken per year) has increased from 3.01 (FY 2019-20) to 3.71 (FY 2022-23)," petroleum and natural gas minister Hardeep Singh Puri said in reply to a separate question.

The number of total refills taken by PMUY beneficiaries has risen from 159.9 million in 2018-19 to 344.8 million in 2022-23.

Oil Rises as Tight Supply Counters Likely Rate Hikes

Reuters

London: Oil prices rose on Monday as tightening supply and hopes for Chinese stimulus measures underpinned Brent at well above $80 a barrel, even as traders expected more rate hikes from U.S. and European central banks.

Brent crude futures were up 91 cents, or 1.1%, at $81.98 a barrel by 1415 GMT. U.S. West Texas Intermediate (WTI) crude was at $78.12 a barrel, also up $1.05, or 1.3%. The benchmarks rose 1.5% and 2.2% respectively last week, their fourth straight of week of gains, as supply is expected to tighten following OPEC+ cuts.

Fighting also escalated last week in Ukraine after Russia withdrew from a U.N.-brokered safe sea corridor agreement for grain exports.

Oil's rise has reflected "tightening conditions as Saudi oil output cuts impact the market ... even as summer demand has been somewhat stronger for gasoline and jet fuel", Citi Research said in a note.

The bank said it sees some upside for oil over the summer and forecast an average price in the third quarter of $83 a barrel.

"While another Fed rate hike this week may drive some short-term price volatility, we expect tightening market conditions on OPEC's supply cuts and increasing market speculation of further stimulus in China to continue to push prices higher through 3Q23," analysts from National Australian Bank said in a note.

BUSINESS LINE, Delhi, 25.7.2023
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Brent tops $80 a barrel on tight supply

London: Crude oil prices rose on Monday as tightening supply and hopes for Chinese stimulus underpinned Brent at well above $80 a barrel, even as traders expected more rate hikes from U.S. and European central banks. Brent crude futures rose 44 cents, or 0.6 per cent, to $81.51 a barrel by 11 GMT. U.S. West Texas Intermediate crude was at $77.51 a barrel, also up 44 cents, or 0.5 per cent. REUTERS

ECONOMIC TIMES, Delhi, 25.7.2023
Page No. 13, Size:(12.81)cms X (14.34)cms.

MAKING DRIVING AND COOKING AFFORDABLE

City Gas Cos Snap up Cheap Local Supply

Fertiliser sector, largest consumer of natural gas, ramps up imports to meet demand in June quarter

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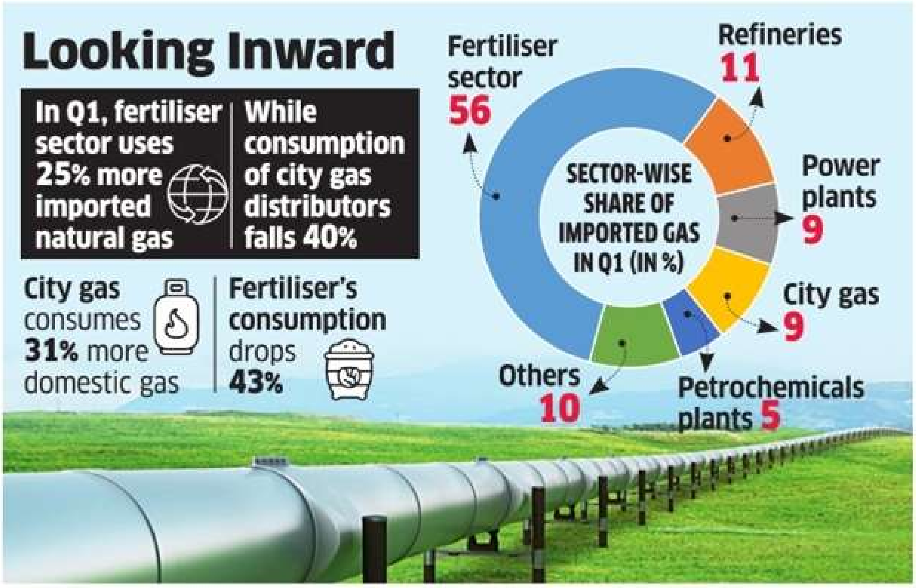

New Delhi: The fertiliser sector's consumption of imported natural gas rose 25% YoY while that of city gas distributors fell 40% during the June quarter as more of the cheap domestic gas was made available for driving and cooking following a tweak in the domestic gas policy.

The city gas sector accounted for just 9% of the country's consumption of imported gas during the April-June period, down from 17% a year earlier. Their consumption of domestic gas rose 31% in a year to 2,490 million metric standard cubic meter (mmscm) while their use of imported gas fell to 703 mmscm.

Higher domestic gas consumption by city gas distributors meant lower availability of local supplies for the fertiliser sector. Fertiliser makers consumed 4,276 mmscm of imported gas in the quarter compared to 3,416 mmscm a year earlier. Their use of domestic gas dropped 43% to 726 mmscm. The fertiliser sector is the largest consumer of natural gas in the country while the city gas sector is the second-largest.

The refineries and power plants, the third- and the fourth-largest consumers of natural gas, respectively, also consumed more gas from overseas in the June quarter.

While volume imports by the fertiliser sector went up, the average prices of imports fell. The two factors would have opposite effects on India's subsidy bill. The liquefied natural gas benchmark Japan Korea Marker for the April-June period averaged $11 per mmbtu, down from $29 per mmbtu a year ago.

The government's move to increase the allocation of cheaper domestic gas to city gas has helped cut city gas companies' reliance on imports. The imposition of a price ceiling of $6.5 per mmbtu on domestic gas in April has also made it attractive to consumers. City gas distributors supply domestic gas to CNG vehicles and for cooking at home.

Lower natural gas prices have helped boost margins for city gas companies. Indraprastha Gas Ltd, which operates in the national capital region, made a gross margin of ₹14.4 per standard cubic meter during the quarter, higher than ₹12 in January-March and ₹14.3 in the April-June quarter of last year, as per ICICI Securities. CNG comprises 75% of IGL's total sales volume.

NAVODYA TIMES, Delhi, 25.7.2023
Page No. 10, Size:(21.87)cms X (30.94)cms.

तेल के खेल में उतरेंगे खाड़ी देश, पैरिस ने भारत को लेकर दिया बड़ा संकेत

नई दिल्ली, 24 जुलाई (एजैंसी): रूसी तेल ने जी7 के 60 डॉलर के प्राइस कैप को तोड़ दिया है, जिसके बाद भारत को मिलने वाले सस्ते तेल की संभावनाएं कम हो गई हैं।

खास बात तो यह है कि मौजूदा समय में इंडियन बाकेस्ट में रूसी तेल का वॉल्यूम 40 फीसदी से ज्यादा बढ़ गया है, ऐसे में आने वाले दिनों में यह भारत के लिए सिरदर्द भी बन सकता है। इस बात की आहट पैरिस तक पहुंच गई है।

पैरिस बेस्ड इंटरनैशनल एनर्जी एजैंसी (आई.ई.ए.) में ऑयल मार्कीट डिविजन के चीफ टोरिल बोसोनी इस बात पर जोर देती हैं कि जहां भारत रूसी तेल पर निर्भर है, वहीं रूस भी भारतीय रिफाइनरों पर बहुत अधिक निर्भर है।

यदि रूसी तेल वास्तव में भारतीय रिफाइनरों के लिए महत्वहीन हो जाता है तो खाड़ी देश एक बार फिर से तेल के खेल में उतरकर भारत के लिए

सबसे बड़े सप्लायर बन सकते हैं।

एक इंटरव्यू में टोरिल बोसोनी ने कहा कि इस वर्ष अब तक ओपेक+ (पैट्रोलियम निर्यातक देशों का संगठन) देशों द्वारा प्रोडक्शन में कई कटौती के बावजूद ऑयल मार्कीट बैलेंस्ड रहा है। पिछले अक्तूबर से जब पहली बार कटौती की गई थी, हमने दूसरे प्रोड्यूसर्स से सप्लाई में इजाफा देखा है।

यू.एस., ईरान और कई दूसरे प्रोड्यूसर्स की ओर से प्रोडक्शन में तेजी देखने को मिली है। इसी वजह से ओपेक+ देशों द्वारा प्रतिदिन 2 मिलियन बैरल की कटौती की भरपाई कर दी गई है। उदाहरण के लिए जून में पिछले अक्तूबर की तुलना में ऑयल प्रोडक्शन लगभग समान था।

मार्कीट टाइट रहने की संभावना

उन्होंने कहा कि अब हम देख रहे हैं कि इस महीने एक्स्ट्रा वॉलेंटरी प्रोडक्शन कट अप्लाई हो रहा है, जिसका नेतृत्व मुख्य रूप से सऊदी अरब कर रहा है, लेकिन रूस ने भी कहा है कि वह निर्यात कम करेगा। यह प्रोडक्शन ऐसे समय में हो रहा है जब हम आमतौर पर सीजनली डिमांड में इजाफा होता है। बोसानी ने इंटरव्यू में कहा कि हम अभी भी मांग में वृद्धि देख रहे हैं। इसका कारण चीन और ग्लोबल एविएशन के खुलने के साथ महामारी से उबर चुके हैं।

उन्होंने कहा कि आई.ई.ए. दूसरे सोर्स से सप्लाई बढ़ने की सीमित संभावना देखते हैं, इसलिए, हमें लगता है कि बाजार में काफी सख्ती आने वाली है, जिसका जाहिर तौर पर कीमतों पर असर पड़ेगा। अब, वॉलेंटरी प्रोडक्शन कट है और एक महत्वपूर्ण रूप से टाइट मार्कीट से बचने के लिए मांग के साथ सप्लायर्स को बैलेंस करने का सवाल है।

खाड़ी देश होंगे दूसरा ऑप्शन

मौजूदा समय में भारत के तेल इंपोर्ट रूसी कच्चे तेल की हिस्सेदारी अब 40 फीसदी से अधिक है। अगर रूसी तेल की ओर से भारत को सप्लाई कम की जाती है तो ऐसे में भारत के लिए कौन-सा दूसरा ऑप्शन हो सकता है। इसका जवाब देते हुए बोसानी कहते हैं कि भारत के लिए दूसरा विकल्प खाड़ी देश हो सकते हैं।

उन्होंने हाल ही में प्रोडक्शन में कटौती की है, इसलिए डिमांड होने पर उनके पास उत्पादन बढ़ाने की क्षमता है, इसलिए, यदि हम अपेक्षा से अधिक रूसी सप्लाई खोते हैं तो अन्य प्रमुख उत्पादकों के पास उत्पादन में कुछ कटौती को कम करने का ऑप्शन होगा।