NAVBHARAT TIMES, Delhi, 29.4.2023
Page No. 16, Size:(23.01)cms X (12.18)cms.

स्कोप में मना पब्लिक सेक्टर डे

वि, नई दिल्ली : देश की अर्थव्यवस्था में सार्वजनिक क्षेत्र के उद्यमों की महत्वपूर्ण भूमिका को दोहराते हुए Standing Conference of Public Enterprises (SCOPE) ने सार्वजनिक क्षेत्र दिवस समारोह का आयोजन किया। इस अवसर पर पीएसई के चीफ इग्जेक्यूटिव और SCOPE इग्जेक्यूटिव बोर्ड सदस्य

सहित NTPC के सीएमडी गुरदीप सिंह, सेल की चेयरमैन सोमा मंडल, IOCL के सीएमडी एस एम वैद्य आदि मौजूद रहे।

FINANCIAL EXPRESS, Delhi, 29.4.2023
Page No. 1, Size:(19.80)cms X (19.86)cms.

₹7-trillion coal gasification ventures on the cards

The coal ministry has already drafted a broad framework for the project after extensive discussions with the private sector and the PSUs concerned. We are likely to have the policy framework approved (by the Cabinet) in the next few months and thereafter we will seek proposals from the private companies and the PSUs," Meena said.

"India will be coal-surplus in two years and will start exporting coal from 2025-26. The gasification project is being pushed to utilise this coal, he said.

The government will offer a set of incentives for syngas ventures, including a 50% rebate in revenue share for the amount of coal used for gasification to captive and commercial coal miners and a separate e-auction window for gasified coal.

Since most of India's known coal deposits are non-recoverable, the country requires to make best use of its 70 billion tonne of mineable coal, which will be exhausted in a few decades.

While syngas obtained from surface gasification of coal are already being used in the fertiliser sector in a limited scale, India is yet to employ technology and capital for underground coal gasification, which could help extract reserves that are deep, scattered and covered by forests. Certain syngas technology allows conversion of non-mineable coal/lignite into combustible gases through in situ gasification of the material. Countries like the US, Russia and Australia are also aggressive about syngas production.

"There are technologies available for conversion of coal into syngas, which can be further converted into ammonium nitrate, methanol, dimethyl ether, and other chemical products for different end uses," the coal secretary said. "Ammonium nitrate is used in the explosive sector. CIL and the mining companies use lot of explosives. DME can be blended with natural gas. Methanol is used in the chemical and petrochemical sectors," Meena said.

With India committed to achieve net zero carbon emissions by 2070, the government wants to diversify the application of coal beyond steel and power sectors, and in a more clean way through coal gas.

HINDUSTAN TIMES, Delhi, 29.4.2023
Page No. 1, Size:(11.36)cms X (13.77)cms.

Fuel prices may be slashed by ₹2 as OMCs' profits rise

Rajeev Jayaswal
letters@hindustantimes.com

NEW DELHI: State-run oil marketing companies (OMCs) may reduce petrol and diesel prices by at least ₹2 a litre as fuel sales become profitable with the cost of imported crude oil falling below $80 a barrel ($78.45 on Thursday), and benchmark rates for petrol and diesel plunging sharply by 35% and 45% respectively in April 2023 compared to the June 2022 peak, three people aware of the development said.

A decision to reduce petrol and diesel prices will be taken in the month-end review, which is expected later this week, they said requesting anonymity. "It will be a political call of the government rather than a commercial decision of the companies," one of them said.

While oil companies are free to align pump prices of petrol and diesel with their respective international benchmarks, the government tacitly controls pricing of politically-sensitive fuel prices through the three state-run oil marketing companies (OMCs), which control over 90% of domestic fuel retail market. In order to protect consumers from international oil price volatility the OMCs have paused the daily pricing mechanism for petrol and diesel since April 6, 2022.

Two factors are in favour of immediate price cuts – positive margins in petrol and diesel, and the Karnataka assembly poll – but, in the light of geopolitical uncertainties and international oil price volatility, it is prudent to continue the status quo for some more time, a second person said.

"Another option is to continue

continued on →17

FUEL PRICES

the price-freeze. In that case, the government may appropriate a part of the profit by raising excise duty at an appropriate time and hold it as a cushion against future volatility, especially before the general elections next year," this person added. "There are several options on the table and a final call will be taken by the competent authority."

The three state-run oil marketing companies – Indian Oil Corporation (IOC), Bharat Petroleum Corporation Ltd (BPCL) and Hindustan Petroleum Corporation Ltd (HPCL) – and the petroleum ministry did not respond to email queries on this matter.

"After incurring losses for a long time on high-volume diesel, the OMCs are now making good profit in the fuel this month. Margins on petrol have been positive for past several months," a third person said.

Interestingly, the price of industrial diesel sold in bulk is now almost at par with the pump price of diesel, the person said. While industrial diesel has been sold at ₹89.64 per litre from April 16 in Delhi, diesel is sold at ₹89.62 per litre in IOC pumps in the capital.

Normally, the two have price differential ranging between ₹5-10 a litre. In fact, when oil prices peaked in June 2022, industrial consumers paid ₹126.03/litre (on June 17, 2022) for diesel while its pump price was frozen in Delhi at ₹89.62 a litre, a difference of over ₹36.40 per litre.

According to official data, India's benchmark petrol and diesel prices have also plunged from the June 2022 peak making fuel retail profitable.

The monthly average benchmark rate of petrol fell 35% from $148.82 per barrel in June 2022 to $97.02 in April 2023 (as on April 27). Similarly, that of diesel fell 45% to $94.40 a barrel in April 2023 from $170.92 a barrel in June 2022.

NUMBER WISE

WHEN GOVERNMENT PROJECTS MISS THE DEADLINE

Average delays of over three years mean large cost overruns

1: SHARE OF DELAYED PROJECTS HIGHEST SINCE 2004

Delayed projects (proportion of delayed projects by number relative to total projects, %)

Note: Based on monthly flash report on central sector projects. Data before 2010 is for projects worth ₹100 crore and above, data since then is for projects worth ₹150 crore and above.
Source: Ministry of Statistics and Programme Implementation (MOSPI)

ANOUSHKA SAWHNEY
New Delhi, 28 April

The Udhampur-Srinagar-Baramulla railway line was sanctioned in 1995: it is still work in progress, making it one of India's longest-delayed government infrastructure projects. The Taj Mahal took 20 years to build in contrast. Project delays were improving in recent years—legacy initiatives aside—but show signs of slipping again as the country makes a renewed push for infrastructure. The share of delayed central government projects hit a low of 19.3 per cent in 2018.

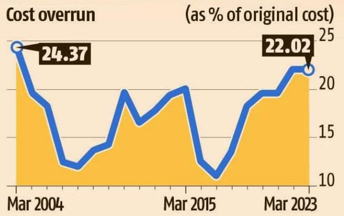
It increased to 56.7 per cent as of March 2023. Such delay for central government projects is currently likely to be the highest in around 20 years, according to data from the Ministry of Statistics and Programme Implementation's monthly flash reports published by the Infrastructure and Project Monitoring Division. *Business Standard* compiled figures from the reports since March 2004 to track the changes.

The government has been pushing more projects than before. There are 1,449 central government projects underway, according to the ministry's flash report. The report recorded 558 central government projects in March 2013 and 285 in March 2004. The data prior to 2010 tracked projects worth ₹100 crore or more. The threshold since then is ₹150 crore, but numbers would be broadly indicative of the general trend.

Delayed projects mean increased cost overruns. The projects are now expected to cost 22 per cent more than originally estimated. The Indian Railways has a bulk of the delayed projects and it accounted for ₹2.5 trillion in cost overruns.

2: COST OVERRUNS CREEPING UP

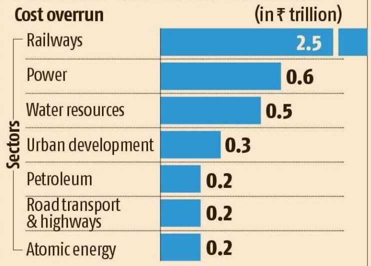
Cost overrun (as % of original cost)



Note: Based on monthly flash reports on central sector projects. Data before 2010 is for projects worth ₹100 crore and above, data since then is for projects worth ₹150 crore and above. Shows cost overruns as a percentage of original cost.
Source: Ministry of Statistics and Programme Implementation (MOSPI)

3: RAILWAY PROJECTS ACCOUNT FOR MOST RISE IN EXPENDITURE

Cost overrun (in ₹ trillion)



Note: Based on monthly flash report on central sector projects as of March 2023. Cost overrun is the difference between original and currently anticipated cost.
Source: Ministry of Statistics and Programme Implementation (MOSPI)

Russian oil still powering Europe's cars, with India's help

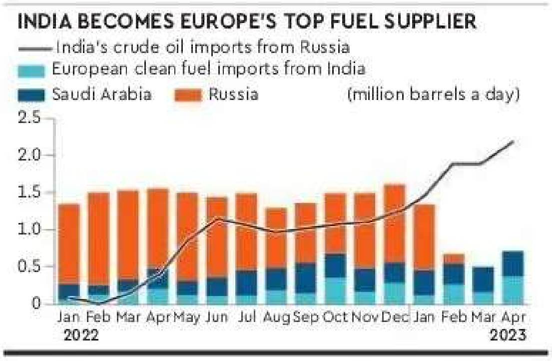
PREJULA PREM & SHARON CHO
April 28

RUSSIAN OIL IS still powering Europe — just with the help of India.

Back in December, the European Union barred almost any seaborne crude oil imports from Russia. It extended the prohibition to refined fuels two months later.

However, the rules didn't prevent countries like India from snapping up cheap Russian crude, turning it into fuels like diesel, and shipping it back to Europe at a markup.

The Asian country is on track to become Europe's largest supplier of refined fuels this month while simultaneously buying record amounts of Russian crude, according to data compiled by *Bloomberg* from analytics firm Kpler.



"Russian oil is finding its way back into Europe despite all the sanctioning and India ramping up fuel exports to the west is a good example of it," said Viktor Katona, lead crude analyst at the firm. "With India taking in so much Russian barrels, it's inevitable."

The development is double-edged for the EU. On the one hand, the bloc needs alternative sources of diesel now that it has cut off direct flows from Russia, previously its top supplier. However, it ultimately boosts demand for Moscow's barrels, and means extra freight costs.

It also means more competition for Europe's oil refiners who can't access cheap Russian crude, and comes amid wider market scrutiny about where the region's diesel imports are coming from.

Repsol SA's chief executive officer Josu Jon Imaz said on Thursday that Russian diesel is entering Europe illegally and called on authorities to clamp down on the activity. He wasn't talking about the trade via India but flows of diesel that originated in Russia.

A preliminary inquiry into the matter by Spanish authorities didn't find evidence that Russian diesel was entering the country, a government official said Friday, adding that a probe is ongoing. **–BLOOMBERG**

HINDU, Delhi, 29.4.2023
Page No. 3, Size:(9.47)cms X (18.30)cms.

Villagers continue stir over oil refinery plan in Maharashtra

They claim the proposed refinery project at Barsu in Ratnagiri district would destroy the ecology of Konkan region and upend their way of life

Abhinay Deshpande
MUMBAI

Hundreds of villagers continued their protest for the fifth day against the proposed refinery at Barsu in Ratnagiri district of Maharashtra, claiming that the project would destroy the ecology of the Konkan region and upend their way of life.

They demanded that the State government stop soil survey at the proposed site, and staged protests despite massive police presence. Earlier this week, over 700 protesters were detained and 112 were booked under Sections related to rioting and unlawful assembly.

While Chief Minister Eknath Shinde said the project would not be implemented without the local people's consent, and claimed that the on-ground situation was peaceful, the Ratnagiri police detained Shiv Sena (UBT) MP Vinayak Raut after he sat on a road there as a mark of protest, which triggered chaos at the site. Police personnel who were deployed from across the State used tear gas to disperse the protesters.

"People are still struggling with their vision due to the impact of tear gas," said Satyajit Chavan of the Konkan Vinashkari Prakalp Virodhi Samiti. He was among 112 protesters arrested and released on bail on Thursday.


Women of Barsu village protest against the proposed oil refinery project in Ratnagiri. FILE PHOTO

Mr. Chavan said they were not against the development of the region, but their protest was against the refinery or any such red-category projects that would harm the surroundings.

CM's claim refuted

Refuting Mr. Shinde's claims that Barsu is a green refinery, and there is an assurance that there will not be any pollution, Mr. Chavan said no petrochemical factory was pollution-free. "Once the production begins, no company will comply with environmental rules. So, our stand is clear. We are open to other projects, but not this petrochemical project, which is much more harmful than a distillery," he said.

The Chief Minister said he spoke to the Ratnagiri Collector and the Superintendent of Police as well as district guardian Minister Uday Samant, and the Collector told him that there was no lathicharge at the site. In a veiled attack on rival Shiv Sena (UBT) leader Uddhav Thackeray, Mr. Shinde said a former Chief Minister himself had suggested the Barsu site to the Centre. "After losing the CM's post, he is opposing the project. One cannot have such double standards," he said.

Meanwhile, Uddhav loyalist Sanjay Raut said locals have no trust in the current dispensation. His statement came days after Nationalist Congress Party chief Sharad Pawar advised the Shinde-Fadnavis government to hold dialogues with Barsu villagers.

MAHARASHTRA

Police resort to lathicharge as villagers step up anti-refinery stir

VALLABH OZARKAR
BARSU (RATNAGIRI)

THE PROTEST against the proposed petrochemical refinery at Barsu-Solgaon villages in Konkan's Ratnagiri district intensified on Friday after villagers tried to enter the survey site forcibly. The police had to use teargas and resorted to lathicharge to disperse the crowd, injuring several villagers.

Over a hundred villagers who entered the site were arrested and taken to Ratnagiri. On the government's call for dialogue, Suryakant Sodaye, a protester, said: "We are willing to have a dialogue with the government but soil testing should first stop and the government should come and talk to us."

Protesters at Barsu in Ratnagiri, Maharashtra, on Friday. *Express*

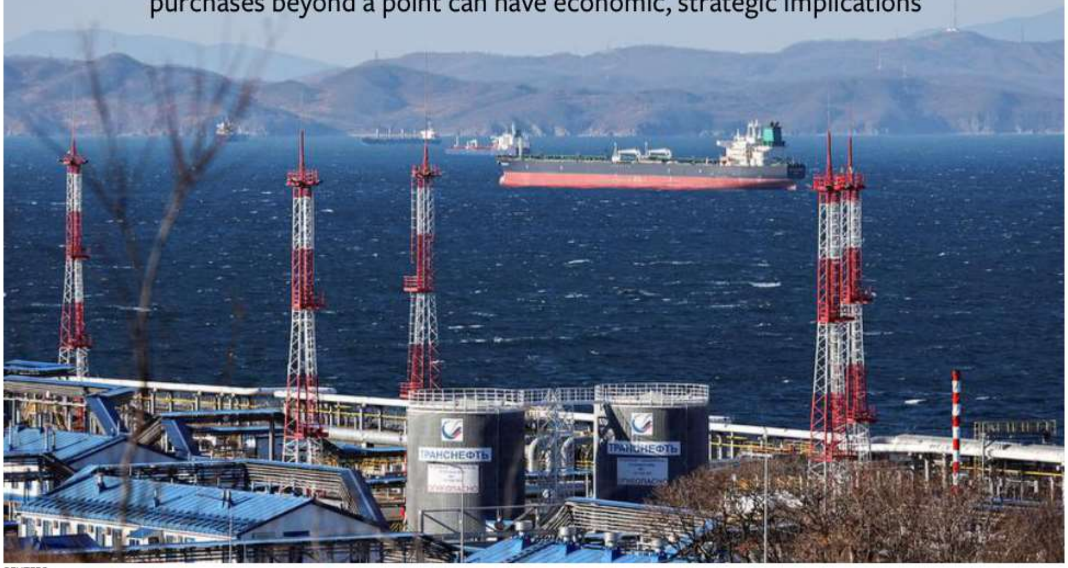
Deepak Joshi, president of Refinery Virodhi Sanghatna, said the police resorted to lathicharge and even used teargas, which injured several protesters. CM Eknath Shinde, however, denied that force was used. "I have spoken to the SP and district collector of Ratnagiri. They told me that the situation is peaceful... The project will be set up after the consent of all the people," he said.

CAPITAL IDEAS.

RICHA MISHRA

The limits to sourcing Russian oil

India cannot ignore its traditional suppliers from the Gulf countries. Increasing Russian oil purchases beyond a point can have economic, strategic implications



REUTERS

Finance Minister Nirmala Sitharaman during a recent visit overseas was quoted as saying that New Delhi could buy Russian crude oil near or above the price cap imposed by the G-7 if the recent OPEC+ output cut increases energy costs.

Back home, recently, Pankaj Jain, Secretary, Ministry for Petroleum and Natural Gas, said some Russian crude was purchased by Indian refiners above the price cap imposed by G-7. According to the Secretary, most of the Russian crude purchased by Indian refiners was below the price cap, but some cargoes were above that price too.

He further elaborated that India isn't being prevented from buying above the cap. He said some payments for Russian cargoes were delayed but refiners are coming up with solutions to pay for the crude purchased above the price cap, adding that India is also seeking discounts on crude from other countries depending on the oil grade.

But, the cap price is applicable on FOB (free on board) basis — the liability and ownership of the goods have been transferred from a seller to a buyer, whereas Russian crude is being delivered at Indian ports by the sellers on CIF Cost, Insurance, and Freight – basis (the fees a seller pays to cover the costs). There are calculation concerns for bankers processing payments.

CAP CONCERNS

By sourcing crude from Russia, commercially India is doing the right thing. But what are the challenges India may face if it continues to source Russian oil? What are the options available for India and will OPEC+ prove to be a party spoiler on oil prices?

One also needs to note that India is buying from non-OPEC producers too. According to media reports, OPEC's share of India's oil imports has fallen at the fastest pace in 2022-23.

According to Anas Alhajji, Energy expert and Managing Partner, Energy Outlook Advisors, LLC, "As long as India is being opportunistic, there is no problem increasing dependence on Russia oil while stitching long-term contracts with other suppliers."

But, from energy security point of view, the current situation is not sustainable and might backfire, he cautioned.

"India cannot afford to offend its historic and long-term suppliers. That is why imports from the Gulf remained steady while imports from the US and Africa declined substantially. In short, so far so good," he said. "To avoid future problems, public banks with large foreign presence would shy away for processing payments for cargoes sold above the price cap to avoid in retaliation from the US and the EU."

According to Sumit Ritolia, oil analyst at S&P Global Commodity Insights, in the interests of maintaining geo-political balance, some Indian banks have stopped clearing payments for Russian oil above the $60/barrel cap.

Payment challenges can impact the cost and reliability of crude oil imports from Russia. Apart from supply sustainability, refining constraints can also be an impediment.

REFINING CONSTRAINTS

Russian crude now accounts for about 35 per cent of Indian imports, but is close to the maximum potential of 40-45 per cent set by refining constraints.

"This is because Indian refiners are facing issues concerning the mercaptans (R-SH) in the jet/kerosene cut while processing the Urals in neat form. Kero-Merox units are facing issues in handling kerosene cuts of neatly processed Urals, and that stream needs to be bypassed to hydrotreaters. This will push refineries to process Urals in blended form with other crude grades and eventually constrain upside of Russia crude inflows into India," he elaborated.

India may sooner or later have to deal with the price cap issue on Russian oil. Banks processing payments may become wary of offending Western powers

So what are India's options?

"India's problem has been always the inability of policymakers to strike a balance between security of supply and prices of various energy imports. They chased lower prices and ended up paying a heavy price during periods of shortages and stiff competition from other countries. For example, India benefited last year from the lockdown in China, but this is not the case now. The possibility of LNG prices reaching new records this coming winter is high. The only way to reduce cost is to sacrifice climate objectives," Alhajji pointed out.

According to Ritolia, Indian refiners will try to diversify from Americas (US, Canada, Brazil, Argentina), West African countries (Nigeria, Angola, Gabon, Ghana, Congo) and balance it with the lion share from Middle Eastern and Russian crudes.

Overall, India has wide-ranging options for crude purchase but in the end, it boils down to how refinery economics works for crude purchase.

Will OPEC+ prove to be a party spoiler as far as oil prices are concerned?

OPEC+ members are happy with current prices, said Alhajji adding that the average for the year would be way higher than in years before 2021.

CHINA FACTOR

"The fight is between China and OPEC. China will use its strategic petroleum reserves to prevent oil prices from rising, while OPEC will struggle to prevent oil prices from declining. A new dynamic is emerging in a way that we have never seen before: OPEC members buying Russian petroleum products to use in their domestic markets while cutting production!

The coming summer could be different from any in the past as the impact of the power burn on oil market balances is way lower," he pointed out.

"The market volatility before April 2 appears to have increased the OPEC+ determination to stay ahead of demand uncertainty. It also indicates the price objectives of OPEC+ might be above $80/barrel," said Ritolia.

So, in such a situation India's ability to negotiate favourable pricing and contract terms will come to play, if it does not want to be too reliant on a single supplier.

Also a focussed approach on upgrading public sector refineries is the need of the hour.

BUSINESS LINE, Delhi, 29.4.2023
Page No. 3, Size:(12.71)cms X (11.17)cms.

3 lt of Basrah Light sold from strategic reserve

Rishi Ranjan Kala
New Delhi

State-run Indian Strategic Petroleum Reserves (ISPRL) sold around three lakh tonnes of Iraq's Basrah Light grade crude oil to a state-run oil marketing company (OMC) earlier this month.

ISPRL is a Special Purpose Vehicle (SPV), which is a subsidiary of Oil Industry Development Board (OIDB) under the Ministry of Petroleum & Natural Gas (MoPNG).

The company had floated an expression of interest (EoI) for PSU OMCs for sale of 3 lakh tonnes of Basrah Light grade crude oil from ISPRL Vishakhapatnam's cavern A in 3 months from the date of award of the contract.

The pricing was based on a landed cost of crude oil at Visakhapatnam, which was derived from the official selling price (OSP) of Iraq's national oil company, State Organization for Marketing of Oil (SOMO), for Basra Medium crude oil grade. The estimated landing cost was calculated at around \$84.57 a barrel. The payments have to be made by May 2023.

A view of ISPRL facility in Visakhapatnam

The crude oil from these caverns is supplied to refineries either through pipelines or a combination of pipelines and coastal shipping. It was not immediately clear which of the three state-run OMCs procured the oil.

SALE OF CRUDE OIL

Since January last year, Iraq has stopped exporting Basrah Light, which is a medium gravity, low-TAN, and high-sulphur content. It used to be exported from Al Basra oil terminal and Khor al-Amaya oil terminal in southern Iraq. Now the Arab country exports Basrah Medium and Basrah Heavy grades. In 2021, India started selling crude oil from its caverns to state-run OMCs, which was largely to soften the blow of high crude oil prices and to make space in the caverns to lease out to domestic and international companies.

For instance, to commercialise Phase-I of the SPR programme, the UAE's Abu Dhabi National oil Company (ADNOC) joined it for storing about 800,000 tonnes of crude oil in Mangalore.

Similarly, during October-December 2021, ISPRL sold around 0.8 million tonnes (one tonne of crude oil equals to roughly 7.33 barrels). It had also leased out one of its caverns at Mangalore (0.75 million tonnes capacity) to state-run Mangalore Refinery and Petrochemicals (MRPL).

Besides, taking advantage of low crude oil prices in April and May 2020, the MoPNG took rapid action in filling reserves completely, leading to a saving of ₹5,000 crore.

STRATEGIC RESERVES

ISPRL has established crude oil storage facilities with a capacity of 5.33 million tonnes (mt) at – Visakhapatnam (1.33 mt), Mangalore (1.5 mt) and Padur (2.5 mt) – under Phase I of the SPR programme.

This is equivalent to around 38 million barrels and can serve India's crude requirement for 9.5 days.

Under Phase II, the government in July 2021 approved establishing two additional commercial-cum-strategic reserves with a total storage capacity of 6.5 mt at Chandikhol (4 mt) and Padur (2.5 mt) under the public private PPP mode. When completed, these reserves will meet an additional 12 days of India's crude requirement.

VIRAT VAIBHAV, Delhi, 29.4.2023
Page No. 16, Size:(16.67)cms X (10.35)cms.

स्थानीय लोगों की सहमति के बिना बारसू रिफाइनरी परियोजना को लागू नहीं किया जाएगा : शिंदे

वैभव न्यूज ■मुंबई

महाराष्ट्र के मुख्यमंत्री एकनाथ शिंदे ने शुक्रवार को कहा कि रत्नागिरी जिले के बारसू गांव में प्रस्तावित रिफाइनरी परियोजना को स्थानीय लोगों की सहमति के बिना लागू नहीं किया जाएगा। इसके साथ ही उन्होंने क्षेत्र में शांति बनाए रखने की अपील की। उन्होंने यहां संवाददाताओं से बातचीत करते हुए दावा किया कि बारसू गांव में स्थिति शांतिपूर्ण है। इससे पहले दिन में, रिफाइनरी का विरोध कर रहे प्रदर्शनकारी गांव में एकत्र हुए थे। पुलिस ने प्रदर्शनकारियों को तितर-बितर करने के लिए राजापुर तहसील के बारसू एवं सोलगांव गांवों में आंसू गैस का इस्तेमाल किया और शिवसेना (यूबीटी) के सांसद विनायक राउत को हिरासत में ले लिया। शिंदे ने कहा कि उन्होंने रत्नागिरी के जिलाधिकरी और पुलिस अधीक्षक के साथ-साथ जिले के प्रभारी मंत्री उदय सामंत से बात की है और जिलाधिकारी ने उन्हें बताया कि परियोजना स्थल पर कोई लाठी चार्ज नहीं हुआ है। शिवसेना नेता उद्धव ठाकरे का जिक्र करते हुए उन्होंने कहा, एक पूर्व मुख्यमंत्री ने खुद ही केंद्र सरकार को बारसू का सुझाव दिया था। मुख्यमंत्री का पद गंवाने के बाद, वह परियोजना का विरोध कर रहे हैं। कोई व्यक्ति इस तरह के दोहरे मानदंड कैसे रख सकता है। ठाकरे की पार्टी रिफाइनरी का विरोध कर रहे ग्रामीणों का समर्थन कर रही है। शिंदे ने कहा, हमारी सरकार लोगों की सरकार है और हम उनके खिलाफ नहीं हैं। हम स्थानीय लोगों की सहमति के बिना कदम आगे नहीं बढ़ाएंगे। 70 प्रतिशत से अधिक स्थानीय लोग परियोजना का समर्थन करते हैं क्योंकि इससे रोजगार के मौके पैदा होंगे। शिंदे ने कहा, हम परियोजना का विरोध करने वाले शेष 30 प्रतिशत लोगों को इसके फायदे बताएंगे।