

AGREEMENT—SCOPE

Atul Sobti, DG, SCOPE, SP Roy, Jt Secy, Capacity Building Commission signed an agreement with Prof. Himanshu Rai, Director, IIM Indore & Rahul Rana, Partner, Egon Zehnder for the second batch of program. The agreement was signed in the presence of Chairman, CBC, Adil Zainulbhai, who joined virtually, Smt. Alka Mittal, Member CBC, Ayush Gupta, Dir. HR, GAIL, KK Singh, Director (Personnel), SAIL and senior officials from CBC, SCOPE, and PSEs. SCOPE and CBC are collaborating with Egon Zehnder as Knowledge Partner and IIM Indore as Academic Partner for the second batch of DAKSH, a one-of-its-kind leadership development initiative meticulously designed to create a cadre of high-performing leaders, ready to take on strategic and board-level roles in PSEs.



J&K: Inauguration of 'Yatri Niwas' built by ONGC at Baltal on July 4

NEW DELHI: Union minister Hardeep Singh Puri and Jammu & Kashmir Lieutenant Governor Manoj Sinha, in the presence of ONGC Chairman and CEO Arun Kumar Singh, on July 4, will formally inaugurate a 'Yatri Niwas and Disaster Management' complex, built by the energy major at Baltal, for people undertaking the Amarnath Yatra.

Besides Baltal, Oil and Natural Gas Corporation Limited (ONGC) is also developing 'Disaster Management and Yatri Niwas' complexes at three other key locations in Jammu & Kashmir -- Nunwan, Bijbehara and Sidhra, under its Corporate Social Responsibility (CSR) initiative.



These assets, operated by Shri Amarnath Ji Shrine Board under the Jammu & Kashmir government, will provide safe lodging, sanitation and emergency support to people undertaking the Amarnath Yatra.

The Baltal 'Yatri Niwas and Disaster Management Complex', spread across 6,315 square metres, is fully operational and includes a Yatri Niwas, VIP guest house, security infrastructure and disaster-response facilities.

Construction is progressing at Nunwan (8,500 sq. m) and Bijbehara (7,640 sq. m), with both sites expected to be completed by September 2025. The Sidhra complex is targeted for completion by September 2026.

These permanent infrastructures will also benefit the local population throughout the year.

MPOST



Israel-Iran war couldn't change trajectory of global oil flows: S&P

The decision by Opec+ members to unwind existing production cuts have led to oil supply growing quickly, and prices climbing down after the Israel-Iran war, S&P Global Commodity Insights said on Wednesday. S&P expects crude supply to outstrip demand by 1.2 million barrels per day (bpd) in the second half of 2025. Demand had exceeded supply in the same period of 2024. The surplus would continue in 2026, albeit with a lower figure of 800,000 bpd.

BS REPORTER

Repurpose LNG infra to make ports GH₂ export hubs: Ports body

**DHRUVAKSH SAHA
& SUBHAYAN CHAKRABORTY**
New Delhi, 2 June

Indian ports would need to take up extensive reforms like repurposing existing Liquefied Natural Gas (LNG) terminals for green hydrogen (GH₂) derivatives such as green ammonia, and setting up common user infrastructure frameworks to become export hub for GH₂, a report by the Indian Ports Association (IPA) has suggested. IPA is a body of major ports in India under the control of the Ministry of Ports, Shipping and Waterways.

While developing hydrogen pipelines is essential, high costs — 70-80 per cent from materials, labour, and construction — and challenges like securing rights of way make repurposing underutilised pipelines appealing, the report reviewed by *Business Standard* said. "India's LNG import terminals could be retrofitted to handle the export of GH₂ derivatives such as ammonia. Clear cost advantage arguments are evident for repurposing LNG import terminals," the report by US-based energy think tank RMI and the IPA

pointed out.

Green ammonia, produced using renewable energy (RE) sources, is a sustainable form of ammonia (NH₃), and serves as a versatile energy carrier, fertiliser feedstock, and clean fuel alternative. The National Green Hydrogen Mission is currently targeting production of 5 million tonnes of GH₂ by 2030 to provide an alternative to imported crude oil for transportation, industrial uses, and energy storage.

According to the study, constructing greenfield ammonia terminals with a capacity of 5 million tonnes per year is estimated to cost ₹20,401-21,209 crore. In contrast, repurposing LNG terminals — either after or before commissioning — would cost approximately ₹14,766-12,581 crore, assuming a 30-year operational lifespan.

Dedicated frameworks for common user infrastructure such as intra-port pipelines, storage units, electricity transmission and distribution, water and CO₂ (carbon dioxide) pipelines have also been suggested.

"This will be fundamental in establishing GH₂ facilities, enabling



Utilising the existing systems

ports to become central hubs. Emerging port hubs could serve both domestic and export markets, leveraging their proximity to industrial clusters such as fertiliser producers and refineries, presence of existing infrastructures like

storage and distribution systems, access to international trade, and the captive demand from shipping and logistics operations," the report said.

The report also suggested ports to act as energy aggregators by partnering

- Repurposing LNG terminals for green ammonia to save ₹7,000-8,000 crore, assuming a 30-year operational lifespan

- East coast ports can service Japan, Singapore, South Korea's 4.4 mt of H₂ demand by 2030

- 10 mn tonne of demand from Europe can be met by ports on the Western coast

- Ports can be energy aggregators by partnering with discoms and independent power producers to pool demand

with distribution companies and independent power producers to pool demand from existing port industries — the scale would allow them to secure RE at lower prices.

Challenges remain

However, retrofitting comes with its own set of challenges. According to the study, hydrogen's unique properties, such as lower density and the risk of embrittlement, require significant upgrades to materials, equipment, and safety systems.

"Hydrogen's higher susceptibility to leaks means that each component of the existing infrastructure must be thoroughly analysed for technical limitations, including pipeline compatibility, leakage risks, and the need for enhanced monitoring systems," it said.

India currently operates eight LNG terminals run by state-owned companies such as Petronet, NTPC, and Indian Oil, as well as private entities like Shell, among others. The cost of retrofitting or converting these terminals for ammonia would be around \$105 per tonne, the

report said. Existing terminal operators would also need to come on board. "Beyond Petronet's terminal Dahej, most regasified LNG terminals have struggled with low capacity utilisation due to insufficient pipeline connectivity, a gas market that is still developing, and lack of coordinated planning. But another crucial factor is the limited number of long-term contracts signed between terminals and major offtakers," an official from a public sector energy major said.

The government wants to position India as an export hub for GH₂ and green ammonia. The report suggested that east coast ports like Tuticorin and Paradip are strategically located to serve major Asian demand centres like Japan, Singapore, and South Korea. These countries are expected to require significant green ammonia imports, and 4.4 million tonnes of hydrogen equivalent as part of their decarbonisation goals by 2030.

Similarly, west coast ports can service European demand, which has projected a 10-million-tonne hydrogen import by 2030.



Transport fuel use dips in June but on year usage remains strong

COOLING OFF. Diesel consumption dropped 5.72% to 8.08 mt m-o-m, petrol use fell 6.88% to 3.51 mt

Rishi Ranjan Kala
New Delhi

India's consumption of key transport fuels — diesel, petrol, and jet fuel — declined in June 2025 after surging to record levels in May, as the early commencement of the monsoon impacted mobility, particularly in the second fortnight.

According to the Petroleum Planning & Analysis Cell (PPAC), diesel consumption fell 5.72 per cent month-on-month to around 8.08 million tonnes (mt) on a provisional basis during June 2025. However, usage was higher 1.24 per cent on an annual basis.

Similarly, petrol consumption declined 6.88 per cent m-o-m to roughly 3.51 mt. However, usage increased 6.43 per cent y-o-y. Aviation turbine fuel (ATF) usage fell 5.55 per cent m-

o-m to 732,000 tonnes, but was higher 3.54 per cent y-o-y. Last week, *businessline* reported that the South-West monsoon covered the country on June 29, nine days earlier than normal, and the quickest in the last five years. Even though actual rainfall during June 1-15 was below normal, the monsoon revived from June 15-16, helping to build up precipitation in the second half.

SUSTAINED LEVELS

Analysts said that transport fuel consumption had been inching up since March, culminating in record usage during March to May, backed by robust industrial, commercial and mining activity.

In June, the lull in rain during the first fortnight supported higher demand. With fuel consumption remaining near record levels in June, a senior official with a domestic refiner said there

India's refined petroleum products consumption			
Month/year	Diesel*	Petrol*	Jet fuel**
Apr-24	7.93	3.23	742
May-24	8.41	3.46	744
Jun-24	7.98	3.30	707
Jul-24	7.19	3.30	727
Aug-24	6.50	3.36	732
Sep-24	6.36	3.15	726
Oct-24	7.65	3.41	757
Nov-24	8.17	3.43	748
Dec-24	8.05	3.32	782
Jan-25	7.74	3.31	784
Feb-25	7.34	3.17	735
Mar-25	8.08	3.51	801
Apr-25	8.24	3.44	766
May 25#	8.57	3.77	775
June 25#	8.08	3.51	732

Source: PPAC #Provisional
*million tonnes **tonnes

was increased activity across key horticulture hubs.

"Besides, the growth in goods movement was supported by pre-stocking for monsoon. Vacation travel

Fuel demand was boosted with better highway infrastructure and sustained tourism push

boosted petrol consumption. Jet fuel usage will continue to grow at a similar pace as domestic and international travel expands and more airports become operational," he added.

Further, an analyst said that growing affluence is driving up personal vehicle purchases, particularly two-wheelers and four-wheelers. Fuel demand was boosted with better highway infrastructure and a sustained tourism push. The majority of consumption was driven by the personal mobility segment. Also, the trend of people purchasing more gasoline-driven SUVs is also bol-

stering demand.

Since March this year, India's consumption of the three transport fuels has been near record levels. Diesel consumption averaged 8.24 mt, while petrol and ATF usage averaged 3.56 mt and 7,69,000 tonnes respectively.

Last month, industry chamber PHDCCI released a report stating that the demand for refined petroleum products in India is expected to grow at a compound annual growth rate (CAGR) of 5.37 per cent until 2030.

The demand for POL (petroleum, oil and lubricant) products will be primarily driven by the manufacturing and transportation sectors (both land and air) through 2030. Light diesel oil (LDO), petrol, ATF and petroleum coke led the demand surge by 8.64 per cent, 8.23 per cent, 8.01 per cent and 7.52 per cent respectively.

Govt exploring new strategic oil reserves to boost energy security

NIDHI VERMA
New Delhi, July 2

THE GOVERNMENT IS exploring building three new strategic oil reserves to boost its emergency stockpile and strengthen energy security, the head of the company in charge of strategic reserves said on Wednesday.

India, the world's third-biggest oil importer and consumer, imports more than 80% of its oil needs and is constantly diversifying its crude sources to mitigate the impact of geopolitical crises on its oil procurement.

State-run engineering consultancy Engineers India is doing feasibility studies to build the new reserves, Indian Strategic Petroleum Reserve's CEO LR Jain told Reuters.

"In case of exigencies, we will be better prepared," he said.

The country currently has strategic petroleum reserves at three locations — Mangalore, Padur and Vizag — in



southern India to store up to 5.33 million tonne of crude that could be tapped in the case of supply disruptions.

It plans to create a new 5.2-5.3 million tonne reserve at salt caverns at Bikaner in the desert state of Rajasthan, and a 1.75-million tonne facility at Mangalore in southern Karnataka state, he said.

It will also create a reserve in Bina, central Madhya Pradesh state, with capacity yet to be decided, he said.

After feasibility studies, the projects will require approval from the federal cabinet.

—REUTERS

FINANCIAL EXPRESS
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Thu, 03 July 2025
<https://epaper.finar>



STATISTICS A slice of life in numbers

By Richa Gandhi

Who Has The Highest Oil Reserves?

It's the usual suspects that are floating on oil, though Canada is ahead of most West Asia countries owing to large deposits of tar sands. US sits surprisingly low on this list despite being a top producer

	Reserves (Billion barrels)	% share of global reserves
Venezuela	303	17.3
Saudi Arabia	267	15.2
Iran	209	11.9
Canada	163	9.3
Iraq	145	8.3
UAE	113	6.4
Kuwait	102	5.8
Russia	80	4.6
US	74	4.2
Libya	48	2.8

Source: OPEC



IEA Throws Weight Behind India's Digital Energy Stack

Exec director Fatih Birol signals deeper collaboration with New Delhi on green transition

Suraksha P

Bengaluru: The International Energy Agency (IEA) is backing the India Energy Stack, a key digital public infrastructure aimed at standardising and enhancing interoperability across the power sector, said the IEA executive director Fatih Birol.

In an exclusive interview to ET, he said India's efforts are timely and aligned with the overall plan of the IEA for a digital energy grid (DEG), signalling deeper collaboration between the international energy watchdog and the country.

"Digitalisation is a powerful tool that can undoubtedly support the evolution of the electricity sector through grid optimisation, demand-side management and even weather forecasting," Birol said.

In February, the Foundation for Interoperability in Digital Economy (FIDE) and the IEA had published a white paper on DEG, whose foreword was co-authored by Nandan Nilekani, non-executive chairman of Infosys, and Birol. The report proposed a future where every home with a solar panel, or an electric vehicle battery, would be generating, storing and

it.

ET reported on June 28 that the government is working to launch a digital platform to enhance coordination, data sharing and innovation in the power sector. A 17-member task force set up for the purpose comprises Nilekani; former director general of the Unique Identification Authority of India Ram Sewak Sharma as the chairperson and former power secretary PK Pujari as the vice chair.

The IEA chief also commented on the critical link between artificial intelligence (AI) and energy. With India's rapidly expanding digital

trading energy instead of just consuming

economy and efforts to harness the power of AI, he emphasised the need for a "sustainable, affordable and uninterrupted supply of electricity for data centres".

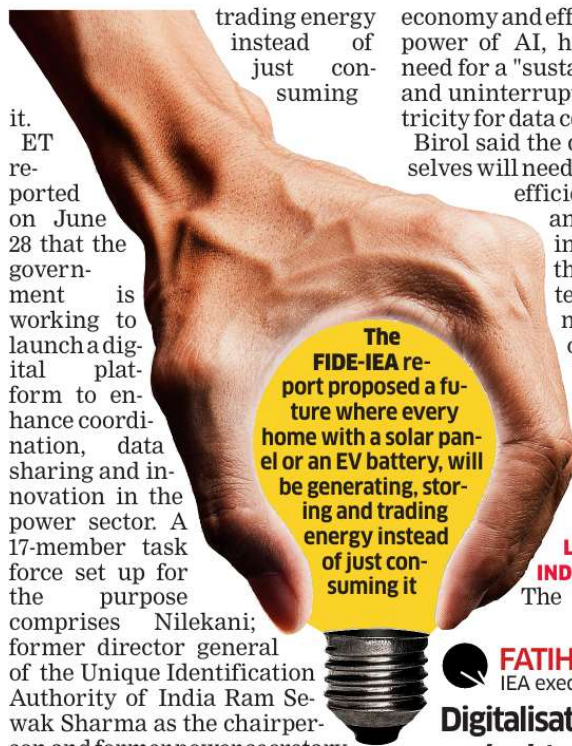
Birol said the data centres themselves will need to deploy the most efficient technologies and practices. "Doing so will ensure that the energy and tech sector are partners in the growth of this critical technology," he said, indicating the need for proactive policy-making to foster this partnership.

LEARNING FROM INDIA'S DPI SUCCESS
The IEA views India's

Unified Payments Interface (UPI) as a prime example of successful digital public infrastructure thinking. Birol said the UPI success story, "driven by public infrastructure principles, offers valuable lessons on innovation and interoperability".

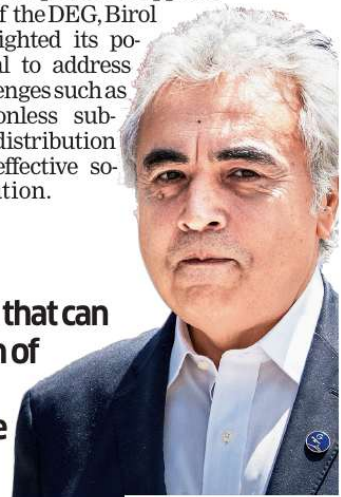
While acknowledging the unique challenges of the energy sector, such as balancing a variable and decentralised grid, he suggested that applying lessons from UPI would require "sector-specific solutions and understanding the potential and limitations of direct replication".

On the practical application of the DEG, Birol highlighted its potential to address challenges such as frictionless subsidy distribution and effective solarisation.



FATIH BIROL
IEA executive director

Digitalisation is a powerful tool that can undoubtedly support evolution of the electricity sector through grid optimisation, demand-side management



No One's Afraid of an Oil Supply Jinx



Sanjeev Choudhary

Indian refiners didn't panic during the recent Iran-Israel conflict. They saw little risk of a critical choke point for global oil flow like the Strait of Hormuz shutting down. And with refineries already holding standard 15-day inventory, there was no point in ordering more crude that would arrive only two months later. As it turned out, the strait stayed open, oil kept flowing and markets calmed quickly.

This restrained response reflects how policymakers here now perceive oil supply risks. They seem to believe that the chances of a sudden, crippling disruption are low. And that even if one occurs, it won't severely damage the economy, or trigger public backlash. Nowhere is this mindset clearer than in their handling of strategic petroleum reserve (SPR), a key resource for supply emergency.

India's SPR programme, launched in 2004, has progressed slowly. Until the pandemic-induced oil price crash in April 2020, caverns — large underground spaces used for storing crude oil and other petro products — were only partially filled. That changed

briefly when ultra-low prices prompted GoI to top up reserves. Just before that, a petroleum ministry official, frustrated at not receiving funds, had remarked to a finmin counterpart that if funds weren't forthcoming, caverns might as well be filled with water.

In July 2021, GoI partially commercialised SPR. 30% was opened for leasing to private players, 20% could be traded, and 50% was reserved for strategic use. No minimum inventory requirement was imposed on the commercial segment. Soon after, GoI sold some stock at a profit to facilitate private leasing.

By Oct 2024, according to a parliamentary panel, SPRs were only about two-thirds full. Though ₹5,000 cr was allocated in the 2023-24 budget to replenish the 5 mn barrels drawn from reserves in 2021, the crude wasn't bought because finmin withdrew funding.

Efforts to expand SPR capacity via a PPP have also stagnated. The PPP model, conceived a decade ago to cut gov-

ernment spending and speed up execution, has yet to yield a single binding deal. This cautious approach may not stem solely from bureaucratic inertia. Evolution of the global oil market over the past decade has reshaped how Indian policymakers think about supply risks and emergencies.

To be fair, India has never faced a crisis like the 1970s Arab oil embargo against the West. That shock led to long queues at US pumps and catalysed lasting energy security policies in the West. Over the past decade, four developments have dramatically altered the oil landscape:

❶ **US shale boom** This has turned the US into the world's top oil producer.

❷ **2014-16 oil price collapse** Triggered by Opec's failed bid to undercut shale producers, this led to formation of Opec+ with Russia and others.

❸ **Covid-19** The pandemic led to crashing demand and created a global supply glut.

❹ **Sanctions on Russia & Iran** This revealed limits of punitive measures against major producers.

The first three developments reinforced the perception of abundant, cheap oil. The fourth showed that oil market stability was ultimately too important for sanctioning nations to jeopardise. Which is why Russian oil escaped direct sanctions, while measures against Iran's exports were applied inconsistently.

These events strengthened India's belief that supply scarcity is unlikely in the foreseeable future. The count-

ry's state refiners, historically reliant on long-term contracts with Gulf suppliers, now source 40-50% of their crude from the spot market — up from just 20% a decade ago — signalling greater trust in oil market reliability.

Confidence deepened after the Ukraine war, when Russian oil continued to reach Indian ports at discounted rates. Risks of shipping, insurance and sanctions were absorbed by Russian producers and global traders. Payment issues were minimal. After such a smooth experience, it's no surprise that refiners or policymakers feel little anxiety about supply shocks.

Behind this comfort was active US intervention. Washington didn't directly sanction Russian oil but, instead, imposed a price cap, which it enforced leniently. At the same time, the US released large volumes from its SPR to cool domestic pump prices. Unlike India's indirectly controlled fuel prices, US prices track global markets, driving quicker government action to curb inflation. This US commitment to stable energy prices, along with resilient global supply chains and influence of commodity traders, has shaped Indian policymakers' growing faith in the oil market's reliability.

But this confidence carries risks. In a world where energy security can swiftly turn from an abstract policy goal to national emergency, only what's already in your tanks will matter.

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Mad optimism