

LNG IMPORTS DURING APR-SEPT 2025 WERE DOWN 11.1% YoY TO 16.9 BCM

Heavy monsoon, LNG price volatility dampen India's natural gas demand

Sukalp Sharma

New Delhi, November 9

AN EARLY and robust monsoon with plentiful rainfall and volatility in liquefied natural gas (LNG) prices were key reasons behind a double-digit decline in India's LNG imports in the first half of the current financial year 2025-26 (FY26), according to experts and oil industry executives, and an analysis of data from the Ministry of Petroleum and Natural Gas (MoPNG).

India's LNG imports in the April-September period declined 11.1 per cent to 16.9 billion cubic metres (bcm) from 19.0 bcm in the corresponding six months of the previous financial year, according to data from the Petroleum Planning and Analysis Cell (PPAC) of the MoPNG. Notably, India's LNG imports declined despite a fall in domestic natural gas production during the same period to 17.6 bcm from 18.2 bcm.

With the decline in LNG imports, India's reliance on imported gas contracted to 49.3 per cent in April-September to 51.5 per cent a year ago, according to PPAC's estimates. India's domestic natural gas production is much lower than the country's gas demand, and nearly half of its consumption is met through LNG imports. India is the world's fourth-largest importer of LNG.

• Double-digit fall in LNG imports



LEADING THE LNG CONSUMPTION SLUMP

Consuming sector	RLNG consumption in Apr-Sep	YoY Change
Power	1.8 bcm	-17.9%
Refinery	1.9 bcm	-17.3%
Fertiliser	8.2 bcm	-8.5%

Source: PPAC, MoPNG

BCM denotes billion cubic metres

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Rainfall during this year's southwest monsoon season — June to September — was 108 per cent of the long period average, with the highest rainfall since 2001, according to the India Meteorological Department (IMD). Consequently, power demand cooled off during the period, which in turn meant that gas-based power plants did not need as much natural gas as feedstock.

Also, with the volatility in the international LNG market and elevated spot prices for much of the period under consideration, some other gas-consuming industries like fertilisers and refineries switched to alternative fuels like naphtha, according to industry insiders. All this led to a year-on-year decline in LNG imports.

"We were prepared to import LNG in large volumes, anticipating higher-than-usual demand from the power sector. But the need did not arise as power demand did not jump significantly due to the rains this year," said a senior executive at an Indian oil and gas company that imports LNG.

"As for other sectors, the high spot prices reduced their gas offtake, which also contributed to lower LNG imports," said the official.

LNG, or super-chilled gas, is natural gas liquefied by cooling it at extremely low temperatures, which significantly reduces the volume of gas and makes it easier to store and transport in large quantities using LNG vessels. Once imported, LNG is usually converted back into the gaseous state, and is called regasified LNG (RLNG) in industry parlance.

RLNG use in the power sector declined almost 18 per cent year-on-year to 1.8 bcm as an early, strong, and extended monsoon led to lower power demand during the period. While gas-based power production is usually not significant in India and a major part of the production capacity usually remains unutilised, gas-based power output is relatively higher during the peak summer and monsoon season.

According to data from the Central Electricity Authority (CEA), gas-based power production in India fell by a fourth to 15.8 billion units (1 unit is 1 kilowatt hour) in the first half of the current financial year from 21.2 billion units a year ago. The plant load factor for gas-based units in April-September contracted to 17.9 per cent from 19.4 per cent in the year-ago period.

RLNG consumption in the fertiliser sector — the biggest gas consuming sector in India — dropped 8.5 per cent year-on-year to 8.2 bcm, the PPAC data shows. As for the refinery sector, RLNG consumption declined 17.3 per cent to 1.9 bcm in April-September from 2.3 bcm in the year-ago period, as per the PPAC data.

Industry sources attributed lower RLNG use in these sectors to alternative fuels like naphtha turning more economical given the relatively high spot LNG prices. Experts don't expect this trend of a decline in LNG imports to hold beyond the current financial year as global LNG prices are expected to cool down with large supply capacity coming online globally starting 2026. With lower LNG prices, price-sensitive Indian industries are expected to increase gas use. Indian gas importers see the dip in consumption of imported gas as a temporary phase, and remain committed to expanding the country's LNG import capacity over the coming years.

The fast-expanding city gas distribution sector saw higher RLNG use as alternative fuels are not really an option for this industry. Imported gas use in this sector rose 23.1 per cent year-on-year to 2.9 bcm in the first half of FY26. RLNG use in a few other sectors also rose, but not significantly. Overall, India's consumption of imported gas in April-September was down 4.9 per cent year-on-year at 17.9 bcm. LNG import and consumption data for the period is not strictly comparable as there is a time lag between the import and use of super-chilled gas.

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Hungary gets a pass from US on Russian oil sanctions: What it means for India

Ravi Dutta Mishra
New Delhi, November 9

JUST WEEKS after announcing sanctions on Russian oil companies Rosneft and Lukoil on October 22, the US on Friday surprisingly announced a one-year exemption for Hungary after the European country committed to purchasing US LNG worth approximately \$600 million and nuclear fuel worth \$114 million.

US President Donald Trump, following his high-stakes talks with Chinese President Xi Jinping on October 30, had said that the issue of Russian oil did not come up for discussion, though China is the largest buyer of Russian oil.

In sharp contrast, India is not only witnessing a steep decline in exports to the US due to high tariffs but has also begun seeing a drop in cheaper Russian oil supplies — a trend that could potentially strain long-standing ties with Moscow. While low commodity prices are giving the US room to wield sanctions at its discretion, New Delhi seems to be paying the steepest price for purchasing Russian oil, unlike others.

This comes amid differences between the two countries over a trade deal. The US imposed steep 50 per cent tariffs on India on August 27 after a trade deal could not be reached due to several concerns, including India's objection to GM US agricultural products.

Exemption: More political than economic

Trump, at a press conference with Hungary's Prime Minister Viktor Orbán, said European leaders should respect Orbán because "he's been right on immigration" and that "Orbán understands Putin and knows him very well and feels we're going to get that war ended in the not-too-distant future." Justifying the exemption, Trump said Hungary faced unique logistical challenges.

However, the Centre for the Study of Democracy (CSD), a

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European public policy institute, said in a report that phasing out Russian oil is fully feasible for Hungary and Slovakia, as the Adria

pipeline from Croatia supplying non-Russian crude can meet their combined needs.

Following the sanctions announcement, which is expected to come into effect on November 21, Russian oil dispatches to India have dropped sharply. In the week to October 27, crude oil exports to India from Russia averaged 1.19 million barrels per day (bpd), significantly down from 1.95 million bpd in the previous two weeks, according to provisional vessel tracking data from global commodity data and analytics provider Kpler.

A trade deal with the US involving higher purchases of American energy could be a way out for India. **FULL REPORT ON**

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ing the period, which in turn meant that gas-based power plants did not need as much natural gas as feedstock.

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mains unutilised, gas-based power output is relatively higher during the peak summer and monsoon season.

According to data from the Central Electricity Authority (CEA), gas-based power production in India fell by a fourth to 15.8 billion units (1 unit is 1 kilowatt hour) in the first half of the current financial year from 21.2 billion units a year ago. The plant load factor for gas-based units in April-September contracted to 179 per cent from 194 per cent in the year-ago period.

RLNG consumption in the fertiliser sector — the biggest gas consuming sector in India — dropped 8.5 per cent year-on-year to 8.2 bcm, the PPAC data shows. As for the refinery sector, RLNG consumption declined 17.3 per cent to 1.9 bcm in April-September from 2.3 bcm in the year-ago period, as per the PPAC data. Industry sources attributed lower RLNG use in these sectors to alternative fuels like naphtha turning more economical given the relatively high spot LNG prices.

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{ GREENPIECE }

Cleaner cooking fuel helping cut pollution

Bharati Chaturvedi

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NEW DELHI: Delhi chief minister Rekha Gupta is eliminating biomass burning in households through the Ujjwala scheme. Biomass burning, via chulhas, is a significant, year-round source of pollution. When women cook on chulhas, particulate matter fills up their homes. They inhale significant amounts of it and so do their children, causing respiratory illnesses.

The Ujjwala scheme, which offers subsidised LPG connections, can significantly reduce this. But, it must be customised to match realities.

First, in many slums, those who switch to LPG tend to buy cylinders from unofficial players because they are cheaper. The linkage of such actors with the women in the community should be acknowledged, and they should be upgraded as entrepreneurs for greater safety and accountability. Otherwise, cleaning the air via this sensible

idea will see leakages.

Second, those in informal dwellings are unlikely to be able to pay for a cylinder every month. Making the cost entirely nominal and year-round can increase uptake. Coupling this with a campaign to encourage behaviour change, especially targeted at men who demand food cooked on a chulha, will boost success.

Third, almost 50% of all Delhi's air pollution comes from outside its borders. Last year, on a moderately polluted afternoon, a top scientist showed me a map. Clearly, it was rural Jind which was already in the hazardous category. The winds could start moving in Delhi's direction anytime. To keep Delhi's air clean, the entire NCR region air must be cleaned. And to do this, we must invest as many resources outside Delhi as we do inside.

(The writer is the founder and director of Chintan Environmental Research and Action Groups)

India's litmus test in the import of Russian oil

US President Donald Trump's repeated claim that India will almost completely stop buying oil from Russia by the end of this year has made the issue a litmus test for India's strategic autonomy. Even the EU, the largest buyer of Russian pipeline gas and LNG, has been urging India to stop purchasing Russian oil and has even sanctioned an Indian company over its links with Russia. Russian ambassador to India Denis Alipov's assertions of mechanisms existing to minimise sanction risks in an interview with this newspaper must be read against the backdrop.

In recent months, India and China together have purchased about 4 million barrels per day (mbpd) from Russia. Between April and September, India imported about 1.75 mbpd — roughly 36% of its total crude imports. Chinese companies, meanwhile, have been importing around 1.4 mbpd by sea, while Petro-China brings in an additional 900,000 barrels per day through pipeline.

Although Trump has often accused India of "funding Russia's war", he did not raise oil purchases with Chinese President Xi Jinping during their meeting in South Korea. China has rejected US sanctions on Russian oil majors Rosneft and Lukoil. Even Germany has requested exemptions for three refineries owned by Rosneft's local subsidiary, similar to the waiver it obtained from the UK. Hungary and Slovakia, both heavily dependent on Russian oil supplies, are seeking exemptions, with Hungarian PM Viktor Orban already having secured a one-year waiver from the sanctions during his recent visit to the US. India, meanwhile, has neither rejected the US sanctions nor confirmed Trump's claim that it would reduce purchases. Instead, New Delhi has maintained that Indian companies' oil-buying decisions are guided solely by market conditions.

As New Delhi is currently engaged in trade talks with the US, a degree of caution is understandable. However, failing to call out the illegality of these unilateral tariffs and sanctions could send the wrong signal to Global South countries that look to India for leadership. The Indian public also deserves clarity on whether any commitments have been made to the US regarding Russian oil purchases.

To finalise its trade deal with the US, India may increase its purchases of American energy. This could help diversify supply sources and strengthen long-term energy security. How-

ever, linking Russian oil purchases to the trade deal is problematic. If India yields to US pressure and stops buying oil from Russia, it would seriously undermine its narrative of strategic independence. India must ensure that its foreign and energy policies are not dictated by any external power.

Some Western news agencies have reported, based on "sources", that not just Indian companies but also some Chinese firms are scaling down their purchases. Despite US pressure, both China and India are likely to continue purchasing Russian crude. There may be minor disruptions in the coming weeks before new adjustments are made. China could even

increase its imports if Indian private firms scale back purchases — quite like when India stopped buying Iranian oil under US pressure. Oil purchases from Russia began as a purely commercial initiative by a few major private energy firms, with backing from the Indian government. It would likely have declined had market conditions turned unfavourable. However, as the US and EU increasingly politi-

cised the issue, it has become a challenge to India's strategic autonomy. After processing, a significant portion of discounted Russian crude has been re-exported to Western markets. Anticipating reduced supplies once the EU ban takes effect, Indian refiners have started diversifying their export destinations to markets such as Brazil, Turkey, and the UAE.

India's expanding refining capacity and rising petroleum product exports, driven by discounted Russian crude, may also have significant environmental implications due to increased refining activity. This aspect is likely to gain importance if current trends persist. Russian oil imports have carried significant geopolitical implications for India, generated substantial profits for certain Indian firms, and contributed to the stabilisation of energy markets domestically and globally. The US and EU singling out India may leave New Delhi with no option but to continue importing crude oil from Russia. It may also make several connectivity projects that India and Russia have discussed for years more viable. The big strides in India-Russia ties assume significance in this context.



Gulshan Sachdeva

Gulshan Sachdeva is professor and Jean Monnet chair at the Centre of European Studies, JNU. The views expressed are personal

अब टॉप पांच रिफाइनिंग देशों में शामिल हुआ भारत : हरदीप सिंह

नई दिल्ली, 9 नवम्बर (एजेंसियां)। केंद्रीय पेट्रोलियम एवं प्राकृतिक गैस मंत्री हरदीप सिंह पुरी ने शनिवार को जानकारी देते हुए कहा कि 23 वर्ल्ड-क्लास रिफाइनरियों और 258.2 एमएमटीपीए की कुल क्षमता के साथ भारत अब टॉप पांच रिफाइनिंग देशों में शामिल हो गया है।

केंद्रीय मंत्री पुरी ने सोशल मीडिया प्लेटफॉर्म एक्स पर एक पोस्ट में लिखा कि भारत की रिफाइनिंग स्टोरी ग्रोथ, इनोवेशन और आत्मनिर्भरता की कहानी है। घरेलू मांग को पूरा करने से लेकर ग्लोबल मार्केट की जरूरतों को पूरा करने तक यह यात्रा काफी शानदार रही है। उन्होंने आगे जानकारी देते हुए कहा, पेट्रोलियम प्रोडक्ट का निर्यात जहां 2014-15 में 55.5 मिलियन टन दर्ज किया गया था, वहीं यह आज 2024-25 में बढ़कर 64.7 मिलियन टन के आंकड़े को छू चुका है।

केंद्रीय मंत्री पुरी ने कहा कि आज के समय में हर रिफाइनरी बीएस-2 फ्यूल का उत्पादन कर रही है, जो कि दुनिया भर में सबसे



■ इनोवेशन व आत्मनिर्भरता की कहानी है भारत की रिफाइनिंग स्टोरी ग्रोथ

क्लीन फ्यूल है। इसके अलावा, पीएम नरेंद्र मोदी के नेतृत्व में भारत राजस्थान और ओडिशा में स्थित नए पेट्रोकेमिकल हब के साथ ऊर्जा के भविष्य को फिर से परिभाषित कर रहे हैं। इससे पहले इस महीने की शुरुआत में केंद्रीय मंत्री पुरी ने मिशन अन्वेषण को लेकर जानकारी देते हुए बताया था कि इसका उद्देश्य देश भर में 20 हजार ग्राउंड लाइन किलोमीटर्स से अधिक की मैपिंग करना है। जबकि अभी तक कुल 8000 ग्राउंड-लाइन किलोमीटर्स का सर्वे किया जा चुका है। उन्होंने इस मिशन को भारत के इतिहास में एक सबसे बड़ा सिस्मिक मैपिंग प्रोग्राम बताया।