

Govt steps on gas: 24-hr LPG delivery could soon be reality

New interoperable system to unify LPG delivery across firms-

SHUBHANGI MATHUR

New Delhi, 29 September

Long waiting queues and frustrating delays in cooking gas deliveries could soon become a thing of the past, with the government on Monday proposing guaranteed 24-hour delivery of liquefied petroleum gas (LPG) refills for consumers.

Under the new framework proposed by the Petroleum and Natural Gas Regulatory Board (PNGRB), if a consumer's primary distributor is unable to deliver an LPG cylinder within 24 hours of booking, the nearest distributor — regardless of the company — would complete the delivery as part of a "cross-public sector undertaking service mechanism".

This will be the first time in the country that consumers can switch between companies for LPG cylinder delivery. "This revolutionary approach transforms three separate distribution silos into one unified national LPG service system," PNGRB said in a statement.

The LPG Interoperable Service Delivery Framework will



Reducing the waiting period

- The new framework introduces a "cross-PSU service mechanism" to address delayed delivery
- This will be the first time in India that consumers can switch between companies for LPG cylinder delivery
- This will provide a 24-hour delivery guarantee under a strict timeline, replacing the current 48-hour norm
- The regulator has proposed a phased approach to roll out the framework

provide a 24-hour delivery guarantee under a strict timeline, replacing the current 48-hour norm, along with automatic cross-company service activation after 24 hours.

India has 330 million LPG connections. While Indian Oil

Corporation markets domestic LPG cylinders under the Indane brand, Bharat Petroleum and Hindustan Petroleum sell cooking gas as Bharatgas and HPGas, respectively. Together, the three companies supply 88 per cent of

domestic LPG through their network of 25,566 distributors.

A high-level expert committee constituted by the regulator found that 1.7 million LPG-related complaints are registered annually, with delivery delays dominating grievances.

Around half of all complaints recorded by oil-marketing companies (OMCs) relate to refill delivery issues, as consumers often wait days — or even weeks — beyond the stipulated 48-hour delivery norm.

Under the new system, OMCs would assume collective accountability to deliver LPG cylinders on time. The regulator has proposed a phased rollout of the framework, beginning with pilot programmes in select urban and rural areas to test coordination systems and inter-company processes.

Ahead of the rollout, PNGRB on Monday launched a public consultation, inviting stakeholders to provide feedback on operational mechanisms, technology integration, regulatory provisions, and implementation strategies.

TO CUT DELAYS IN CYLINDER DELIVERIES TO HOUSEHOLDS

PNGRB proposes LPG interoperability among fuel companies

SUKALP SHARMA
NEW DELHI, SEPTEMBER 29

LONG DELAYS in cooking gas cylinder deliveries may become a thing of the past, if the latest proposal by the Petroleum and Natural Gas Regulatory Board (PNGRB) comes to fruition. The regulator has released a concept paper proposing an interoperable service delivery framework that would essentially ensure that a cooking gas cylinder is delivered to the consumer from another distributor if the consumer's designated distributor fails to supply the fuel within 24 hours of booking. The PNGRB has invited comments from stakeholders and consumers on the concept paper.

The proposed framework is also a cross-company service mechanism, which means that the distributor fulfilling the order in place of the designated distributor can be of any oil marketing company (OMC) and not just the one with whom the consumer holds the connection. For instance, if a consumer holds a cooking gas cylinder with Indian Oil Corporation (IOC), but the designated distributor is unable to supply the cylinder within 24 hours of booking, the order will be automatically transferred to the nearest available distributor of any of the three OMCs—IOC, Bharat Petroleum Corporation (BPCL), and Hindustan Petroleum Corporation (HPCL)—that supply liquefied petroleum gas (LPG) to households.

The proposed model is in line with best practices in various other countries. For instance, in the European Union countries, uninterrupted energy supply is a protected consumer right, with mandatory "supplier of last resort" systems ensuring continued service even if one service provider fails.

Currently, a consumer is locked into one OMC's ecosystem. For example, an IOC LPG customer can only get refills from an IOC distributor. If that distributor faces a stock out, logistics issue, or any outage—like a bottling plant breakdown or transport strike—the consumer's refill is delayed until the issue is resolved. At present,


Express File

ent, the onus is on the individual OMC and distributor to meet the demand, with limited options for the consumer to seek alternative supply without formally switching the connection to another OMC. This can be problematic during supply disruptions or a surge in demand—like during the festival seasons or at times of natural disasters—when one OMC's network might be overstretched while another's has spare capacity.

"The proposed framework introduces a Cross-PSU (public sector undertaking) Service Mechanism where the nearest available LPG distributor—regardless of company—would complete delivery if the primary company's distributor cannot do so within 24 hours of booking. This revolutionary approach transforms three separate distribution silos into one unified national LPG service system," the PNGRB said. The regulator has proposed a "carefully phased approach" beginning with pilot programmes in select urban and rural areas to test coordination systems and inter-company processes.

With over 32 crore domestic LPG connections and nearly 100 percent coverage nationwide, the country now faces the challenge of ensuring service excellence, the regulator said, noting that a high-level expert committee constituted by it found that grievances pertaining to delivery delays dominated the over 1.7 million LPG-related complaints that are registered annually. Nearly half of all complaints recorded by the OMCs relate to cylinder delivery issues, with consumers often waiting

days or even weeks beyond the currently stipulated 48-hour delivery norm.

According to the regulator, the rationale for such a mechanism is rooted in the principle of universal service obligation as all the OMCs ultimately have the same mandate from the government—to ensure that cooking fuel reaches every household reliably at an affordable price and in reasonable time. The three companies operate under the administrative control of the Ministry of Petroleum and Natural Gas (MoPNG), sell LPG at uniform prices, and are collectively accountable for energy access goals.

"From the consumer's perspective, Indane (IOC's LPG brand), Bharat Gas (BPCL), or HP Gas (HPCL) cylinders serve an identical purpose; they are standardized 14.2 kg cylinders with identical regulator fittings and gas composition. In effect, these brands are substitutable from a user standpoint, even if the commercial entities are different. This interchangeability is what allows us to envision a cross-PSU service solution," the PNGRB said.

"In India's context, all three LPG companies are government owned and often collaborate on Infrastructure sharing. It is thus logical that they should collectively guarantee the service to every LPG customer. If one's network hits a snag, the others can immediately fill the gap. This approach would transform the customer experience by making the service provider boundaries invisible to the consumer during emergencies or delays," the regulator said.

India unwilling to heed US advice on Russian oil purchase

FINAL WORD. 'May buy more US oil if price is right, but Moscow's supplies will continue'

Amiti Sen
New Delhi

Spelling turbulence for the India-US bilateral trade talks, New Delhi does not seem to be in the mood to heed Washington's advice of stopping purchase of oil from Russia despite its warning on tariffs, top sources have said.

India is also making efforts to reinforce ties with other partners, including the BRICS, that US President Donald Trump has singled out for criticism several times.

"The Indian government may not stop buying oil from Russia as long it is being offered a good price. Also, Russian oil is not a sanctioned commodity; so there is no compulsion on India to stop," a source tracking the matter told *businessline*.

However, India will try to source more energy from the US as a gesture of appeasement and goodwill, provided the pricing is feasible, the source said.

"India is definitely open to buying much more energy from the US as a sign of goodwill. But we do need to



NO RESPITE. Washington recently indicated that it will not roll back the 50 per cent tariffs imposed on Indian goods till the Russian oil issue is sorted GETTY IMAGES

look at the costs involved as we have resource constraints," he said.

ONE MORE DATE

India's disinclination towards stopping oil purchase from Moscow is a reflection of the troubled state of the India-US bilateral trade agreement (BTA) negotiations. Washington recently indicated that it will not roll back the 50 per cent tariffs imposed on Indian goods till the Russian oil issue is sorted out.

"There is no date for the next negotiating round for

the BTA after the last round took place in July this year, following which tariffs were imposed on India. Commerce & Industry Minister Piyush Goyal met US Trade Representative Jamieson Greer in New York last week to push the BTA negotiations but a date for the sixth round is yet awaited," the source said.

There was no mention of a meeting between Goyal and US Commerce Secretary Howard Lutnick, one of the main players in the BTA talks from the US side, during the Indian Minister's US visit.

No date has been fixed for the next round of negotiations of the BTA, said a source, adding that the last round took place in July. The next round will be the sixth round of talks between the two countries

Recently, Lutnick issued a threat to some countries, including India and Brazil, saying that they needed "fixing" and warned that they must "play ball" with the US President if they wished to sell to American consumers.

Highlighting that India had no plans of distancing itself from its old alliances, External Affairs Minister S Jaishankar hosted a meeting of BRICS Foreign Ministers in New York. "In a turbulent world, BRICS must reinforce the message of peacebuilding, dialogue, diplomacy and adherence to international law," Jaishankar posted on X on Saturday.

FICCI seeks cut in 18% GST on capital goods for petroleum, coal bed methane

NIL RATE. Industry points out that government had assured zero custom duties on imports, local purchases

Rishi Ranjan Kala
New Delhi

Seeking Oil Minister Hardeep Singh Puri's intervention, FICCI expressed fears that the additional GST imposed on capital goods used for petroleum and CBM operations may "disrupt" various upstream exploration and production (E&P) projects signed between the government and operators.

The industry body, in a letter to the Oil Minister, said that the government had assured these operators of zero custom duties on imports and zero taxes/duties on local purchases under deemed exports.

FICCI noted that Clause 5 (3) of the Amended Act (Oilfields (Regulation and Development) Amendment Act, 2025), also provides for fiscal stability to upstream E&P operators.

Capital goods for the petroleum and coal bed methane sectors, which were



KEY CONCERN. The industry is not seeking any incentive but requests to continue with the agreed contractual terms of E&P contracts REUTERS

taxed at 0 per cent under the VAT regime, were brought under 5 per cent with the introduction of GST. This was subsequently increased to 12 per cent in the GST Council meeting on June 28-29, 2022, and has now been raised further to 18 per cent.

"We wish to draw your attention to the distress of the oil and gas industry, which is already burdened by the non-inclusion of natural gas under GST. This is against the

various upstream E&P contracts signed and will further raise the project costs in the sector that demands high-risk capital and long-gestation investments," FICCI Director General Jyoti Vij said.

WIDESPREAD IMPACT

She feared, it discourages further investments, undermines domestic production and runs contrary to the national goals of energy secur-

ity and Make in India.

Quoting from the Act, it said "The terms and conditions of a petroleum lease shall remain stable during the period of the lease for expeditious and efficient development of oilfields or production of mineral oils and shall not be altered to the disadvantage of the lessee during the period of the lease." This underlines the government's commitment to stable contractual and fiscal terms to upstream E&P operators, it added.

"This additional GST on capital goods used for petroleum (natural gas) and CBM operations disrupts the various upstream E&P contracts signed between operators and the government, which assured zero custom duties on imports and zero taxes / duties on local purchases under deemed exports," FICCI said.

CONTRACT STABILITY

The industry is not seeking any incentive but requests to

continue with the agreed contractual terms of E&P contracts, the industry body emphasised.

Citing GST exemption cases, FICCI pointed out that in the defence sector, the government has allowed zero duty imports of certain products to promote domestic manufacturing.

FICCI urged the Oil Minister to reconsider the hike and bring down the GST to 0 per cent, to reduce the unnecessary burden on domestic E&P operators.

"In the interim, the E&P operators should be allowed to adjust GST on their inputs against their dues to the government," it urged Puri.

This will boost investor confidence, encourage domestic oil & gas production, enhance energy security, which in turn will support reduction in imports and reinforce government's vision of 'Make in India,' promoting the country's sovereign interest, the industry chamber emphasised.

Saudi Arabia expected to lift Nov crude oil prices for Asian buyers

SINGAPORE: Saudi Arabia, the world's biggest oil exporter, is expected to lift November crude oil prices for Asian buyers to track gains in Middle East benchmarks, although rising supplies would limit those increases, refining sources said on Monday.

The November official selling price for flagship Arab Light crude will likely rise 20-40 cents a barrel to between \$2.40 and \$2.60 a barrel after sharp price cuts for October, six refining sources said in a *Reuters* survey.

The November OSPs for other crude grades - Arab Extra Light, Arab Medium and Arab Heavy - could increase by 30-60 cents a barrel compared with October, the survey showed. These forecasts are in line with a monthly increase

of 52 cents per barrel in cash Dubai's premium to swaps so far in September, *Reuters* data showed.

The premium hit \$3.63 a barrel on September 15, a 6-month high, as supply risks from potentially more sanctions on Russian and Iranian oil rose. However, the market rally lost steam last week as news of Iraq's Kurdistan region resuming crude exports added to oversupply fears.

Saudi Arabia is likely to avoid big price hikes as negotiations with its clients for 2026 term supply are ongoing, one of the survey respondents said, adding that a jump in freight rates has also limited refiners' ability to pay more for crude.

OPEC+, a group comprising the Organization of the Petroleum Exporting Coun-

tries and its allies, will likely approve another oil production increase of at least 137,000 barrels per day at its meeting on Sunday, as rising oil prices encourage it to seek a higher market share.

Saudi crude OSPs are usually released around the fifth of each month, and set the trend for Iranian, Kuwaiti and Iraqi prices, affecting about 9 million barrels per day of crude bound for Asia.

State oil giant Saudi Aramco sets its crude prices based on recommendations from customers and after calculating the change in the value of its oil over the past month, based on yields and product prices.

Saudi Aramco officials as a matter of policy do not comment on the kingdom's monthly OSPs.

AGENCIES

GST on capital goods erodes fiscal stability in new oilfield law: Ficci to Oil Minister Puri

NEW DELHI: The Federation of Indian Chambers of Commerce and Industry (Ficci) has raised concerns that the recent hike in GST on capital goods for the oil, gas, and coal bed methane (CBM) sectors undermines the stability promised under the newly approved Oilfields (Regulation and Development) Amendment Act, 2025.

In a letter to Petroleum and Natural Gas Minister Hardeep Singh Puri on September 25—the second this month—Ficci said raising GST on capital goods for petroleum, natural gas) and CBM from 12 per cent to 18 per cent places additional strain on an industry already disadvantaged by the exclusion of natural gas from GST.

“This increase contradicts various upstream exploration and production (E&P) contracts



Petroleum and Natural Gas Minister Hardeep Singh Puri

and will escalate project costs in a sector requiring high-risk, long-gestation investments,” Ficci wrote. It warned the move could deter investment, hamper domestic production, and run counter to India’s energy security and Make in India goals.

The industry body reminded the government that the new Oilfields Act was meant to assure fiscal stability for E&P operators. However, the GST

Ficci said the sector was not asking for fresh incentives but urged govt to maintain contractual terms already agreed upon

hike disrupts signed contracts, which provided for zero customs duty on imports and zero taxes on deemed export purchases. Ficci clarified that the sector was not asking for fresh incentives but urged the government to maintain the contractual terms already agreed upon.

India currently imports 88 per cent of its crude oil and about half its natural gas. With the government focused on

boosting domestic output to reduce import dependence, Ficci argued that increasing GST on capital goods only raises operational hurdles.

Drawing a parallel, Ficci noted that the government allows zero-duty imports in defence manufacturing to encourage domestic capacity. It requested that the GST rate on petroleum and CBM capital goods be reduced to the 0 per cent slab to ease the burden on operators.

As an interim step, Ficci suggested permitting E&P companies to offset GST on inputs against their dues to the government. This, it said, would help restore investor confidence, support domestic oil and gas production, and strengthen India’s energy security by curbing imports.

AGENCIES

New strategy to revive ageing fields

Upstream oil firms increase tech focus, seek contract reforms

ARUNIMA BHARADWAJ
New Delhi, September 29

DECADES OF INCREMENTAL policy reforms by India to attract investments by Big Oil haven't yielded the intended outcome.

National hydrocarbon production has stagnated over recent decades, and import dependence for oil has remained the most obvious macroeconomic vulnerability for the country.

Thankfully, this has of late led to a subtle policy shift. As many of once-prolific oil fields have matured, and are depleting fast, state-run oil companies as well as private players are giving a renewed emphasis on assimilating cutting-edge technology for production enhancement as well as exploration.

This is being done both by augmenting indigenous R&D and through tech partnerships with foreign oil companies.

Experts say advanced oil recovery technologies could unlock billions of barrels from India's ageing oil fields. While they recognise a change in policy where tech capital is preferred over the elusive external finance, a few policy bottle-

necks are being highlighted. Fiscal uncertainties too are holding back the investments needed to deploy new technologies, industry players feel.

More importantly, contractual hurdles continue to stall entry of foreign players as technology suppliers.

"Global majors or tech companies can be hired as a service provider to provide a specific service (e.g., enhancing production from a mature field) for a fee. The fee can be a share of the incremental revenue generated or a fixed per-barrel fee," said Sanjay Sah, partner, Deloitte India.

He added that while such arrangements have been initiated by the national oil companies, as in ONGC's tie-up with bp, these can be scaled up significantly.

India's upstream companies, particularly state-run firms, have successfully worked on techniques like water and gas injection, side-tracking, re-perforation, and well stimulation to revive ageing wells. The advanced recovery techniques like chemical EOR have also been initiated.

However, there is a room for

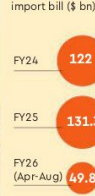
CRUDE REVIVAL



Source: PPAC



Net oil and gas import bill (\$ bn)



■ Advanced oil recovery technologies could unlock billions of barrels from India's ageing oil fields

■ Industry experts suggest hiring global majors or tech companies as service providers to enhance production from mature fields

■ Fiscal uncertainties and contractual hurdles are holding back investments needed to deploy new tech

using real-time data monitoring and analytics to optimise production. "Ultra-deepwater is a different ballgame, and we need to ramp-up on technology and expertise in this area as the companies have faced technical and commercial challenges," said Sah.

The industry also suggests extending oil and gas contracts until the end of life of the field. Large producing fields under production sharing contracts (PSCs) are nearing expiry of their terms.

"While these still have considerable untapped reserves,

fresh investments necessary to enhance recovery from these blocks have not come through due to uncertainty on contract extension. Extending these contracts for the economic life of the field can unlock additional production and draw in private capital through reinvestment in maturing blocks," said an industry player who did not wish to be identified.

The introduction of the revenue sharing model made the exploration in Indian basins much more efficient and easier, amounting to lesser disputes, analysts say.

Revenue sharing contracts offer greater transparency and the much needed operational freedom, experts say. The framework of PSCs has often triggered disputes and delayed approvals.

Sah pointed out that joint ventures (JVs) for specific fields will enable state-run companies to tap the global majors to bring cutting-edge technology for enhanced oil recovery (EOR), and reservoir management. Once the technology is acquired, the Indian companies can learn and adopt them for their other

fields. This model involves Indian firms carving a portfolio of mature fields and sharing the risks and rewards.

"Mature fields require investments in deploying EOR techniques. To incentivise operators, offer revised fiscal incentives for old and matured fields under improved/enhanced recovery techniques, unconventional hydrocarbons, and further boost investments," said an industry player.

Moreover, as global economies move towards more green energy sources, oil

and gas majors are becoming more selective of the geographies with higher prospects for returns.

"Foreign companies are not just looking for any oil and gas geography, they are looking for large, scalable, and profitable resources. Their capital is global, and they will deploy it in the most attractive basins worldwide. This has got more accentuated given that there is a long-term global shift towards renewables which is making oil companies more selective about geographies," Sah said.

The industry says that while the petroleum and natural gas rules and the formation of the Joint Working Group are welcome steps by the government, the implementation of the recommendations are yet to be seen on ground.

For blocks under PSCs, the issue had been mainly on "allowable costs" for recovery. However this has been resolved in the new regime of Hydrocarbon Exploration and Licensing Policy. The other clauses that need changes are on force majeure, termination, and relinquishment for better trac-

tion in the market, noted Sah.

Experts say that the exclusion of petroleum products from the Goods and Service Tax regime continues to create inefficiencies and cost burden across the value chain. Upstream operations pay GST on inputs and capital goods but cannot avail input tax credit due to the sector's exemption from GST.

The government aims to increase exploration acreage to 1 million sq km by 2030. Indian upstream companies have also charted out plans to drill in the deep and ultra-deep water areas. The new OALP (open acreage) round is expected to put ultra-deep water blocks under the hammer.

The government, from 2016, has brought in several changes to enhance exploration of oil and gas blocks in the country and auction it by launching Hydrocarbon Exploration and Licensing Policy (HELP). Under HELP, OALP Programme has been launched which provides investors the freedom to carve out blocks of their choice through submission of Expression of Interest (Eoi).



India's answer to Trump's 'silver bullets'



VIJAY SINGH CHAUHAN
EX-IRS OFFICER & EXECUTIVE
DIRECTOR, DELOITTE TOUCHE
TOHMATSU INDIA

EVERY time US President Donald Trump announces a new trade policy through his Truth Social handle, I am faced with divergent concerns. Like it did after the announcement of the \$100,000 fee on new H-1B visas and the introduction of the Halting International Relocation of Employment (HIRE) Bill.

The first is immediate — which sector will be impacted, to what extent and how it must respond. While 50 per cent tariffs impact Indian exports of goods, the H-1B visa fees and proposed 25 per cent tax on payments made by US entities for outsourced work through the HIRE Bill relate to trade in services.

Even as India has a surplus in the goods trade, the services sector has far greater implications for the Indian economy. This has added urgency to India's response.

Trump and his advisers clearly believe that tariffs are 'silver bullets' — simple and effective solutions to myriad complex problems.

High tariffs, differentiated by product categories and countries and amenable to sudden increases, decreases or carve-outs depending on the 'deals' towards achieving Trump's economic or political goals, have been occupying centre stage of political, economic and legal moves in the US and the world over.

Silver bullets are frequently mentioned in folklore, but they are denied in economic theory. The Tinbergen rule, developed by Nobel laureate Jan Tinbergen, states that to achieve a specific number of independent economic targets, policymakers must control at least the same number of independent policy instruments.

In simple terms, with tariffs as an independent policy instrument, the US Government cannot effectively achieve multiple economic goals, like boosting revenue, generating employment, investment and stable prices, let alone ending wars.

Policy experts see little chance of tariffs or other unconventional moves resolving problems. They point to early signs of their adverse consequences on jobs, growth and inflation, that are expected to become more visible in the medium term.

These unilateral trade moves by the US Government, which violate the multilateral trade order envisaged under the World Trade Organisation, have not invited significant pushback by



SAVING GRACE: One redeeming feature of some tariffs is that they do not discriminate against India *per se*. **REUTERS**

its trade partners, except China. Some countries have rushed to signing 'deals' consenting to asymmetric tariff concessions to the US. For example, Indonesia has agreed to cut tariffs on US imports to near-zero and increase imports of energy, wheat and aircraft in return for a reduction in US tariffs from 32 per cent to 19 per cent.

India has done well to resist accepting any unfair 'deal' and remaining committed to trade negotiations. Some experts view the secondary tariff of 25 per cent — linked to imports of Russian oil — and H-1B visa fees as moves to pressure the Indian government towards accepting something that otherwise would be unacceptable.

India must not give in. It must carefully watch the

pushbacks against the US moves and expedite her own to garner greater market access elsewhere.

Two pushback fronts are significant. Firstly, the order imposing 50 per cent 'reciprocal' tariffs on India under the International Emergency Economic Powers Act, 1977 (IEEPA) was struck down by the Court of International Trade. Thereafter, the Court of Appeals for the Federal Circuit too struck down the IEEPA tariff.

Now the US Government is in appeal before the US Supreme Court. While experts argue that the appeal stands on weak legal legs, this view finds market support, with some hedge funds offering to buy the rights to refunds of the IEEPA tariffs already paid at 25 cents on the dollar.

The second major pushback is against the withdrawal of the de minimis exemption that allowed duty-free imports of consignments valued at less than \$800 per person per day, which has impacted e-commerce in the US.

Faced with the responsibility of collecting IEEPA tariffs (or lumpsum per-package tariffs) on more than a billion small consignments (1.36 billion consignments used the de minimis exemption in 2024), the US Customs and Border Protection has placed the onus of collecting and remitting the duties on the carriers delivering the packages. With many international carriers, including India Post, discontinuing parcel services to the US, it is adversely impacting e-commerce buyers in the US.

Faced with legal challenges to the IEEPA tariffs, the US administration is taking recourse to imposing product-specific tariffs under Section 232 of the Trade Expansion Act, 1962.

Under Section 232, tariffs have been imposed on articles of iron, steel, aluminium, copper, automobiles and auto components following the prescribed process. Announcements of similar tariffs for more sectors are being made. One redeeming feature of these tariffs is that they do not discriminate against India *per se*.

It is obvious that world trade faces significant uncertainties and diverse moves

by multiple players. It calls for the Indian government and trade to be agile and work as a team. The government must secure greater market access through more trade agreements, which should focus as much on lower tariffs as streamlined non-tariff barriers, recognising the indirect costs of the latter. The government must recognise the critical role of Global Value Chains (GVC) in international trade, ensuring free and streamlined movement of goods, including raw materials and intermediates, to reap the full benefit of market access. To promote export, India must simplify its import processes.

Private players must take a relook at their supply chains, considering the increased role of tariffs in optimising their costs. Trade practitioners must dust their basic customs issues relating to classification, valuation and rules of origin since finding the legal channels to mitigate the impact of higher tariffs will be a matter of life and death for many firms, particularly MSMEs with a large exposure to the US market.

As trade barriers harden, protectionism is set to reshape the flow of goods and services, compelling the Government and exporters to recalibrate. Beyond the political theatre and legal wrangling, the real task is to not get lost in the trees or be blind to the woods.

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Demand for NatGas Falls as Plants Opt for Cheaper Fuels

Industries forced to use liquid fuels as gas turns expensive

Sanjeev Choudhary

New Delhi: India's industrial demand for natural gas is weakening as factories increasingly turn to cheaper alternatives such as LPG and wood briquettes.

With crude steady at \$65-70 a barrel, gas has become relatively expensive, pushing many industries towards liquid fuels like LPG and light diesel oil. Subsidised farm-waste briquettes—about a third cheaper than gas—are also gaining traction, according to industry executives.

Smaller industries such as ceramics, food processing and glass, which already have supply infrastructure for both natural gas and LPG, are maximising their use of the cheaper fuel. "At present, LPG is cheaper than natural gas, pushing up its consumption and forcing natural gas suppliers to cut rates to compete," a city gas company executive said.

LPG, mostly produced at refineries, has turned more affordable with Saudi contract prices of propane and butane down 15-19% since April. In contrast, Asian LNG prices have stayed flat at just above \$11 per mmbtu—a level that

starts eroding demand. Bulk LPG consumption for industrial use rose 65% year-on-year in August, the oil ministry said in its analysis, attributing the growth to "LPG prices being substantially lower than natural gas."

Biofuels are also hurting gas demand. Factories in the National Capital Region, western UP and Haryana are using more wood briquettes, cutting into sales for city gas distributors. The government has been supporting briquette production with financial aid to curb stubble burning and supplement farm incomes.

Smaller industries such as ceramics, food processing and glass are maximising their use of the cheaper fuel

The industrial shift away from natural gas comes on top of a broader slowdown, pushing India's overall gas consumption down 8% so far this fiscal. The biggest drag, however, has been the power sector, where demand fell 20% in April-August due to a mild summer. Refineries cut consumption 19.4% by switching from gas to cheaper naphtha. Fertiliser demand fell 5.7%.

Among major consumers, city gas distributors still posted 8% growth, while petrochemicals saw a sharp 37% surge. But with power the third-largest consumer and refineries the fourth, the decline in these segments has outweighed gains elsewhere.



OMCs

Govt proposes unified delivery of LPG cylinders

ENS ECONOMIC BUREAU @ New Delhi

THE GOVERNMENT is set to propose interoperability across public sector oil marketing companies (OMCs) for the delivery of LPG cylinders. The Petroleum and Natural Gas Regulatory Board (PNGRB) has launched a public consultation on a new LPG Interoperable Service Delivery Framework, a move aimed at addressing long-standing consumer grievances over delayed deliveries.

Under the proposed framework, the three state-run distributors – Indane (IOC), Bharat Gas (BPCL), and HP Gas (HPCL) – would no longer operate in silos. Instead, they will function as part of a single national network. If a consumer's booked distributor is unable to supply a cylinder within the stipulated period, the order will be automatically reassigned to the nearest available distributor of any PSU company. It also introduces a "supplier of last resort" mechanism, placing a universal service obligation on all OMCs to collectively guarantee uninterrupted delivery. A High-Level Expert Committee constituted by PNGRB highlighted the scale of the problem, noting that over 1.7 million complaints are registered annually, with delivery delays dominating consumer grievances.



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मोबाइल नंबर की तरह गैस कंपनी भी बदल सकेंगे



आज समाज नेटवर्क

नई दिल्ली। जल्द ही आप मोबाइल नंबर पोर्टेबिलिटी की तरह अपना गैस कनेक्शन भी किसी भी कंपनी में बदल सकेंगे। पेट्रोलियम एंड नेचुरल गैस रेगुलेटरी बोर्ड (डिआरजी) ने इसकी तैयारी शुरू कर दी है। इससे कंज्यूमर्स को ज्यादा चॉइस मिलेगी और सर्विस बेहतर होगी।

अभी डीलर बदल सकते हैं, लेकिन कंपनी नहीं

यूपीए सरकार ने अक्टूबर 2013 में 13 राज्यों के 24 जिलों में छठक

कनेक्शन की पोर्टेबिलिटी की पायलट योजना शुरू की थी। जनवरी 2014 में इसे 480 जिलों तक विस्तारित किया। लेकिन उसमें आप उसी कंपनी के अंदर डीलर बदल सकते थे। मसलन, अगर आप इंडेन गैस के कस्टमर हैं, तो अन्य कंपनी में जाना मुमकिन नहीं था। ऐसा इसलिए था क्योंकि नियमों के मुताबिक सिलेंडर सिर्फ उसी कंपनी से रिफिल कराया जा सकता है, जिसने उसे जारी किया हो। नई व्यवस्था में अब ये पुरानी लिमिट हटाई जाएगी। इंटर-कंपनी पोर्टेबिलिटी ला रहा है। इसमें आप किसी भी कंपनी में स्विच कर पाएंगे।