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Japan's Mitsui OSK Lines plans bigger India push: CEO

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NEW DELHI

Mitsui O.S.K. Lines (MOL), the Japanese shipping company that operates the world's second-largest fleet, plans to deepen its presence in India across energy transportation, automobile exports, logistics and maritime manpower and hire more Indian seafarers.

"India is attractive for us," Jotaro Tamura, president and chief executive officer of MOL, said in an exclusive interview with *Mint* during his first visit to India after assuming office earlier this year. "In our updated business plan, India is one of the priority targets."

Tamura said India has become strategically important in MOL's long-term "Blue Action" corporate growth strategy extending to 2035, particularly for the 2026-30 phase where the company plans to accelerate expansion in priority geographies.

MOL's India plans come amid the conflict in West Asia that disrupted shipping routes and raised global fuel costs. Tamura said the company's immediate priority remains the safety of vessels and seafarers operating around the Gulf region.

"Our top priority remains the safety of our vessels and seafarers," Tamura said freight rates, especially in container shipping, have already risen sharply amid disruptions and supply uncertainties and could go up further if the conflict in West Asia gets prolonged.

"Companies can no longer simply rely on one cheap source or one short-distance supply chain," Tamura said.



India is one of the priority targets in the firm's updated business plan, says Jotaro Tamura, president and chief executive, MOL.

"You have to be more strategic, and that will change trade patterns and shipping."

MOL is the fourth-largest fleet operator in India and aspires to become the second largest by bringing more ships from Japan to service Indian clients, largely in the energy and automobile segments. The Tokyo-based company has 13 Indian-flagged or India-linked vessels operating in the country, largely catering to crude oil, LNG and gas transportation. "We are hoping to grow this," Tamura said.

"As demand arises from major oil players in India, we are very interested in looking at those opportunities."

Demand from state-run energy companies Oil

and Natural Gas Corporation, Indian Oil Corporation and GAIL for tankers and gas carriers is expected to increase sharply over the coming decades as India expands its refining and gas import infrastructure. MOL already works with Indian companies in transporting energy cargoes, including ethane carriers linked to ONGC, and remains in discussions with Indian

public sector firms for future opportunities.

Apart from energy transportation, MOL is looking to expand its logistics footprint in India, including terminals, intermodal transport and coastal movement solutions.

"We see India still on its way to developing more integrated logistics," Tamura said. "Ships, railways, road transport, terminals and intermodal facilities together create great opportunities."

MOL also plans to develop roll-on, roll-off terminals at ports to support automobile exports from India. The company already transports almost half of India-made vehicles.

"As India's automotive industry developed, exports started increasing and we also started playing a major role in supporting them," he said.

The company is betting big on the country's maritime workforce, with Indian seafarers accounting for a-fifth of its workforce. "As of now, we employ around 10,000 seafarers globally, of which about 20% are from India," Tamura said. "We continue to rely on Indian seafarers because they are diligent, hardworking and trustworthy."

For an extended version of this story, go to livemint.com.

The shipping giant sees India as a strategic growth market as part of its long-term "Blue Action" 2035 strategy

Less royalty, high prices: twin boost for OIL, ONGC stocks

Ashish Agrawal
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The Indian government's move to lower royalty rates on oil and gas produced in the country is a sharp contrast to its decision to impose a windfall tax during the earlier bout of oil price surge in 2022, when the Russia-Ukraine war began. The West Asia war is causing sharp volatility in oil prices, besides exposing supply-chain vulnerabilities, and seems to have prompted the Centre to provide greater incentives to encourage domestic production.

The share prices of state-owned producers Oil India Ltd (OIL) and Oil & Natural Gas Corp. Ltd (ONGC) have jumped 13.5% and 7%, respectively, over the last three days after the news.

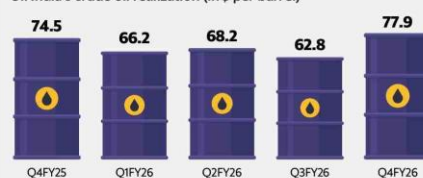
The royalty rate on onshore fields is down to 12.5% from 20%, while it remains steady at 10% for offshore fields. The move should spur greater investments in onshore fields, which are faster and cheaper to develop. Yet, the effective rate would drop for offshore fields as well, as the method of deducting expenses before royalty calculation has changed. Exploration and production (E&P)

The government had imposed a windfall tax when oil prices surged in 2022 after the Russia-Ukraine war began

Fired up

Oil India's realization jumped q-o-q in Q4FY26 following a steep rise in oil prices.

Oil India's crude oil realization (in \$ per barrel)



Source: Company, Emkay Global Financial Services

mint

PRATEEK KUMAR/MINT

companies can now claim a deduction of 15-20% of realization, or up to \$16 per barrel, assuming an oil price of \$80 per barrel, against \$3-6 per barrel earlier.

Existing producers should benefit. Thus, earnings estimates have been raised. ICICI

Securities has revised its FY27-28 earnings per share estimates upwards by 16% and 7% for Oil India, and 12% and 10% for ONGC. Oil India benefits more, as it produces all its oil from

onshore fields, whereas ONGC's fields are primarily offshore. Earnings could be even higher if oil prices stay stronger for longer.

"Our assumptions of \$85 per barrel realizations for FY27 and

\$80 per barrel for FY28 are conservative and may see upside risk if the current tightness in the oil markets continues for the next 3-4 months," said ICICI Securities. Cairn Oil & Gas, a part of Vedanta, is undergoing a demerger and should also benefit.

Higher oil prices improve realizations of producers. Oil India's crude oil realization in the March quarter (Q4FY26) grew sharply to \$77.9 per barrel, from \$62.8 per barrel in Q3FY26. Thus, Ebitda grew nearly 40% sequentially to ₹1,820 crore. ONGC will declare its Q4 results on 26 May.

Oil India and ONGC's shares have gained 22-25% so far in 2026 in the backdrop of firm oil prices. Easing of geopolitical tensions, or any government decision to share the subsidy burden with OMCs, would be a dampener for the stocks.



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thehindubusinessline.

TWENTY YEARS AGO TODAY.

May 15, 2006

National grid plan may get delayed

States of the northern region that have been rampantly over drawing power from the regional grid could be playing spoilsport in the Government's national grid project. According to the Government's latest grid frequency profile data, the northern grid's average frequency fell below the stipulated limits into the crisis zone — a whopping 27 per cent of the total time between April and January 2005-06.

OVL board meeting likely in Vietnam

In keeping with its status of a global player, ONGC Videsh Ltd (OVL), the overseas arm of ONGC, is planning to hold its board meeting in Vietnam. According to sources, if the mandatory approvals come through, this would be the first time that OVL would be holding its board meeting at a place where it has production assets.

Govt may drop plan on body for revamp of weak PSBs

The Centre is likely to drop its earlier plans to establish a financial restructuring authority for revamping or restructuring of any weak or potentially weak public sector banks. It may, instead, go with the Reserve Bank of India suggestion of appointing an administrator to take charge of the board of the public sector bank that has been superseded or dismissed.

HORMUZ ROUTE STAYS TENSE

Two India-bound LPG ships transit safely

India-flagged vessel Haji Ali sinks after being hit

NEW DELHI

TWO India-bound liquefied petroleum gas (LPG) tankers have successfully crossed the strategically crucial Strait of Hormuz amid continuing tensions in West Asia, even as an India-flagged mechanised sailing vessel sank after coming under attack in nearby waters.

Officials said LPG tanker Symi transited through the Strait on May 13, while NV Sunshine crossed safely on Thursday, taking the total number of Indian vessels that have navigated the sensitive shipping corridor since early March to 13.

The development assumes significance as maritime traffic through the Hormuz route remains under pressure following the prolonged conflict involving Iran, the US and Israel. The narrow waterway handles a major share of global crude oil and LPG shipments, including supplies critical to India's energy needs.

According to Mukesh Mangal, Additional Secretary in the Ministry of Ports, Shipping & Waterways, Symi, a Marshall Islands-flagged vessel carrying 19,965 tonnes of LPG for In-



What it means

- India's LPG and energy imports are continuing despite tensions in West Asia
- Safe passage through the Strait of Hormuz reduces immediate supply fears
- The sinking of an India-flagged vessel highlights rising maritime security risks in the region
- Any prolonged disruption in Hormuz could push up crude oil, LPG prices, freight and insurance costs
- Higher energy costs may worsen inflation, pressure import bill

dian Oil Corporation (IOC), is expected to reach Kandla on May 16. NV Sunshine, a Vietnam-flagged tanker carrying 46,427 tonnes of LPG cargo for IOC, is expected to arrive at New Mangalore on May 18.

Separately, Haji Ali, an India-flagged dhow travelling from Somalia to Sharjah in the UAE, came under attack in Omani waters early Wednesday, triggering a fire onboard before the vessel eventually sank.

All 14 crew members

were safely rescued by the Omani Coast Guard and have reached Dibba Port in Oman, Mangal said, adding that the crew would be repatriated soon. Officials said the Government of India remains in close coordination with Omani authorities, Indian mission officials and maritime agencies.

At least 12 Indian vessels, along with several foreign ships carrying India-bound cargo, remain stranded in Gulf waters amid the continuing regional uncertainty.

Centre bans sugar exports amid inflation worries

NEW DELHI: India has banned the export of sugar till September 30 this year with immediate effect, a move which would help enhance domestic availability and contain prices.

Earlier the exports were under a restricted category, under which a license was required for the outbound shipments. Banning exports of a commodity helps in preventing a rise in prices, amid inflation concerns and uncertainty caused by the West Asia conflict.

"The export policy of Sugar (Raw Sugar, White Sugar and Refined Sugar)..." is amended from 'Restricted' to 'Prohibited' with immediate effect till September 30, 2026, or until further orders, whichever is earlier," the Directorate General of Foreign Trade (DGFT) said in a notification dated May 13. This order, however, does not apply to sugar being exported to the European Union and the US under the CXL and Tariff Rate Quota (TRQ) arrangement, respectively.

Indian-flagged vessel sinks off Oman coast after attack

'Unacceptable,' says MEA; all crew members safe

SHUBHANGI MATHUR & ARCHIS MOHAN
New Delhi, 14 May

India on Thursday condemned an attack on one of its vessels in the Gulf of Oman that left it ablaze before it sank, calling the incident "unacceptable". The incident took place even as New Delhi hosted Iranian Foreign Minister Seyed Abbas Araghchi for the two-day Brics foreign ministers' meeting and two India-bound liquefied petroleum gas (LPG) tankers crossed the Strait of Hormuz over the past 48 hours.

The attack on Haji Ali, an Indian dhow, or mechanised sailing vessel (MSV), took place in the early hours of Wednesday during its voyage from Somalia to Sharjah in the United Arab Emirates. The Ministry of External Affairs (MEA) said it "deplored the fact that commercial shipping and ci-

vilian mariners continue to be targeted".

"India reiterates that targeting commercial shipping and endangering innocent civilian crew members, or otherwise impeding freedom of navigation and commerce, should be avoided," the MEA said.

The vessel was attacked in Omani waters, triggering a fire on board before it sank. All 14 crew members were rescued by the Omani coast guard and taken to Dibba port in Oman, Indian officials said. India thanked the Omani authorities and said the crew would be repatriated soon.

The attack came against the backdrop of heightened tensions involving the US, Israel and Iran that have disrupted shipping through the Persian Gulf and the Strait of Hormuz, a maritime chokepoint for roughly a fifth of global oil and liquefied natural gas trade.

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PM Narendra Modi with Iranian Foreign Minister Seyed Abbas Araghchi in New Delhi

Indian-flagged vessel attacked, sinks

On the other hand, at an inter-ministerial briefing on the West Asia crisis, Mukesh Mangal, additional secretary at the ministry of ports, shipping and waterways, said the safe passage of two LPG vessels through the strait underlined India's close ties with Iran.

SYMI, a Marshall Islands-flagged vessel carrying 19,965 tonnes of LPG cargo for India and crewed by 21 foreign nationals, crossed the Strait of Hormuz on Wednesday and is expected to reach Kandla port in Gujarat on Saturday. NV SUNSHINE, a Vietnam-flagged vessel carrying 46,427 tonnes of LPG cargo for India and staffed by 24 foreign crew members, crossed the strait on Thursday and is expected to arrive at New Mangalore port on Monday.

Both LPG cargoes belong to state-run Indian Oil Corporation Ltd (IOCL). Mangal said 13 Indian vessels—12 carrying LPG and one carrying crude oil—had crossed the Strait of Hormuz since the conflict involving Iran, the US and Israel began. With India facing an acute shortage of cooking gas amid the West Asia crisis, the government is prioritising the safe passage of LPG

tankers from the region. At least 12 Indian vessels remain stranded in the Gulf, alongside several foreign ships carrying India-bound cargo. The development comes as nearly 10 vessels, unusually high traffic since the conflict escalated, have crossed the Strait of Hormuz since May 10, according to a Bloomberg report.

Meanwhile, Araghchi met PM Narendra Modi, alongside other Brics foreign ministers on Thursday. Addressing the meeting, the Iranian foreign minister urged the grouping to condemn the US and Israel's military campaign against Tehran and sought India's backing for a joint statement. Iran's deputy foreign minister for legal and international affairs, Kazem Gharibabadi, who has also been in India for Brics preparatory meetings, told reporters on Wednesday that Tehran was working to facilitate the passage of the remaining India-bound vessels and that Iran considered India a friend.

An oil ministry official said India had sufficient petrol and diesel stocks, while urging citizens to conserve fuel amid rising energy prices.

No shortage, yet long queues at fuel pumps

Odisha, Jharkhand see restrictions on fuel sale

HEMANT KUMAR ROUT
Bhubaneswar, 14 May

Long queues were seen at several fuel stations in Odisha, Chhattisgarh and Jharkhand amid rumours of petrol and diesel shortage, even as the oil ministry said all retail outlets across the country were operating normally and that there are adequate fuel stocks at pumps.

In a statement, the ministry said regular retail prices for petrol and diesel were unchanged and there was no price increase at outlets run by state-owned oil-marketing companies (OMCs). An oil ministry official, however, urged citizens to reduce fuel consumption in the wake of soaring energy prices, in line with measures proposed by Prime Minister Narendra Modi.

From the streets of Bhubaneswar to the industrial corridors of Rourkela, Balasore, Angul, Jaipur, mining belts in western and southern Odisha, and other towns, people complained of either restricted sales or complete unavailability of fuel for several hours.

Similar scenes played out in Jharkhand's Dhanbad and Jamshedpur and fuel stations in Raipur and some other cities of Chhattisgarh, but fuel station operators denied any major disruption in supply and attributed the rush to panic buying triggered by rumours of petrol running out.

Consumers in Odisha complained that two-wheeler owners were allowed to purchase petrol worth only ₹200, while car owners were capped at ₹500, ₹1,000 and ₹2,000 per vehicle depending on the stock at fuel stations. "My requirement was 40 litres of petrol as I was travelling to Mayurbhanj from Bhubaneswar. But I could only fill petrol worth ₹2,000 at tank in Khurda. I had to refill the tank again at Balasore," said Sidhartha Das, a market-



A signage at a petrol pump in Rourkela points to a cap on fuel

ing manager.

The All Odisha Private Bus Owners' Association also flagged fuel shortage across the state and its neighbouring states. "Fuel stations in remote areas are providing 50 litres of diesel against the requirement of over 200 litres at a time," said Debendra Sahu, general secretary of the association, adding that passenger bus services will be disrupted if the supply is not streamlined.

Meanwhile, the consortium of Indian Petroleum Dealers' Association has written to OMCs flagging that they were being forced to sell costly "power petrol" instead of regular.

Dealers in Odisha alleged that there was an undeclared supply squeeze by OMCs to contain mounting losses. OMCs are reported to be facing an under-recovery of about ₹30,000 crore per month. "We have been given verbal instructions not to provide petrol for more than ₹200 to a bike, ₹500 to a car and 200 litres of diesel to trucks and tankers at a time. We are only implementing what has been communicated to us," said Laxmi Narayan Mohanty, a petrol pump owner.

Sanjay Lath, secretary gen-

eral of All India Petroleum Dealers' Association, said some fuel stations were affected due to credit issues and delayed payments. Tankers are deliberately being made to wait for hours at depots despite advance payments. "If any outlet is found dispensing more than 250 litres of diesel or 50 litres of petrol in one transaction, the dealer is allegedly stopped from loading fresh tankers from the depot. Supplies are restored only after the dealer submits a written undertaking stating that the sales staff did it unknowingly and that it will not be repeated," said Pradeep Das, general secretary of petroleum dealers' association, Balasore.

Officials of OMCs defended the restrictions, saying the measures aim to curb unauthorised bulk sales rather than restrict legitimate retail supplies. "These restrictions have been put in place to check unauthorised bulk supply. Industrial customers are not permitted to purchase fuel in bulk from retail outlets. Since almost all fuel stations are under CCTV surveillance and transaction monitoring, the restriction is imposed whenever such instances come to our notice," said Kamal Sheel, chief general manager and state head of Indian Oil Corporation Ltd.

Sheel, however, refuted the allegation of a squeezed supply. On posters at fuel stations rationing sales, he said there could be some sporadic cases where pump owners might have resorted to such practice to manage remaining stock until fresh stock arrives.

An OMC executive, however, said the artificial crisis could be a combination of factors — import disruption, losses due to rising crude prices and panic buying by vehicle owners.

(Inputs from Shubhangi Mathur and PTI)

Coal gasification emerges as a priority

Picture a lump of coal. For decades, coal in India had a singular role — to be burned for power. Today, that same lump can be transformed into fertiliser, steel inputs, transport fuels, and hydrogen, redefining it from a combustion fuel into a strategic industrial feedstock. This transformation, enabled by coal gasification, is no longer experimental. It is fast becoming a national priority.

At its core, gasification is a chemical, not thermal, process. Coal is heated at 700-1,500°C in a low-oxygen environment, producing synthesis gas (syngas), a mixture of hydrogen and carbon monoxide. This intermediate unlocks an entire value chain — ammonia, urea, methanol, synthetic natural gas, and petrochemical feedstocks. In a resource-constrained economy, this is not merely technological diversification, it is value maximisation.

India's recent moves signal a shift from hesitation to intent. Underground Coal Gasification (UCG), where coal is converted in situ without mining, is being piloted in Jharkhand. Bharat Heavy Electricals Ltd (BHEL) has developed indigenous gasification technology suited to India's high-ash coal, to produce high-value methanol. Simultaneously, the private sector is emerging as a serious participant.

The transition is underpinned by India's unique resource position. India produced over 1,047 million tonnes of coal in FY25, crossing the one-billion-tonne mark alongside China. It holds nearly 199 billion tonnes of proven reserves and 401 billion tonnes total geological reserves, one of the largest coal endowments globally. Yet nearly 80 per cent of the mined coal is still burnt for power. This is serious underutilisation of an advantageous natural endowment.

The urgency is amplified by import dependence. India imports 88 per cent of crude oil, over 90 per cent of methanol, and 13-15 per cent of ammonia, with ammonia imports alone costing \$982 million (2024). Each geopolitical disruption, from the Strait of Hormuz to tariff regimes, translates directly into inflation. Coal gasification offers a strategic domestic hedge.

Estimates suggest a scaled gasification programme could reduce imports by \$15 billion annually and generate savings of ₹60,000 crore-90,000 crore through domestic fertiliser and chemical production. This is not just energy transition but a macroeconomic stabilisation lever.

Policy and investment momentum reflect this shift. The ₹8,500 crore viability gap funding scheme (2024) targets 100 mt of gasification capacity by 2030: ₹4,050 crore for public sector units and ₹4,450 crore for private players. The Cabinet on Wednesday approved a ₹37,500 crore unified incentive scheme, with a maximum support of ₹3,000 crore per project (up from ₹1,000 crore for private projects and ₹1,350 crore for public projects), targeting self-reliance in liquefied natural gas (LNG), urea, ammonia, methanol, and direct reduced iron. Complementing this framework is a proposed ₹50,000 crore plan to revive 20,000 Mw of idle gas-based capacity. Seven major gasification projects worth ₹64,000 crore across Maharashtra, Odisha, and West Bengal are already underway. Experts estimate 15-20 large complexes will be needed between 2026 and 2030 to meet the 100 mt target.

The project pipeline reflects an ecosystem that looks credible: Policy, technology, capital, and execution are converging. Key developments include the Coal India Ltd-BHEL joint venture at Lakhampur, Odisha (₹11,782 crore); Coal India-Gas Authority of India Ltd (GAIL) joint venture at Sonapur Bazar, West Bengal (₹13,052 crore); and CIL-Steel Authority of India Ltd joint venture at Durgapur Steel Plant commissioning by FY29. The ₹13,000 crore Talcher Fertilizer Plant in Odisha, India's first coal gasification-based urea project producing 1.27 million tonnes annually, has been developed as a joint venture between GAIL, Coal India, Rashtriya Chemicals & Fertilizers Ltd and Fertilizer Corporation of India Ltd, was inaugurated by the Prime Minister in September 2018.

Private sector initiatives are equally significant: Jindal Steel's Angul facility, among the world's largest syngas-based steel plants, is operational, with new

projects in Raigarh in Maharashtra. New Era Clean-tech's \$2.5 billion coal-to-ethanol investment and NLC India's lignite-to-methanol project further expand the ecosystem. Recent developments indicate deepening engineering and execution capability: L&T Energy Hydrocarbon Onshore has secured a large order from Bharat Coal Gasification and Chemicals Ltd in Odisha. The total pipeline now exceeds ₹85,000 crore. More large Indian companies are preparing to enter.

What distinguishes the current moment is the alignment of five enabling conditions: Abundant domestic coal supply, India-adapted technology, strong policy backing, rising private participation, and a geopolitical environment penalising import dependence.

The economic logic is compelling. Syngas from domestic coal can substitute for imported LNG, supply farmers with home-grown urea, reduce coking coal imports in steel, and bridge the hydrogen economy transition. But this is also where caution is warranted. Gasification projects are capital-intensive, technologically complex, and highly sensitive to global price cycles. India has faced this before. When oil prices declined in the past, interest in gasification waned. China, by contrast, persisted. Both countries began exploring gasification simultaneously, but China treated it as a strategic priority, deploying patient capital across price cycles. Today, China gasifies over 80 mmtpa annually and dominates global methanol and ammonia production through coal-derived syngas. India's output is a mere 3-5 per cent of that scale.

India now stands at an inflection point. The debate on coal is often framed as one between continuation and transition. Gasification reframes it entirely: From combustion to conversion, from fuel to feedstock, from constraint to opportunity, from black to green. If executed strategically, it can redefine energy security, industrial policy, and economic and environmental resilience.

One wonders why this transformation was delayed for decades!

The author is an infrastructure expert. He is also the founder & managing trustee of The Infravision Foundation. With inputs from Mutum Chaobisana



INFRATALK
VINAYAK CHATTERJEE

Two India-bound LPG tankers cross Hormuz, another sinks after attack

SAURAV ANAND
New Delhi

TWO LPG TANKERS carrying cargo for Indian Oil Corporation (IOC) have successfully transited the Strait of Hormuz this week, even as an Indian-flagged cargo vessel sank off the coast of Oman following a suspected drone or missile strike, underscoring persistent risks to commercial shipping in the region.

The developments come against the backdrop of continuing instability in the Strait of Hormuz, which handles nearly 20% of global oil and gas trade and has remained under strain amid prolonged

tensions involving Iran and the US-Israel alliance.

Government officials said LPG tanker Symi crossed the Strait on May 13, while NV Sunshine transited safely on Thursday.

Symi, a Marshall Islands-flagged vessel carrying 19,965 tonnes of LPG cargo for IOC, is expected to arrive at Kandla on May 16. With the latest movement, 13 India-linked vessels—including 12 LPG carriers and one crude oil tanker have crossed the Strait since early March despite heightened ten-

sions and shipping disruptions in the Gulf region.

Officials said several foreign-flagged ships carrying India-bound cargoes have also managed to transit the water-

way, though at least 12 Indian vessels remain stranded inside the Gulf.

Separately, Haji Ali, an Indian-flagged mechanised sailing vessel travelling from Somalia to Sharjah in the UAE, sank in Omani waters after catching fire early Wednesday.

"All 14 crew members onboard were safely rescued by

the Omani Coast Guard and have reached Dibba Port in Oman," Mukesh Mangal, additional secretary, ministry of ports, shipping and waterways, said. The vessel, measuring 57 metres in length, was carrying livestock cargo at the time of the incident.

While India did not officially specify the nature of the attack, maritime security agencies assessed that the vessel was likely hit by a drone strike or missile.

"The attack on an Indian-flagged ship off the coast of Oman is unacceptable," the ministry of external affairs said, adding that targeting vessels should be avoided.

With the latest movement, 13 India-linked vessels have crossed the Strait since early March

India's crude imports fall 17% amid supply shock

Rajeev Jayaswal

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NEW DELHI: In March, the first full month after the US and Israel launched an attack on Iran, India's crude oil imports declined 17.1% over March 2025, reflecting the disruption in the global energy supply chain caused by the conflict.

The decline in imports meant that despite a spike in global crude oil prices, India's total crude oil import bill fell by around 5% on an annualised basis in March, according to the latest government data.

India's crude oil imports bill fell from \$12.3 billion in March 2025 to \$11.7 billion in March 2025, a dip of 4.88%, according to provisional numbers released by oil ministry's data keeper Petroleum Planning and Analysis Cell. In terms of volume, they fell to 18.9 million metric tonnes (MMT) as compared to 22.8 MMT in the same month of 2025.

The supply chain disruption was caused mainly by a closure of the Strait of Hormuz. One-fifth of global energy supplies pass through this.

After the war broke out, international benchmark prices of crude surged by over 64% from \$72.87 per barrel on February 27 to nearly \$120 a barrel in intra-day trades on March 9 and remained above \$100 barrel.

India's average monthly crude import price (also called Indian



India's crude import volume fell to 18.9 MMT in March. AFP

basket) in March spiked by 56.6% to \$113.49 a barrel as against \$72.47 a barrel in March 2025, according to the government data.

With an uneasy and fragile ceasefire in West Asia threatening to collapse, the situation looks fraught. Over the past week, India's Prime Minister Narendra Modi has asked people to be prudent in their consumption of both energy and foreign exchange. The rupee has weakened by 6.5 % to the dollar since January 1.

Cumulatively, India closed financial year 2025-26 with crude oil imports worth \$123.10 billion or ₹10,88,904 crore. In dollar-terms, this is 10.27% less compared to \$137.20 billion spent in 2024-25, and 6.17% less in the rupee-terms. This despite a year-on-year increase in volumes. In 2024-25, the country imported 243.2 MMT of crude

oil, which rose to 245.4 MMT in 2025-26, an increase of 0.9%, data showed. Lower and stable oil prices helped India's cause for much of the year.

India's state owned oil companies have done well in the financial year, people familiar with the matter said.

"HPCL [Hindustan Petroleum Corporation Ltd] has made handsome profit in the fourth quarter (January-March quarter of 2025-26)," a former government official and sector expert said. Two other large state-owned companies, Indian Oil Corporation (IOC) and Bharat Petroleum Corporation Ltd (BPCL) are likely to do even better than HPCL, this person added. IOC is expected to declare its financial results on May 18 and BPCL on May 19.

State-run HPCL on Wednesday declared a 46% jump in net profit for Q4 of FY26 to ₹4,901.50 crore as compared to ₹3,355 crore in Q4 of FY25.

In the full fiscal year (FY26), HPCL's net profit was ₹17,175 crore, a 133% jump as compared to ₹7,365 crore in FY25. The company also declared a final dividend of ₹19.25 per equity share having face value of ₹10 for FY26, which is in addition to the interim dividend of ₹5 per equity share.

Oil minister Hardeep Puri said recently that Indian oil companies are together losing Rs 1000 crore a day because they are yet to raise retail fuel prices.

Fuel for thought

Panic queues hit select pumps across MMR after one Kharghar outlet shuts, but dealers insist there is no citywide fuel shortage and blame payment-system changes, rumours, and panic buying for the chaos

TEAM MID-DAY
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DESPITE scattered disruptions at a few petrol pumps across Navi Mumbai and parts of the Mumbai Metropolitan Region (MMR), fuel dealers and pump operators have insisted there is no fuel shortage at present and appealed to citizens not to panic-buy. However, isolated

shutdowns, long queues at select outlets and rumours linked to global tensions triggered anxiety among motorists on Thursday.

A mid-day ground check across MMR found most fuel stations operating normally, with disruptions at select outlets linked to payment issues and delayed replenishment — not because of a lack of fuel stock.

Eastern suburbs

Dealers blame payment system shift

Former Petrol Dealers Association of Mumbai president Ravi Shinde said oil companies had moved

away from their long-running credit system and were now demanding advance payments before fuel delivery.

WE ARE IN FUEL SAVING MODE

RAVI SHINDE, former president, Petrol Dealers Association of Mumbai

'What many people are assuming — that there is a shortage of petrol in the country leading to pumps being closed — is a half-truth. As the war in West Asia is ongoing, we as a country are in a fuel-saving mode, and that is true. But the reasons for pumps being closed are different. In the last few weeks, oil

companies have stopped functioning on the credit system and are demanding upfront payments for fuel delivery, which has caused the issue. If a pump wants fuel supplied on Monday or Tuesday, oil companies are now asking for payments on Sundays or Saturdays. When pump owners do not have cash in hand, they shut operations as banks are closed over the weekend as well.'



Ravi Petrol Pump in Chembur

NO LACK OF SUPPLY

CHETAN MODI, Petrol Dealers Association president

'There could be hoarding or other issues. But there is no lack of fuel supply for now. There has been a change in the system for security by not supplying advance

stock, which might have led to issues for some. Earlier, the payment was done in the evening after the tanker had unloaded fuel, now payment is sought before the tankers are unloaded. This must have led to problems for a few who take fuel on credit. But categorically, there are no shortage issues for now'



BP outlet in Goregaon

Western suburbs

Rumours high, disruption low

A spot check across western suburbs found most pumps functioning normally despite online rumours of shortages.

FUEL STATION OWNER, 'We are receiving regular supply from the oil company so no supply issue yet. Some pumps may have gone dry briefly due to their individual financial irregularities'

The Bharat Petroleum outlet at Murali Bohara Chowk in Goregaon remained fully operational.

COMMUTER VOICES

KARAN KAMBLE, Goregaon resident

'From Goregaon to Santacruz I haven't noticed any petrol pump that has gone dry'

ASLAM MUNIR SHAIKH, Nalasopara resident

'Apart from a petrol pump near Andheri station where the petrol tanker had not arrived, no pump has failed to provide me with petrol'

PUMP OWNER VOICE

ASHOK CHEDDA, Owner, Matunga Auto IOL pump

'Due to the war, oil supply may or may not be hampered in near future, that uncertainty remains but currently no such shortage is there'



HP petrol pump in Kharghar

Navi Mumbai

One shutdown, multiple queues

The closure of an HP petrol pump in Kharghar Sector-12 caused panic-like scenes, with motorists crowding nearby pumps fearing a wider crisis. The outlet displayed a notice stating petrol, diesel and CNG were unavailable.

The shutdown pushed customers towards nearby stations, especially an Indian Oil outlet in Sector-14 where long queues formed through the day.

RAVI SABNE, Manager of the HP outlet

'There is no stock available at present as the supply is not coming from the Vashi terminal. The same situation has continued for the last two days'



AN INDIAN OIL OFFICIAL, 'There is no shortage of stock or supply problem from our terminal. Because the HP petrol pump at Sector-12 is not operational, many vehicle owners are coming here, which is resulting in long queues'

RAJU YADAV, Manager, Bharat Petroleum's Sector-2
'As of now, there is no issue regarding stock or supply at our pump. The Sewree ter-

minal has adequate stock. But we cannot predict what the situation may be in the coming days'

COMMUTER SPEAKS

SACHIN KAMBLE, Kharghar resident

'The board mentioning no petrol and diesel availability is creating fear among the public. Many people are linking it to war-like situations and possible shortages'

Mumbai CNG price up by ₹2/kg, now costs ₹84

THE Mahanagar Gas Limited (MGL) on Thursday announced a ₹2 per kg hike in Compressed Natural Gas (CNG) prices in and around Mumbai, citing rising global energy procurement costs amid geopolitical uncertainties and increasing dependence on

expensive fuel sources. According to the company, due to geopolitical disruptions affecting the global energy supply chain, coupled with increased dependence on expensive gas sources, rising crude oil prices, and rupee depreciation, overall gas

procurement costs have risen significantly.

In a statement, MGL said it was 'compelled' to revise CNG prices by ₹2 per kg with effect from midnight of May 13/ morning of May 14, 2026.

Following the hike, the revised delivered price of CNG, inclusive of all taxes, will be ₹84 per kg in and around Mumbai.

Ground reality check

AREA	SITUATION
Kharghar Sector-12	HP pump shut for two days
Kharghar Sector-14	Long queues due to diverted traffic
Eastern suburbs	Most pumps operational
Goregaon	Supply normal
Nalasopara-Andheri route	One temporary disruption reported
Matunga	No shortage reported

OFFICIAL SPEAK

MGL, SPOKESPERSON, 'Even after the above revision, MGL's CNG offers attractive savings of about 44 per cent and 7 per cent as compared to petrol and diesel respectively at current price levels in Mumbai'

Rajendra B Aklekar

Publication : Millennium Post	Editions : New Delhi
Date : 15 May 2026	Page : 1, 4

Indian cargo ship sinks after strike near Oman, MEA calls attack unacceptable

MPOST BUREAU

NEW DELHI: An Indian-flagged vessel sank off the coast of Oman after coming under attack in the early hours of Wednesday as regional tensions continued to disrupt maritime movement through the Strait of Hormuz, officials said.

The Ministry of External Affairs described the strike as "unacceptable" and said all 14 crew members onboard were safe. "The attack on an Indian-flagged ship off the coast of Oman yesterday is unacceptable and we deplore the fact that commercial shipping and civilian mariners continue to be targeted," the min-

The vessel, identified as Haji Ali, was a traditional Indian dhow measuring 57 metres in length and 14 metres in width

istry said, adding that Omani authorities were thanked for rescuing the crew. The vessel, identified as Haji Ali, was a traditional Indian dhow measuring 57 metres in length and 14 metres in width. It was travelling from Somalia to Sharjah in the United Arab Emirates when it was hit in Omani waters, triggering a fire that eventually led to its sinking. **Continued on P4**

Publication : Millennium Post	Editions : New Delhi
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Indian cargo

According to Mukesh Mangal, Additional Secretary in the Ministry of Ports, Shipping and Waterways, all crew members were rescued by the Oman Coast Guard and taken to Dibba port. "The crew is reported to be safe, and necessary formalities with the local authorities have been completed," he said, adding that arrangements are being made to bring them back to India.

The incident comes against the backdrop of heightened tensions in the region following the out-

break of hostilities between the United States and Iran on February 28. At least two other Indian-flagged ships have been targeted since the conflict began, amid an increasingly fragile security situation in the Strait of Hormuz.

Despite the risks, maritime traffic linked to India has continued. Two India-bound liquefied petroleum gas tankers, Symi and NV Sunshine, crossed the strategic waterway this week, carrying 19,965 tonnes and 46,427 tonnes of LPG respectively. Both cargoes belong to Indian Oil Corporation and are expected to arrive at Kandla on May 16 and New Mangalore on May 18.

Officials said 13 Indian-flagged vessels, including 12 LPG tankers and one crude oil tanker, have transited the strait since early March, while at least 12 Indian ships remain stranded in the Gulf along with several foreign vessels carrying cargo for India.

Publication : Millennium Post	Editions : New Delhi
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Arvind Kumar takes over as Director (Finance), National Fertilizers Ltd

NOIDA: Arvind Kumar has taken over as Director (Finance) of National Fertilizers Ltd (NFL), a Navratna Public Sector Enterprise under the Ministry of Chemicals & Fertilizers, Government of India. Prior to this, he was serving in senior leadership positions in the finance function in Indian Oil Corporation Ltd & Hindustan Urvarak & Rasayan Ltd. Arvind Kumar holds the educational qualifications of M.Com. Professionally, he is a Fellow Member of Institute of Cost Accountants of India and an Associate Member of Institute of Company Secretaries of India. He possesses rich and diverse experience in the areas of financial management, internal audit, budgeting, banking, taxation, commercial accounting, corporate governance and regulatory compliance.



MPOST

Publication : Millennium Post	Editions : New Delhi
Date : 15 May 2026	Page : 2

Delhi Metro launches hydrogen bus service

NEW DELHI: In a major push towards clean energy and sustainable urban mobility, the Delhi Metro Rail Corporation (DMRC) will launch a hydrogen-powered shuttle bus service in the Central Vista area from May 15, 2026, in collaboration with the Ministry of Housing & Urban Affairs and the Ministry of Petroleum & Natural Gas. The initiative is aimed at strengthening last-mile connectivity between Central Secretariat and Seva Teerth Metro stations and key government offices in the Central Vista zone, encouraging greater use of public transport and reducing dependence on private vehicles.

The service, operated with support from Indian Oil Corporation Limited (IOCL), will deploy two hydrogen-fuelled buses with a seating capacity of 35 passengers each. The buses will be equipped with GPS-based tracking and CCTV systems for real-time monitoring, safety and punctuality.

“The shuttle service will operate on all working days (Monday to Friday, excluding Gazetted Holidays) during peak office hours as per following timings, Morning: 8:30 AM to 12:30 PM and Afternoon: 3:30 PM to 6:30 PM,” the press release stated. The buses will run at a frequency of 30 minutes in clockwise and anti-clockwise directions, covering major government buildings and landmarks including Kartavya Bhawan, Vigyan Bhawan, Nirman Bhawan, Akbar Road, Baroda House, National Stadium, National Gallery of Modern Art, India Gate and Seva Teerth Metro Station.

Fare payment will be enabled through the National Common Mobility Card (NCMC), UPI and cash, with stage-wise ticket pricing fixed at Rs.10 and Rs.15. DMRC will manage operations, conductors, ticketing and passenger assistance, while IOCL will provide drivers and hydrogen fuel support.

Oil calm as Trump, Xi meet amid strife

Fresh attacks on vessels in Gulf underscore fragility of ceasefire

Rituraj Baruah
rituraj.baruah@livemint.com
NEW DELHI

Global oil markets remained relatively calm on Thursday as US President Donald Trump and Chinese President Xi Jinping met in Beijing amid expectations of a diplomatic breakthrough in the West Asia conflict, even as fresh attacks on commercial vessels in the region underscored the fragility of the ceasefire and kept investors on edge.

At 7.40 pm India time, the July contract of benchmark Brent crude traded at \$105.25 per barrel, down 0.25% from its previous close. The June contract of West Texas Intermediate on the NYMEX was down 0.2% at \$100.80 a barrel.

The subdued market reaction contrasted sharply with the surge in crude prices to record highs of \$126 per barrel on 30 April, after the war and subsequent blockades in the Strait of Hormuz, through which nearly one-fifth of global oil supplies pass, disrupted global energy supplies.

The crucial waterway has remained disrupted for nearly 75 days since the outbreak of the Iran conflict, following blockades imposed first by Tehran and later by the US.

US-CHINA MEET



SUDDEN STRIKES

HORMUZ has remained disrupted for nearly 75 days

AN India-flagged vessel, Haji Ali, was also attacked

CHINA, US agreed the Strait of Hormuz must remain open

The White House said both countries agreed that the Strait of Hormuz must remain open to support the free flow of energy, and that Iran can never have a nuclear weapon. However, a statement issued by China after the meeting made no mention of the strait.

"The two presidents exchanged views on major international and

regional issues, such as the Middle East situation, the Ukraine crisis, and the Korean Peninsula," a statement by the ministry of foreign

TURN TO PAGE 11

Oil calm as Trump, Xi meet amid strife

FROM PAGE 1

affairs of China said after the two leaders had met.

In an interview with *CNBC* on Thursday, US treasury secretary Scott Bessent said that reopening the Strait of Hormuz is in China's best interests, and he believed Beijing would do what it could to restore shipping through the waterway.

However, uncertainty persists over a potential US-Iran peace deal and the extent to which China—one of Iran's largest crude buyers and a key diplomatic partner—may play a role in restoring safe passage through the strait.

Observers are hopeful, but cautious. Sankalp Gurjar, assistant professor of geopolitics and geoeconomics at the Gokhale Institute of Politics and Economics, said the emphasis on uninterrupted trade through the Strait of Hormuz sent a positive signal to markets.

"Further, improved relations between the US and China may also lead to enhanced energy supply from the US to China, which would also calm the global oil prices," he added.

Others cautioned that geopolitical risks remain elevated. Harsh V. Pant, vice-president at the Observer Research Foundation and professor of International Relations at King's College, London, said:



Fragility of the ceasefire have kept investors on edge.

AFP

"As Trump has already said that he does not need China's intervention to resolve the West Asia crisis, we may not see an overt effort by the US to push China to intervene. However, given the strategic importance of the Strait of Hormuz, the conflict has driven global oil inventories down at a record pace."

Amid stalled efforts towards a US-Iran peace agreement, the International Energy Agency said in its monthly oil market report released on 13 May that global oil markets would remain severely undersupplied through the end of the third quarter of 2026, even if the conflict ends by early June.

The subdued market reaction contrasted sharply with the surge in crude prices to record highs on 30 April

Amid Trump's two-day visit to China, fresh attacks on vessels were reported in West Asia, including an India-flagged vessel, *Haji Ali*, which sank in Omani waters.

The ministry of external affairs noted that all 14 crew members have been rescued by Omani authorities.

Condemning the attack, Randhir Jaiswal, spokesperson of the ministry of external affairs, said in a tweet:

"The attack on an Indian-flagged ship off the coast of Oman yesterday is unacceptable and we deplore the fact that commercial shipping and civilian mariners continue to be targeted. All Indian crew on board are safe

and we thank the Omani authorities for rescuing them. India reiterates that targeting commercial shipping and endangering innocent civilian crew members, or otherwise impeding freedom of navigation and commerce, should be avoided."

Amid efforts to ensure safe passage for India-bound energy vessels, two LPG (liquefied petroleum gas) carriers chartered by state-run Indian Oil Corporation and carrying a combined 66,392 metric tonnes of cargo crossed the Strait of Hormuz since Wednesday, according to government officials.

Mukesh Mangal, additional secretary in the ministry of ports, shipping and waterways, told reporters that *NV Sunshine*, a Vietnam-flagged LPG carrier carrying 46,427 mt of LPG, is expected to arrive at New Mangalore on 18 May 2026.

Another vessel, a Marshall Islands-flagged LPG carrier *SYMI* carrying 19,965 mt of LPG cargo for India, is expected to arrive at Kandla on 16 May, he added.

India's cooking gas supplies remain particularly vulnerable to disruptions in the Strait of Hormuz, with nearly 90% of the country's LPG imports sourced from West Asia. India consumes around 33 million tonnes of LPG annually.

For an extended version of this story, go to [livemint.com](https://www.livemint.com).

Govt confirms safe passage of two LPG tankers through Strait of Hormuz

Our Bureau
New Delhi

The government on Thursday said that two liquefied petroleum gas (LPG) tankers are en route to India after crossing the Strait of Hormuz. However, one Sharjah-bound Indian-flagged vessel sank after being hit near the strategic shipping corridor.

Addressing an inter-ministerial briefing, Additional Secretary in the Ministry of Ports, Shipping & Waterways, Mukesh Mangal said that LPG tanker *Symi* transited through the Strait on May 13, while *NV Sunshine* safely crossed the waterway on Thursday. This brings the total number of Indian vessels to have crossed the shipping channel, which had been effectively shut since the US-Israel strikes on Iran and Tehran's retaliation more than two months ago, to 13.

Mangal said *Symi*, a Marshall Islands-flagged vessel carrying 19,965 tonnes of LPG, is expected to arrive at Kandla in Gujarat on May 16. *NV Sunshine*, a Vietnam-flagged vessel carrying 46,427 tonnes of LPG cargo, is expected to arrive at New



Mukesh Mangal, Additional Secretary, Ministry of Ports in Shipping & Waterways

Mangalore on May 18, he said, adding that the cargo on both vessels belongs to Indian Oil Corporation (IOC).

12 VESSELS STRANDED

Since early March, 13 India-flagged vessels, including 12 LPG tankers and one crude oil tanker, have crossed the Strait of Hormuz, even as tensions in the region continue to disrupt maritime traffic. Several foreign-flagged energy tankers carrying cargo for India have also arrived from the Persian Gulf after transiting the strategic waterway. At least 12 Indian vessels remain stranded in the Gulf, along with multiple foreign ships transporting India-bound cargo.

The passage of two India-bound LPG vessels occurred amid a deadlock in negotiations to end the war and the arrival of Iranian Foreign

Minister Abbas Araghchi in New Delhi to attend the BRICS Foreign Ministers' meeting.

Meanwhile, *Haji Ali*, an Indian dhow or mechanised sailing vessel (MSV), came under attack in the early hours of Wednesday in Omani waters during its voyage from Somalia to Sharjah, UAE, leading to a fire on-board the wooden vessel and its subsequent sinking.

"All 14 crew members on-board (*Haji Ali*) were safely rescued by the Omani Coast Guard and have reached Dibba Port in Oman. The crew is reported to be safe, and necessary formalities with the local authorities have been completed," Mangal said while asserting that the crew will be brought back to India soon.

"The government remains in close coordination with the authorities in the Sultanate of Oman, Indian Mission officials and relevant maritime agencies," he said. The vessel was 57 metres long and 14 metres wide. An Indian dhow is a traditional, usually wooden, sailing vessel with one or more masts and characteristic lateen (triangular) sails, essential to maritime trade in the Indian Ocean for centuries.

SYMI, NV SUNSHINE CROSSINGS COME AHEAD OF BRICS FOREIGN MINISTERS' MEET

Two India-bound LPG tankers cross Hormuz

Sukalp Sharma
New Delhi, May 14

TWO LIQUEFIED petroleum gas (LPG) tankers bound for India crossed the Strait of Hormuz between Wednesday and Thursday.

Marshall Islands-flagged Symi and Vietnam-flagged NV Sunshine are the first India-bound energy tankers to transit the strait in nearly two weeks.

The crossings came just ahead of the BRICS foreign ministers' meeting in Delhi, in which Iran's Foreign Minister Abbas Araghchi is also participating. Ship-tracking data shows that both the ships are broadcasting Gujarat's Kandla port as their intended destination, although the Shipping Ministry said that NV Sunshine is headed to the New Mangalore port. It is not uncommon for ships to change destinations mid-voyage.

Symi is carrying LPG from Qatar's Ras Laffan, while NV Sunshine picked up the fuel from the UAE's Ruwais refinery. According to the Shipping Ministry, Symi is carrying 19,965 tonnes of LPG, and is expected to arrive at Kandla in Gujarat on May 16, while NV Sunshine is carrying 46,427 tonnes of LPG and is expected



Symi is carrying LPG from Qatar's Ras Laffan & NV Sunshine picked up fuel from the UAE's Ruwais refinery. EXPRESS PHOTO

to arrive at New Mangalore on May 18. The cargo on both vessels belongs to the country's largest refiner and fuel retailer Indian Oil Corporation.

India has been in talks with Iran to facilitate safe passage of its vessels and also that of India-bound foreign vessels carrying critical cargoes like LPG.

While a few Indian ships made their way through the strait over a weeks-long period starting mid-March, transits of Indian and India-bound vessels were badly hit after the April 18

ACROSS THE STRAIT

● Symi is carrying 19,965 tonnes of LPG, and is expected to arrive at Kandla in Gujarat on May 16

● NV Sunshine is carrying 46,427 tonnes of LPG and is expected to arrive at New Mangalore on May 18

● The cargo on both vessels belongs to the country's largest refiner and fuel retailer IOC

● They are estimated to be carrying just under a day's worth of India's LPG consumption, but their transit springs hope for more energy supplies

incident in which a couple of Indian ships were fired upon by Iranian forces as they attempted to cross the waterway.

Iran suddenly closed the strait on that day — within a day of announcing unimpeded vessel movements through the waterway — leading to confusion among vessels that had lined up to cross the chokepoint.

Subsequent blockades imposed by Iran and the US further constrained vessel movements through the strait.

Marshall Islands-flagged

LPG tanker Sarv Shakti was the last India-bound vessel to cross the strait on May 2. So far, 10 India-flagged vessels — nine LPG tankers and one crude oil tanker — have crossed the strait since early March.

Additionally, a few foreign-flagged energy tankers had also arrived in India from the Persian Gulf after crossing the strait. Currently, there are 14 Indian vessels stranded in the Persian Gulf, and a number of others that are foreign ships but carrying cargo for India.

As per vessel tracking data, Symi, which had turned off its location transponder, started transmitting its location from the Gulf of Oman on Thursday. It is likely that it exited the Persian Gulf by crossing the strait on Wednesday. NV Sunshine, on the other hand, had just crossed the strait when it stopped transmitting its location post midnight (India time). It began transmitting its location on Thursday afternoon from the Gulf of Oman.

While the two tankers are estimated to be carrying just under a day's worth of India's LPG consumption, their transit springs hope for more energy supplies making their way to India in the coming days.

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APPOINTMENT



Arvind Kumar takes over as Director (Finance) of National Fertilizers Limited (NFL): Arvind Kumar has taken over as Director (Finance) of National Fertilizers Limited (NFL), a Navratna Public Sector Enterprise

under the Ministry of Chemicals & Fertilizers, Government of India. Prior to this, he was serving in senior leadership positions in the finance function in Indian Oil Corporation Limited and Hindustan Urvarak & Rasayan Limited.

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Hydrogen-run buses to boost public transport

TIMES NEWS NETWORK

New Delhi: Two hydrogen-powered shuttle buses will run in the Central Vista area from Friday onwards to encourage people to use public transport.

Delhi Metro Rail Corporation in collaboration with the ministry of housing and urban affairs and ministry of petroleum and natural gas will launch this service. "The initiative aims to provide seamless last-mile connectivity between Central Secretariat and Seva Teerth metro stations and govt offices in the Central Vista," said Anuj Dayal, principal executive director, corporate communications, DMRC.

Officials said each bus can seat 35 passengers, is equipped with GPS-based tracking and CCTV systems. The service will operate from Monday to Friday, excluding gazetted holidays, during peak office hours. These would be from 8.30am to 12.30 pm and 3.30pm to 6.30pm.

The frequency of each bus

will be 30 minutes. One bus will operate in the clockwise direction and the other in the anti-clockwise direction, covering Kartavya Bhawan, Vigyan Bhawan, Nirman Bhawan, Akbar Road, Baroda House, National Stadium, National Gallery of Modern Arts, India Gate, Seva Teerth metro station as well as several other offices and landmarks.

Fare collection will be through the National Common Mobility Card, UPI, and cash with an affordable stage-wise ticket pricing of Rs 10 and Rs 15.

DMRC will oversee the operations, conductors, ticketing and passenger support, while IOCL will provide drivers and the hydrogen fuel support.

"This initiative underscores the Centre's commitment to green mobility, clean energy adoption and sustainable public transport infrastructure. The project is expected to serve as a benchmark for future hydrogen-based transportation systems in India," Dayal said.

Ship seizure fuels Hormuz crisis

Vessel captured near UAE amid rising Iran tensions in the Gulf waters

#DUBAI

A ship anchored off the United Arab Emirates was seized and taken toward Iran and another, an Indian-flagged cargo ship, was attacked and sank, authorities said on Thursday, in a renewed escalation on shipping near the Strait of Hormuz.

There were no immediate claims of responsibility, but the incidents came as a senior Iranian official reiterated his country's claim to the waterway and another said it had a right to seize oil tankers connected to the U.S.

The ship was seized off the east coast of the UAE and is heading toward Iranian waters, the British military said on Thursday.

The United Kingdom Maritime Trade Operations center said it received reports that the vessel was taken by unauthorized personnel while anchored 38 nautical miles (70 kilometers, 44 miles) northeast of the UAE port of Fujairah, near the Strait of Hormuz.

Indian authorities also confirmed on Thursday that an Indian-flagged cargo ship sank off the coast of Oman

FILE PHOTO



Haji Ali ship

after an attack sparked a fire aboard the vessel while it was en route from Somalia to Sharjah on Wednesday.

India's foreign ministry called the incident "unacceptable" and condemned continued attacks on commercial shipping and civilian mariners.

The ministry did not identify who carried out the attack.

The seizures also happened hours after Prime Minister Benjamin Netanyahu announced he had quietly visited the UAE during the Israeli-U.S. war with Iran, though the UAE swiftly denied that any secret visit had occurred.

Agencies

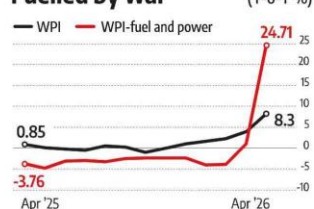
Energy cost spike pushes wholesale inflation to 8.3%, a 42-month high

HIMANSHI BHARDWAJ
New Delhi, 14 May

Led by a steep rise in energy prices amid the ongoing West Asia crisis, India's wholesale price index (WPI)-based inflation rate more than doubled to a 42-month high of 8.3 per cent in April from 3.88 per cent in March, according to data released by the Ministry of Commerce and Industry on Thursday.

Wholesale price inflation was last higher in October 2022, when it stood at 8.67 per cent. In the second full month of the crisis, inflation in the fuel segment surged to 24.71 per cent, compared to 1.05 per cent in the previous month. Crude petroleum recorded a sharp spike of 88.06 per cent in April from 51.57 per cent in March. Within the fuel and power group, prices of aviation turbine fuel (142 per cent), petrol (32.4 per cent), high-speed diesel (25.19 per cent), and liquefied petroleum gas (10.92 per cent) rose sharply

Fuelled by war



in April.

The month-on-month change in the WPI accelerated to 3.86 per cent in April from 1.52 per cent in March, reflecting a sharp buildup in sequential price pressures. The rise was driven primarily by the fuel and power segment, which recorded an 18.22 per

cent monthly jump. Primary articles increased 2.58 per cent, while manufactured products registered a relatively moderate sequential increase of 1.4 per cent.

Madan Sabnavis, chief economist at Bank of Baroda, termed the multi-year high print the "first sign of the impact of war on the Indian economy". He said the numbers also reflected the pressure on the government to raise retail fuel prices.

The impact of the West Asia crisis was also visible in non-fuel items, with non-food manufacturing inflation rising to 5 per cent in April from 3.7 per cent in March. Price pressures were evident in basic metals, textiles, chemicals, and electrical equipment.

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Energy cost spike pushes wholesale inflation to 8.3%

"The crisis has impacted not only energy prices but also chemicals and metals. Moreover, there has been a surge in global freight costs, which will affect all imported items," said Gaura Sen Gupta, chief economist at IDFC First Bank.

Megha Arora, director at India Ratings & Research, said high global metal prices, the potential El Niño effect, and higher imported input costs were likely to keep manufacturing inflation elevated in the coming months.

Rajani Sinha, chief economist at CareEdge Ratings, said a higher probability of an El Niño event this year could pose upside risks to food inflation.

Looking ahead, CareEdge expects WPI inflation to average around 7.8 per cent in 2026-27 under its base-case scenario, assuming global crude oil prices average around \$90 per barrel, with a prolonged period of elevated oil prices leading to some pass-

Food inflation rose marginally to 1.98 per cent in April from 1.9 per cent in March.

Sabnavis said WPI inflation would remain high in the coming months unless international crude oil prices corrected meaningfully. "While WPI inflation is not a target for the Monetary Policy Committee, it is known that, with a lag, these prices get transmitted to Consumer Price Index through higher input costs. Therefore, these numbers remain important for policy formulation."

Retail inflation rose only marginally to 3.48 per cent in April from 3.4 per cent in March, as the government resisted raising retail fuel prices. Looking through to consumers.

"We expect the RBI to maintain status quo on policy rates. Given lingering concerns around growth, the central bank is unlikely to rush into reversing the current rate cycle," Sinha added.

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TAKE TWO

Austerity and symbolism

In moments of crises, intent isn't enough. Following through announcements with enforcement of measures is key, as a run through recent Indian economic history shows.

A K Bhattacharya writes

19 ▶

Austerity and symbolism

In moments of crises, intent isn't enough. Following through announcements with enforcement of measures is key, as a run through recent Indian economic history shows

A K BHATTACHARYA
New Delhi, 14 May

Austerity drives are not new in India. Almost every time the Indian economy stumbles into a crisis, the ruling dispensation of the time has introduced different types of austerity measures in order to prevent a bigger crisis engulfing the country.

What Prime Minister Narendra Modi announced on Sunday was somewhat similar. He appealed to Indians to revive working from home, increase the use of public transport like the Metro, embrace carpooling to reduce usage of fossil fuel on transportation, buy less gold and limit foreign travel. And he asked farmers to halve fertiliser use. All these exhortations were aimed at helping the country conserve foreign exchange by curbing the use of fossil fuel, almost 88 per cent of whose demand is met through imports.

Yet, there are crucial differences between the prime minister's pronouncements — as also his government's action last week — and the measures that were initiated by many of his predecessors. Examining those differences and recognising the similarities will be highly instructive for policymakers, analysts and students of the Indian economy and its polity.

Shastri and the food crisis

Let this exploration begin with 1965. For about a month-and-a-half in August-September that year, India was embroiled in war with Pakistan. The general level of prices in 1964-65 had already risen by 8.7 per cent and foreign exchange reserves had dipped to ₹250 crore or \$24 million, enough to meet just about two months of its merchandise imports. And after the war, the general price level had shot up by 11.4 per cent in the first nine months of 1965-66. India's foreign exchange reserves improved slightly at ₹298 crore or \$626 million, although it was no cause for comfort. However, foodgrain availability posed a difficult challenge. An erratic monsoon had affected foodgrain pro-

duction, as a result of which imports rose, straining foreign exchange reserves.

How did Prime Minister Lal Bahadur Shastri respond to this food crisis? In an address to the nation, Shastri announced his government's decision on stricter enforcement of a food rationing system, already in place. In addition, he exhorted all Indians to skip dinner every Monday. Restaurants were asked not to serve food on Monday evenings. That was an unusual austerity move, but the measure was introduced at a time when India did not have adequate foreign exchange reserves and its foodgrain stocks were paltry.

Later events

Almost 25 years later, in 1990, the Gulf war between Iraq and Kuwait meant a spike in the price of crude oil and a shortage of its availability. The National Front government in New Delhi, led by Vishwanath Pratap Singh, did not go for any public awareness programme or exhortations. Initially, it enforced restrictions on the sale of petrol and diesel through the retail network of oil marketing companies. Later, it imposed a 'Gulf surcharge' of 25 per cent on petroleum products — burning cooking gas, since the Bharatiya Janata Party and a few other political parties had opposed the idea of inflating the costs of the Gulf war on middle-class Indian households.

It will be a fallacy to assume that governments over the years have talked about enforcing austerity measures only in the face of an oil crisis. Sometime in the middle of 2009, soon after the North Atlantic financial crisis of 2008, the United Progressive Alliance (UPA) government led by Manmohan Singh imposed austerity measures, including a directive that Union ministers should only travel by economy class when flying. A minor controversy erupted when one of the UPA ministers, Shashi Tharoor, made a

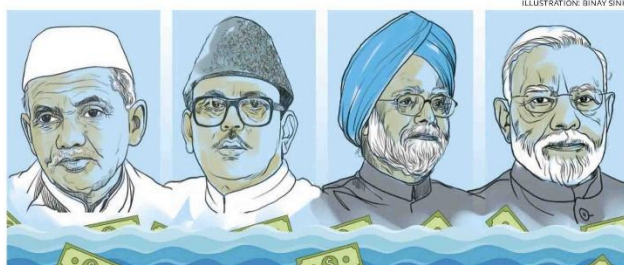


ILLUSTRATION: BINAY SINHA

A look back

	1965-66	1990-91	2009-10	2012-13	2025-26	2026-27*
GDP growth (in %)	-3.7	5.3	8.6	4.5	7.6#	6.9
Foodgrain stocks of central pool (MT)	-	20.3	36.2	55.5	34.7	60.4
Forex Reserve (in ₹ crore)	298	11,416	12,59,665	15,88,420	65,53,861	65,56,404

Note: GDP growth rate for 1965, 1990, 2009, and 2012 are from the back series with base year of 2003-2004. #2025-26 figures are second advance estimates. Base year for 2025-2026 is 2022-23. *For 2026-27, GDP growth figure is as projected by RBI. Foodgrain stock figures are as of April 1 and forex figures as at the end of May 1, 2026. Foodgrain stock data for calendar year. Data for 1965-66 was not immediately available. Source: Ministry of Statistics and Programme Implementation, RBI, Agricultural Statistics at a Glance, Rajya Sabha question and answer

comment equating the economy class with the cattle class, an informal term often used in a derogatory manner to describe the discomfort associated with cramped and crowded travel. Tharoor's comment came on a day when the then Congress leader, Sonia Gandhi, had decided to travel by economy class in an Indian airline.

WHAT WAS ANNOUNCED DID NOT STRICTLY CONSTITUTE AUSTERITY MEASURES BUT EXHORTATION TO PEOPLE TO BECOME AUSTERE

A few years later, the UPA government decided to introduce a few more austerity measures, but this time these were in response to the worsening fiscal balance and macroeconomic environment. In May 2012, finance minister Pranab Mukherjee imposed a mandatory 10 per cent cut on non-Plan expenditure along with a ban on the creation of new posts in the government and purchase of new vehicles. In addition, it restricted foreign travel and holding conferences in five-star hotels.

An office memorandum issued by the finance ministry captured the mindset prevailing at that time. It stated: "In

the context of the current fiscal situation where there is a tremendous pressure on government resources, there is an urgent need for rationalisation of expenditure and optimisation of available resources with a view to improving the macroeconomic environment... No re-appropriation of funds to augment the non-Plan heads of expenditure, on which cuts have been imposed, shall be allowed during the current fiscal year."

Expectedly, however, the coverage of these cuts excluded expenditure on interest payments, debt repayments, defence capital expenditure, salaries, pension and grants to be released to the states as mandated by the Finance Commission.

In a similar move in September 2025, the department of expenditure under finance minister Nirmala Sitharaman issued an austerity directive to all ministries, central public sector enterprises, banks and financial institutions to stop spending on Diwali and other festival gifts. The move was aimed at promoting fiscal discipline, curbing non-essential expenditure and ensuring prudent use

of public funds.

Intent vs execution

How different has been the Modi government's approach to announcing austerity measures? It would appear that governments in the past would not allow a gap between the announcement of the austerity measures and the actual implementation of the decisions they took. It is a little different with the Modi government. Almost a week has passed since Modi's austerity announcements on May 10, but no specific measure has actually been enforced — except that senior ministers and many chief ministers have begun using fewer cars for their travels. Indeed, what was announced did not strictly constitute austerity measures but exhortation to people to become austere.

Instead, it has taken a few decisions that go beyond austerity. For instance, the government has increased the import duty on gold and silver among other precious metals. These steps were ostensibly aimed at curbing imports in a bid to conserve foreign exchange. About a third of India's total imports are

accounted for by gold, crude oil and edible oil. India's current account deficit, which was less than 1 per cent of gross domestic product (GDP) in 2025-26, could double in 2026-27 if the current trend in prices of petroleum products, edible oil, fertilisers and gold are any indication and exports growth continues to remain muted.

India's foreign exchange reserves provided no comfort to the government. They fell to \$6.9 billion at the end of May 1, 2026, down from \$7.28 billion a day before the West Asian conflict erupted on February 28, 2026. In terms of import cover (reserves sufficient to take care of the country's merchandise imports), the decline was from over 11 months to about 10-and-a-half months during this period.

Although India's external account today is more comfortable than what it was in 1965 or 1990, the rationale of exhorting Indians to conserve foreign exchange through suggested austerity measures this time around is understandable. Experts, however, questioned the logic of increasing the import duty on gold and silver on the grounds that such steps invariably give rise to smuggling and a thriving parallel market in the yellow metal, controlling which becomes a major challenge and an administrative headache.

Missing policy steps

Even more worrying has been the delay in taking the necessary policy steps to send out the necessary market price signals through appropriate increases in retail prices of petrol and diesel. The inevitability of price increases by oil marketing companies and other policy correctives was highlighted by the government's internal reviews, made public through the April 2026 edition of its Monthly Economic Review. The fiscal burden on the government's finances because of these delays in passing on the impact of the higher crude oil price can hardly be overemphasised.

Austerity measures do carry a high symbolic value for the people. Leaders who announce these measures may also bask in the glory of being seen as enforcing them at the personal level. But such measures carry greater significance and positive effect on public finance and the country's external account only when followed up with hard steps — like passing on the impact of higher global prices of commodities like petrol and diesel by raising their retail prices.

Publication : Business Standard	Editions : New Delhi
Date :15 May 2026	Page : 1, 4

India to invest over \$20 bn in offshore energy mapping: Puri

India plans to invest over \$20 billion in offshore data acquisition to boost domestic oil and gas production under the Samudra Manthan programme, Union Minister for Petroleum and Natural Gas Hardeep Singh Puri said on Thursday. The government plans major investments in seismic data acquisition to enable major discoveries in India's sedimentary basins, Puri said. "Since data is very crucial for the forward journey of the energy sector, massive thrust is now being laid on 'ROCKS' in the form of heavy investments," he said on X. 4 ▶

India to invest over \$20 bn in offshore energy mapping: Puri

State-run explorers have spent over \$500 mn on seismic surveys in 8 yrs

SHUBHANGI MATHUR
New Delhi, 14 May

India plans to invest over \$20 billion in offshore data acquisition to boost domestic oil and gas production under the government's Samudra Manthan programme, Union Minister for Petroleum and Natural Gas Hardeep Singh Puri said on Thursday.

The government plans major investments in seismic data acquisition to enable major discoveries in India's sedimentary basins, Puri said. "Since data is very crucial for the forward journey of the energy sector, massive thrust is now being laid on 'ROCKS' in the form of heavy investments," he said in a post on X.

Business Standard had earlier reported that the government is planning to allocate funds for the collection of seismic data in unexplored deepwater and ultra-deep-water oil and gas blocks, after the West Asia crisis exposed India's heavy dependence on energy imports.

The exercise is expected to be led by the upstream regulator, the Directorate General of Hydrocarbons.

Puri said state-run upstream companies have invested over \$500 million in seismic data acquisition over the past eight years despite financial challenges, while drilling 6,500 wells. He added that production from India's existing natural reservoirs is depleting, making fresh discoveries essential to boost the country's energy quest and achieve energy self-sufficiency.

India's dependence on imports to meet domestic energy demand continues to rise, driven by growing consumption and stag-



“SINCE DATA IS VERY CRUCIAL FOR THE FORWARD JOURNEY OF THE ENERGY SECTOR, MASSIVE THRUST IS NOW BEING LAID ON 'ROCKS' IN THE FORM OF HEAVY INVESTMENTS”

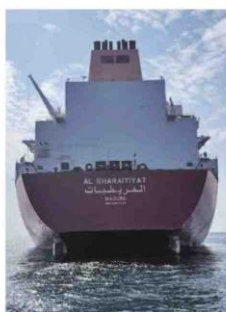
Hardeep Singh Puri
Petroleum and natural gas minister

nant domestic production. India's crude oil production fell for the eleventh consecutive year in 2025-26 (FY26), while natural gas output declined for the second straight year, mainly due to the natural decline of ageing oil fields and the absence of major new discoveries. In FY26, India's import dependence stood at 89 per cent for crude oil and 51 per cent for natural gas, according to official data.

Puri said the government has updated regulations governing oil and gas exploration to align India with globally competitive jurisdictions, attracting interest from major investors.

The changes include amendments to the Oilfields (Regulation and Development) Act, an overhaul of petroleum and natural gas rules, and regulatory relaxations such as the release of 1 million square kilometre of "no-go" areas, along with updated revenue-sharing contracts, said the minister.

UK-flagged ship seized off UAE, now heading towards Iran



The ship was seized right after Israel said PM Netanyahu made a quiet visit to UAE

A ship anchored off the east coast of the United Arab Emirates has been seized and is heading toward Iranian territorial waters, the British military said Thursday.

The United Kingdom Maritime Trade Operations centre said it received reports that the vessel was taken by unauthorised personnel while anchored 38 nautical miles (70 kilometres, 44 miles) northeast of the UAE port of Fujairah, near the Strait of Hormuz. It came hours after Israel said Prime Minister Benjamin Netanyahu had quietly visited the UAE during the Israeli-US war with Iran.

UKMTO did not name the ship and said it is investigating. There were no immediate claims of responsibility for the seizure.

AP/PTI

— TENDER CARE —

— Advertorial

BANK OF INDIA, UNA BRANCH, HOSTS INDUSTRY CONNECT MEET IN ASSOCIATION WITH HAROLI BLOCK INDUSTRIES ASSOCIATION AT BATHU BATHRI INDUSTRIAL AREA UNA, HP

Bank of India successfully organized industry connect meet on 12-05-2026 at Bathu Bathri Industrial Area Una HP. Meeting was presided over by Zonal Manager Sh. Rajesh Ranjan. AGM SMECC Chandigarh Sh. Kumar Pramod Singh, Marketing In charge Sh. Rahul Singh and Branch Manager Una Branch Sh. Balwant Singh were present on the occasion.

From Haroli Block Industries Association President Sh. Rakesh Kaushal, Vice President Sh. Nagendra Singh, Gen Sec. Sh. Rihit Verma, Advisor Sh. R. C. Taneja along with 30 esteemed entrepreneurs attended the meet.

A focused session was held to discuss bottlenecks in credit supply to MSMEs service quality, speedy disposal of proposals and same was addressed on the spot by Zonal Manager. A detailed presentation on MSME products tailor-made plans as per customer requirements was presented by AGM SMECC Chandigarh.



DFCCIL SIGNS MoU WITH ICFAI FOUNDATION FOR HIGHER EDUCATION TO PROMOTE RESEARCH, INNOVATION AND SKILL DEVELOPMENT IN LOGISTICS AND SUPPLY CHAIN MANAGEMENT



Dedicated Freight Corridor Corporation of India Limited (DFCCIL) signed a Memorandum of Understanding (MoU) with ICFAI Foundation for Higher Education (IFHE), Hyderabad, to strengthen collaboration in the areas of research, innovation and skill development related to Supply Chain Management, Logistics and Warehousing.

The MoU was signed in the presence of Shri Praveen Kumar, Managing Director, DFCCIL. The agreement was formally signed by Shri Shobhit Bhatnagar, Director (Operations & Business Development), DFCCIL, and Dr. Tamra Koti Reddy, Vice Chancellor, IFHE.

Convened by Sh. S. P. Verma, GGM/BD&BA, the MoU signing was attended by Sh. Anurag Sharma, Director/Infrastructure; Sh. Pawan K. Rai, Director/Project Planning; Sh. B. Mugunthan, Director/Finance; Sh. Parmod Kumar, CVO; Sh. Prafull Chandra Pandey, ED/System; Sh. Roshan Singh, GM/OP&BD; and Sh. Nagendra S. Bisht, JGM/BD&PR. Representatives from ICFAI Foundation for Higher Education, including Dr. M. Sai Nath, Executive Director; CA. C.V. Chainulu Viswanadha, Advisor; Dr. C. Radha Mohan, Dean; and Sh. Sri Ravi Kumar Gujjala, also attended the signing ceremony.

SHRI DIPESH RAJ ASSUMES CHARGE AS CHIEF GENERAL MANAGER, STATE BANK OF INDIA, LUCKNOW CIRCLE

Shri Dipesh Raj has taken over as the Chief General Manager, State Bank of India, Lucknow Circle on May 14, 2026. Shri Raj began his career with SBI in 1997 as a Probationary Officer. Over the course of his 29-year-long tenure, he has served in various important assignments across multiple departments of the Bank, demonstrating strong leadership and professional excellence. Prior to his current assignment, he was serving as General Manager (Network-2), SBI at New Delhi Circle.

Shri Dipesh Raj succeeds Shri Dipak Kumar De who has been elevated to the position of Deputy Managing Director (DMD) and has been transferred to the Corporate Centre.

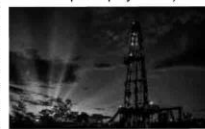


OIL REPORTS 7% GROWTH IN CONSOLIDATED PAT WITH HIGHEST DRILLING AND WORKOVER OPERATION DURING FY2025-26

Oil India Limited declared its financial results for FY26, in its 580th meeting of the Board of Directors held on 13th May 2026. The Company achieved a growth of 62% in consolidated PAT at ₹ 2,424 crore in Q4 FY26 vis-à-vis ₹ 1,497 crore in Q4 FY25. The consolidated PAT for the year ended 31.03.2026 is ₹ 7,551 crore vis-à-vis ₹ 7,040 crore.

OIL achieved a standalone PAT of ₹ 1,790 crore in Q4FY26 vis-à-vis ₹ 1,591 crore in Q4FY25 due to increase in crude oil production by 6% and crude price realisation by 5% from USD 74.46/bbl in Q4FY25 to USD 77.89/bbl in Q4FY26.

The Board of Directors has recommended a final dividend of ₹ 1.00 per equity share (face value of ₹ 10 per equity share). This is in addition to 1st & 2nd Interim Dividend of ₹ 3.50 per equity share and ₹ 7.00 per equity share, respectively paid during the year. In its efforts towards ensuring Nation's Energy Security, the Company,



continuing its sustained efforts, produced 0.891 MMT of crude oil from its matured and old oilfields in Q4FY26 vis-à-vis 0.844 MMT in Q4 FY25. OIL has achieved highest daily production of 10,566 MT of crude oil, which is highest daily production during last decade. Drilled 74 nos of wells during the year, marking the highest-ever achievement. The Company also completed a record 307 nos of workover jobs during the year, which is the highest ever achievement. Driven by an aggressive drilling and workover campaign, the Company achieved a Reserve Replacement Ratio exceeding 1 during the year.

SHRI ARVIND KUMAR ASSUMES CHARGE AS DIRECTOR (FINANCE) OF NFL

Shri Arvind Kumar has taken over the charge as Director (Finance) of National Fertilizers Limited (NFL), a Navratna Public Sector Undertaking under the Ministry of Chemicals and Fertilizers, Government of India. Prior to this, he held senior positions in the finance departments of Indian Oil Corporation Limited (IOCL) and Hindustan Urvarak & Rasayan Limited (HURL).



Publication : Financial Express	Editions : New Delhi
Date :15 May 2026	Page : 2

MAHANAGAR GAS HIKES CNG PRICE BY ₹2 PER KG



MAHANAGAR Gas (MGL) has raised the price of CNG by ₹2

per kg across Mumbai and adjoining areas, effective May 14. The company attributed the revision to geopolitical disruptions impacting global energy supply chains, increased reliance on costlier gas sources.

Modi may seek more energy supplies during brief UAE visit

REUTERS
New Delhi, May 14

PRIME MINISTER NARENDRA Modi will visit the United Arab Emirates briefly on Friday, where he is likely to discuss long-term energy supply deals and seek support to expand India's strategic oil reserves, three sources said.

The UAE will be Modi's first stop on a five-nation tour from May 15 to 20, as the world's third-largest energy importer seeks to secure supplies that have been badly disrupted by the US-Israel war on Iran.

The UAE's recent exit from OPEC is expected to boost its output and help countries like India. Trips to the UAE by heads of governments have been rare since the war began and Iran launched strikes on the country.

The UAE is one of India's biggest suppliers of crude oil and natural gas.

In January, India signed a \$3 billion deal to buy liquefied natural gas from the Gulf nation. Modi will meet UAE President Sheikh Mohamed bin Zayed Al Nahyan and will discuss a range of issues, in particular energy cooperation, India's foreign

OIL DIPLOMACY



■ Meeting with Sheikh Mohamed bin Zayed Al Nahyan to discuss long-term crude and LNG supply deals

■ Talks aim to expand India's strategic oil reserves amid West Asia supply risks linked to war

■ UAE remains a key energy supplier to India, building on a recent \$3-bn LNG pact

■ Both sides target \$200 bn in trade and deeper energy and defence cooperation

ministry said.

The UAE is India's third-largest trade partner and is home to more than 4.5 million Indians. The three Indian sources said Modi is likely to

seek help with long-term supplies of cooking gas and crude oil, in addition to expanding India's strategic reserves.

They did not give additional details and declined to be named publicly because they were discussing potential government-to-government negotiations.

India has three strategic reserve facilities with a total capacity of 5.33 million metric tons (MMT) and plans to build two more with additional capacity of 6.5 MMT. India has leased about 1.5 MMT of the existing capacity to Abu Dhabi National Oil Co (ADNOC).

India's oil and gas ministry did not respond to an email seeking comment. ADNOC declined to comment ahead of the visit and the UAE foreign ministry did not respond to an emailed request for comment.

In 2015, Modi became the first Indian premier to visit the UAE in 34 years. The upcoming trip would be his eighth.

The countries plan to double bilateral trade to \$200 billion in six years and form a defence partnership. From the UAE, Modi will take off for the Netherlands, Sweden, Norway and Italy.

Hormuz shipping gridlock traps 360 vessels, threatens global oil trade

● Evacuation limited to about 40 ships a day

SAURAV ANAND
New Delhi, May 14

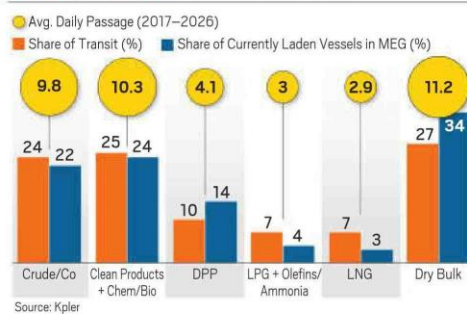
A MASSIVE SHIPPING bottleneck has built up inside the Strait of Hormuz, with nearly 360 laden commodity vessels stranded in the Gulf and evacuation capacity limited to around 40 ships a day, raising fears of prolonged disruption to global oil, gas and commodity trade despite US-backed evacuation efforts.

Shipping intelligence firm Kpler said clearing the backlog could take several weeks even under a "best-case" emergency scenario, highlighting the logistical constraints in one of the world's most critical energy transit routes.

The Strait of Hormuz handles nearly a fifth of global oil and gas trade, making the disruption one of the biggest threats to global energy supply chains since tensions in the region escalated earlier this year.

"Based on a 40-vessel-per-day 'best case' scenario, Kpler intelligence reveals that clearing the current backlog of around 360 laden commodity cargo ships will be a race against logistical bottlenecks and the limits

CRISIS RINGS ALARM BELLS



clearance unlikely.

Historical shipping data suggests there is little room to accelerate traffic through the narrow corridor even during emergencies. Between January 2017 and February 2026, average laden vessel transit through Hormuz stood at 41.3 ships a day.

Even after the initial attack on February 28, only 38 laden vessels exited the Middle East Gulf zone despite heightened urgency across shipping markets. "This number is close to the pre-war average, suggesting that even with a high sense of urgency, the daily exit number is unlikely to exceed this threshold," Kpler said.

The highest daily laden vessel movement recorded through the Strait was 62 ships on June 9, 2025.

of an untested Omani route," the consultancy said.

The warning came after US President Donald Trump announced support for an

emergency evacuation of commercial vessels trapped inside the Strait. However, Kpler said physical transit limitations and operational realities make rapid

Publication : Financial Express	Editions : New Delhi
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OIL PRICES DIP AS IRAN SAYS SHIPS PASSING HORMUZ



OIL PRICES
DIPPED on
Thursday
after Iran's
state media
said about

30 vessels had crossed
the Strait of Hormuz in
recent hours. Easing from
an earlier high of \$107.13
a barrel, Brent crude oil
futures were down 60
cents at 1422 GMT.

Publication : Hindustan Times	Editions : New Delhi
Date : 15 May 2026	Page : 1, 17

OIL PRICES DIP AFTER IRAN SAYS 30 SHIPS CROSSED STRAIT OF HORMUZ

NEW YORK: Crude oil futures dipped slightly on Thursday after Iran's state media said about 30 vessels had crossed the Strait of Hormuz in recent hours, while the semi-official Fars news agency cited a source saying Iran had begun allowing transit for some Chinese vessels.

Brent crude oil futures were down 73 cents, or 0.7%, at \$104.90 a barrel at 11:21 am ET (8:51 pm IST), easing from an earlier high of \$107.13. U.S. West Texas Intermediate futures were down 20 cents, or 0.2%, at \$100.82.

Both contracts fell on Wednesday as investors worried about possible U.S. interest rate hikes as higher fuel prices spur inflationary pressures. →PT

Oil dips after Iran says 30 vessels cross Hormuz strait

Reuters

reuters@hindustantimes.com

LONDON/DUBAI: Crude oil futures dipped slightly on Thursday after Iran's state media said about 30 vessels had crossed the Strait of Hormuz in recent hours, while the semi-official Fars news agency cited a source saying Iran had begun allowing transit for some Chinese vessels.

Brent crude oil futures were down 73 cents, or 0.7%, at \$104.90 a barrel at 11:21 a.m. ET (15:21 GMT), easing from an earlier high of \$107.13. U.S. West Texas Intermediate futures were down 20 cents, or 0.2%, at \$100.82. Both contracts fell on Wednesday as investors worried about possible U.S. interest rate hikes as higher fuel prices spur inflationary pressures. Brent crude futures lost more than \$2 a barrel, while WTI futures dropped more than \$1.

Ship seized off UAE, heads towards Iran

However, a ship anchored off the east coast of the United Arab Emirates has been seized and is heading towards Iranian waters, the British military said on Thursday.

The United Kingdom Maritime Trade Operations centre said it received reports that the ship seized was taken by unauthorised personnel while anchored 38 nautical miles (70 kilometres, 44 miles) northeast of the UAE port of Fujairah.

The UK maritime centre did not name the ship seized on Thursday and said it is investigating. The British military said the vessel is heading towards Iranian waters. Fujairah is an important oil export terminal and the UAE's main port outside of the Persian Gulf. It has been repeatedly attacked during the war with Iran.

The seizures also happened hours after Prime Minister Benjamin Netanyahu announced he had quietly visited the UAE during the Israeli-US war with Iran, though the UAE swiftly denied that any secret visit had occurred.

Meanwhile, a Panama-flagged crude oil tanker managed by Japanese refining group Enoco has also passed through the strait, ship-tracking data from LSEG showed on Thursday, the second instance of a Japan-linked oil ship making it through. "The growing number of vessels allowed through has a more tangible impact on sentiment than on the actual supply-demand balance," IVM oil market analyst Tamas Varga said.

"Whilst it might contribute to setting a price ceiling in the immediate future, it is not the desired recipe to send oil prices meaningfully lower."

Global oil supply will fall short of total demand this year as inventories are drained at an unprecedented pace, the International Energy Agency (IEA) said on Wednesday. In the U.S., crude inventories fell by 4.3 million barrels to 452.9 million barrels for the week ended May 8 on rising exports, the IEA said.

Iran allowing transit of Chinese vessels in strait

Iran has begun allowing some Chinese vessels to transit through the Strait of Hormuz following an understanding over Iranian management protocols for the waterway, the

semi-official Fars news agency said on Thursday, citing an informed source.

Before the Fars report, a Chinese supertanker carrying 2 million barrels of Iraqi crude sailed through the strait on Wednesday after being stranded in the Gulf for more than two months. The source told Fars news the move followed requests by China's foreign minister and ambassador to Iran, with Tehran agreeing to facilitate the passage of a number of Chinese ships in line with the two countries' strategic partnership.

With inputs from Associated Press

Publication : Mint	Editions : New Delhi
Date : 15 May 2026	Page : 1

QUICK EDIT

Wholesale flare-up

Although retail prices stayed largely cool, inflation at the wholesale level ran hot last month in a sign that supply shortages caused by the war in West Asia have started to feed price pressures. The wholesale inflation rate for April more than doubled to 8.3% from a year earlier, compared to 3.9% in March, according to government data issued on Thursday. April's reading was the highest in three-and-a-half years. Prices of crude petroleum and natural gas were up 67.2% from a year earlier, while the fuel and power inflation rate surged to 24.7% in April from almost 1.1% in March. Manufactured products also saw their inflation rise to 4.6% from 3.4%. On the whole, it is clear that higher input costs are driving up factory-gate prices. Consumers at large haven't yet felt the heat partly because of the primacy of food in the consumer goods basket and the government's cap on fuel prices that's looking less tenable by the day. As inflationary pressures get generalized and the Centre is left with no option but to let fuel prices rise, retail inflation will take a sharper incline. In other words, the central bank's inflation-targeting credentials will be tested once again. How severely is the only question.

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Date : 15 May 2026

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Publication : Mint	Editions : New Delhi
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India asks US to extend waiver on Russia oil as war continues

India has asked the US to extend its waiver on Russian

oil, according to people familiar with the matter, as the nearly 11-week war in the Persian Gulf disrupts energy supply. With no end in sight for the conflict in West Asia, officials in New Delhi have warned Washington that supply remains a priority, as continued volatility in the oil market will have wide consequences. That includes the impact on 1.4 billion Indians already struggling with a cooking gas shortage, the people said. **BLOOMBERG**

HORMUZ UNCERTAINTY CHOKES IMPORTS

CRUDE SHOCK LOOMS

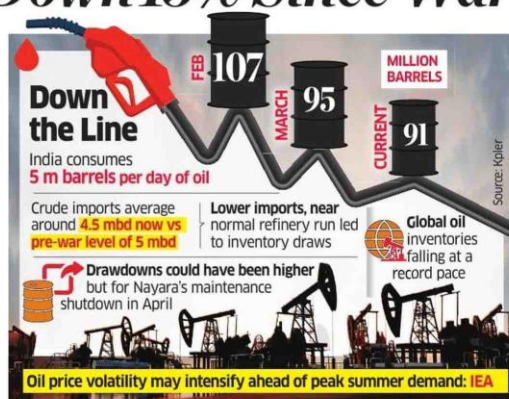
Oil Stock Down 15% Since War

Supply constraints may force refiners to scale back processing

Sanjeev Choudhary

New Delhi: India's crude oil stocks have fallen 15% since the Iran conflict began in end-February as refiners moved to maintain processing rates amid declining imports, according to estimates by commodities data and analytics firm Kpler.

Sustained supply constraints could eventually force refiners to cut runs or pull back on crude processing—a factor analysts say may partly explain Prime Minister Narendra Modi's latest call for fuel conservation. India's crude stocks are currently at 91 million barrels, slipping from 107 million barrels at the end of February, according to Kpler's inventory data, which includes strategic petroleum reserves (SPR), commercial inventori-



es, and refinery stocks. The estimates exclude pipeline stocks.

India consumes about 5 million barrels of oil a day, allowing current inventories to cover about 18 days of demand. The current crude stocks can feed up to 60 days of national consumption, the govern-

ment said Monday, without elaborating. The stock estimate includes cargoes loaded on India-bound ships, said Sujata Sharma, joint secretary in the petroleum ministry on Thursday.

Moderate Drawdown ►► 16

Publication : The Economic Times	Editions : New Delhi
Date : 15 May 2026	Page : 1, 16

Moderate Drawdown

►► From Page 1

It also includes pipeline stocks.

India's crude imports averaged 4.5 million barrels per day (mbd) in the past two and a half months, declining from the pre-war level of 5 mbd, said Nikhil Dubey, lead analyst, refining, at Kpler. "However, refinery run rates have not declined proportionally with the drop in imports, suggesting that part of the supply gap is currently being met through inventory drawdowns, most likely from refinery storage tanks."

The current drawdown in inventories is "moderate", said Dubey.

The drawdown could have been larger had Nayara Energy not undertaken a maintenance shutdown at its 400,000 barrels-per-day refinery in Gujarat in April, according to an industry executive.

"With near-term prospects for a reopening (of the Strait of Hormuz) appearing increasingly uncertain,



India cannot continue relying on inventory drawdowns indefinitely," said Dubey.

He warned that refineries may eventually need to reduce run rates in line with lower oil supplies. "This could also explain why the Prime Minister has recently called for fuel conservation efforts," he said.

Global oil inventories fell by 129 million barrels in March, and by a further 117 million barrels in April, according to the International Energy Agency (IEA). "With global oil inventories already drawing at a record clip, further price volatility appears likely ahead of the peak summer demand period," the IEA warned Wednesday.

The near closure of the Strait of Hormuz has cut oil output from the Gulf by 14.4 mbd below pre-war levels. This has severely hit global oil supply, which declined by a further 1.8 mbd in April to 95.1 mbd, taking total losses since February to 12.8 mbd.

Saudi Arabia and the UAE—possessing alternative export routes—continued shipments, while Iraq and Kuwait—which depend entirely on the Strait of Hormuz—have been unable to export any volumes.

Publication : The Economic Times

Editions : New Delhi

Date : 15 May 2026

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**Rajasthan
Petrol
Pumps say
OMCs Cutting
Supplies**

Jaipur: Petrol pump dealers in Rajasthan have alleged that oil marketing companies have reduced fuel supplies to retail outlets and imposed informal limits on sale of petrol and diesel to consumers.

They warned that the move could lead to law and order problems at fuel stations. In a representation submitted to oil companies on Thursday, Rajasthan Petroleum Dealers Association said dealers were being informed through mobile messages and verbal instructions to restrict fuel sales to individual consumers.-PTI

Publication : The Economic Times

Editions : New Delhi

Date :15 May 2026

Page : 1

'China Wants More of Our Oil'



Chinese President Xi Jinping opposes efforts to charge a toll to navigate the Strait of Hormuz and is interested in purchasing more US oil to reduce its dependence on the waterway, according to a White House official.

Xi made the comments during his meeting with US President Donald Trump in Beijing on Thursday, according to the official. China's official readout of the meeting didn't include energy in the list of topics the two presi-

dents discussed, although it did say they talked about West Asia.

China is the world's largest importer of crude oil and natural gas, and the US is the biggest producer of both. But shipments between the two countries ground to a halt last year after China imposed levies on the commodities in retaliation to Trump's sweeping tariffs on Chinese goods.

Global oil and gas supplies have come under severe pressure this year after Iran effectively shut Hormuz. **Bloomberg**

Auto-rickshaw unions seek ₹1 fare increase after rise in CNG price

Abhishek Pathak

MUMBAI

Auto-rickshaw unions in Mumbai have renewed their demand for a fare hike following the latest increase in Compressed Natural Gas (CNG) prices. Union representatives met transport department officials on Thursday and submitted revised fare calculations based on the formula recommended by the B Khatua Committee.

The demand comes a day after Mahanagar Gas Limited (MGL) increased CNG prices by ₹2 per kilogram across Mumbai and the Mumbai Metropolitan Region (MMR).

With the revision that came into effect from midnight of May 13-14, CNG now costs ₹84 per kg. Auto unions are seeking a ₹1 increase in the minimum fare, which currently stands at ₹26. They said rising fuel prices and inflation have significantly increased the operating costs for drivers.

"The fuel expense for auto-rickshaw drivers has increased by around ₹1.03. The Consumer Price Index has also gone up, affecting overall running costs. We have therefore demanded a fare hike from the government," said Thampi Kurien, general secretary of the Mumbai Rickshawmen's Union.

At present, passengers are charged ₹17.14 per kilometre after the minimum fare. According to the unions' revised calculations, the rate should be increased to ₹18.17 per kilometre.

Transport department sources said this was the first round of discussions between unions and officials after the latest CNG price hike. The proposal will now be examined by the Mumbai Metropolitan Region Transport Authority (MMRTA).

Meanwhile, MGL defended the price hike, citing higher gas procurement costs due to global and domestic economic factors.

The Iran war, India's strategic autonomy challenges

United States President Donald Trump's tariff wars against friend and foe over the last year now pale in comparison to the upheaval created by the unprecedented Israeli-American attack on Iran and counterstrikes. For decades, India's stakes in a stable and friendly Tehran have been huge for energy security, geopolitical advantage, and space for strategic autonomy. If the Ukraine war tested India's foreign policy agility and independence, the Iran war is a generational challenge. The slew of economic and defence deals that India signed with European countries recently was popularly seen as a signal of major geo-economic and geopolitical shift in India's favour. In this new West Asian war scenario, it is already clear that deals with France and the European Union (EU) hardly give India a stronger hand.

Strategic autonomy is difficult

The 114 Rafale fighter jet purchase from France and the India-EU Free Trade Agreement (FTA) pointed to historic achievements. These surprisingly quick denouements (after 20 years of slow negotiations on the FTA and extended talks on the Rafales since 2016) were mostly rearguard actions against Mr. Trump's punishing tariffs. But New Delhi and some European countries such as France seemed to believe they were important steps toward a more distributed multipolar world order against American unilateralism. Washington's disregard for potentially catastrophic effects from the attack on Iran on global commerce and security are showing that U.S. unipolarity is holding fast.

Until Mr. Trump's coercive tariffs, New Delhi did not have to worry much about independence in economic policymaking. That is because unlike the post-war American-led military order with the North Atlantic Treaty Organization (NATO) and Asian formal treaty alliances, Washington's liberal economic order tended to be open and inclusive, driven largely by market forces. The double whammy of economic and military unilateralism will now make it more difficult for countries such as India to exercise strategic autonomy.

President Trump is changing the economic system in ways that mirror the exclusivist military system. The U.S. government is increasingly demanding a greater alignment of the economic policies of other countries with American strategic interests. This is a fundamental break from the earlier practice and it threatens the entire post-Second World War liberal economic order. New Delhi has been able to pick and choose close economic tie-ups with the U.S.



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Despite the defence, commerce and trade deals, India needs to be aware of a possible European alignment with the United States

while, at the same time, keeping its distance from alliance politics. That had not stopped the U.S. from nurturing commercial ties with India in a big way since 2000. Indeed, the U.S. overtook China as India's largest trading partner in 2021-22. But note that China was at the top of India's economic partners even as U.S.-China relations were sharply declining. All this is to say that until very recently, economic and strategic relations could co-exist along competing trajectories.

For India and the U.S., a convergence of interests about a rising China had brought their relations to a level that appeared irreversible. Even as this meeting of the minds occurred, India's diversification of big power partnerships remained intact. India's ability to maintain good relations simultaneously with the U.S., Russia, China, Iran, Israel, Vietnam, and the major European powers – without taking strong sides, even under duress – is the clearest expression and exercise of strategic autonomy.

Mr. Trump's arbitrary demands to discontinue crude oil imports from Russia, forego the strategic partnership with Iran on Chabahar port, desist from even considering a de-dollarise option in BRICS, and clearly align with American geo-economic and geopolitical interests, pose the biggest challenge to India's strategic autonomy in decades. America's 30-day waiver for Russian oil purchases owing to energy supply chain disruptions came as a brief reprieve for India, yet on terms set by Washington. It was more than just an embarrassment for India when a U.S. submarine sank an Iranian naval ship (*IRIS Dena*) in the Indian Ocean that was returning from the Indian Navy's International Fleet Review 2026 naval exercise on March 4. India's image as the key regional naval power took a big hit.

Deals with Europe have not eliminated risks

India's FTA with the EU and historic Rafale jet deal with France are two developments that many interpreted as India trying to manage the new autonomy dilemma created by Mr. Trump. New Delhi chose French fighter jets over Russian and American jets with the hope that it would finally get the technology transfer and domestic production it has long sought. India is growing, and so is its military; it will keep buying, and France is locking itself into a huge commercial deal.

For India, while the spending is extremely high, it will not get a better deal with the U.S.; and it will not get a better performing fighter jet from Russia. In this geopolitical climate, this deal helps both India and France as they want to diversify partners and protect their strategic autonomy.

But there is some doubt about just how much tech is being transferred and the fact that source codes and algorithms will be under French control. This means that India will be wedded to the French for upgrades. This also could undercut India's 'Make in India' aspiration.

As for the FTA, we could see this in the context of Mr. Trump's economic assaults and a rushed attempt to save the idea of a liberal economic world order. But there are domestic political hurdles in India to overcome, from farmers and industrial workers who are a big electoral chunk. Moreover, France and the EU might be using commerce and trade now as a way to gain leverage over India. De-risking from Mr. Trump's uncertainties through the FTA has obviously not eliminated political or economic risks.

America's long shadow

What seems the flimsiest basis for strengthening strategic autonomy is the novel idea of a common perception of a new world order. Geopolitically speaking, India is much more in favour of global multipolarity than western countries. Europe (less France) tends to fall into line with the U.S. under pressure. At this particular moment of Mr. Trump's high-handedness with Europe, it is not surprising that Europe is turning to countries such as India. But historically they have followed the American lead.

U.S. Secretary of State Marco Rubio's speech at the Munich Security Conference in February 2026 made it clear that Europe and America belong together, casting it in common civilisational and identity terms which leaves the Global South out in the cold. He minced no words, openly whitewashing western colonial expansion and calling for a "western supply chain" to regain its position. This suggests that a new geo-economic alliance system of this sort would be hierarchical. The Global South seems to be less partners, more targets of competition. The standing ovation for Mr. Rubio from a supposedly critical European audience spoke volumes.

In this era of culture contests and tribalism, it is hard to see a natural affinity between Europe and India when the going gets tough. As the world remains shell shocked by the Iran war, it is clear that European states will effectively facilitate American and Israeli interests despite the display of reservations by pronouncements such as "not our war" on the West Asian conflict. In any new regional order that emerges, it is also clear that New Delhi will hardly be able to count on the Europeans for Indian strategic autonomy purposes.

Publication : The Hindu Business Line	Editions : New Delhi
Date : 15 May 2026	Page : 10

**Crude oil up as investors
focus on Beijing talks**



Beijing/Singapore: Crude oil prices edged up with markets focusing on the high-stakes meeting between US President Donald Trump and Chinese President Xi Jinping. Brent crude futures were up 45 cents to \$106.08 a barrel by 0714 GMT, while US WTI futures added 41 cents to \$101.43. REUTERS

Online

Headline	Oil India rallies 5%, hits 52-week high post Q4 results; ONGC gains 2%		
Publication	Business Standard	Edition	Online Coverage
Published Date	14 May 2026		

Oil India rallies 5%, hits 52-week high post Q4 results; ONGC gains 2%

https://www.business-standard.com/markets/news/oil-india-rallies-5-hits-52-week-high-post-q4-results-ongc-up-2-126051400819_1.html

Oil India reported a 62 per cent YoY growth in Q4 consolidated net profit, backed by 4.4 per cent increase in revenue from operations. The stock has rallied 15 per cent in the last five days.

Oil India and ONGC have rallied up to 15% in the last five trading sessions.

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Shares of Oil India, ONGC

Shares of public sector undertaking (PSU) upstream companies Oil and Natural Gas Corporation (ONGC) and Oil India continued at their upward march, rallying up to 5 per cent on the BSE in Thursday's intra-day trade.

Oil India hit a 52-week high of 531, surging 5 per cent after the company reported healthy earnings for the quarter ended March 2026 (Q4FY26). The oil exploration & production company surpassed its previous high of 524.15 touched on February 4, 2026.

Share price of ONGC was up 2 per cent to 303.65 on the BSE in intra-day trade. The stock had hit a 52-week high of 307.50 on April 29, 2026. At 02:03 PM; Oil India and ONGC were up 3 per cent and 2 per cent, respectively. In comparison, the BSE Sensex was up 1.4 per cent at 75,608.

In the past five trading days, ONGC (7 per cent) and Oil India (15 per cent) rallied up to 15 per cent, as against 2.3 per cent decline in the benchmark index.

What's driving ONGC, Oil India stocks?

ONGC and Oil India witnessed a sharp surge in share prices after the Union Minister of Petroleum and Natural Gas Hardeep Singh Puri on Monday announced rationalisation of royalty for India's upstream sector.

The Ministry of Petroleum and Natural Gas (MOPNG) made significant changes to the royalty regime for upstream oil and gas fields. Royalty rates for most categories of fields were reduced/revised which could potentially benefit companies like ONGC and OIL India with an effective cut of 5-6 per cent (factoring in the 20 per cent fixed deduction on well-head price) on nominated onshore fields and a 1-1.5 per cent cut on offshore fields. For natural gas nominated fields, the cut is around 2 per cent.

If the GST on royalty issue is upheld in favour of ONGC and OIL that could potentially be an additional upside risk. For non-nominated fields, the 15 per cent discount on well-head prices implies a 6 per cent reduction. Overall, this is a material positive for ONGC and OIL, on top of the still unconstrained realisations being seen in oil and gas, analysts at ICICI Securities said.

The brokerage firm believes these measures, coupled with the continued absence of any cap on realisations, bode well for the earnings prospects of both companies. Combined with our belief that production performance should pick up over the next 12- 18months, we maintain BUY on ONGC (target price of 399) and ADD on Oil India (target price of 552), analysts said.

Analysts at JM Financial Institutional Securities believe rationalisation in the royalty rate is reiteration by Gol that it wants to boost domestic Oil & Gas exploration to reduce India's huge dependency on imported crude and gas (further exposed during ongoing Middle East crisis), thereby further reducing the risk of any windfall tax on crude. This is significantly positive for ONGC and Oil India as their current prices are discounting only USD 6570/bbl due to fear of windfall tax (versus actual realisation being significantly higher linked to Brent); every USD 1/bbl rise in oil price boosts their EPS by 12 per cent.

The brokerage firm reiterates BUY on Oil India (target price of 585) and ONGC (target price of 340) based on net crude realisation assumption of ~USD 75/bbl.

Oil India Q4 results

State-run Oil India reported a 62 per cent year-on-year increase in consolidated net profit to 2,424 crore in the fourth quarter of financial year 2025-26 (FY26). The upstream player's revenue from operations rose 4.4 per cent year-on-year (YoY) to 10,012.77 crore in the quarter from 9,588 crore in the same quarter last year.

Oil India said the company achieved a standalone profit after tax (PAT) of 1,790 crore in Q4FY26 against 1,591 crore in Q4FY25 due to increase in crude oil production by 6 per cent and crude price realisation by 5 per cent from \$74.46/bbl in Q4FY25 to \$77.89/bbl in Q4FY26.

In its efforts towards ensuring Nation's Energy Security, the company, continuing its sustained efforts, produced 0.891 MMT of crude oil from its matured and old oilfields in Q4FY26 vis--vis 0.844 MMT in Q4FY25. Oil India said it has achieved highest daily production of 10,566 MT of crude oil, which is highest daily production during last decade.

The company's material subsidiary Numaligarh Refinery (NRL) achieved a robust 90 per cent growth in PAT, rising to 3,057 crore in FY26 from 1,608 crore in FY25 with a GRM of \$13.43/bbl. Disclaimer: View and outlook shared on the stock belong to the respective brokerages and are not endorsed by Business Standard. Readers discretion is advised.

Headline	OMCs may face prolonged stress as petrol and diesel losses widen: ICICI Securities		
Publication	CNBC TV18	Edition	Online Coverage
Published Date	14 May 2026		

OMCs may face prolonged stress as petrol and diesel losses widen: ICICI Securities

<https://www.cnbctv18.com/market/earnings/icici-sec-omc-losses-hpcl-oil-prices-ongc-reliance-19905861.htm>

Probal Sen, Oil and Gas Analyst at ICICI Securities warns elevated crude prices and fuel losses could keep OMC earnings under pressure in FY27, while ONGC and Oil India may benefit from royalty cuts and stronger upstream realisations.

Oil marketing companies (OMCs) may struggle to deliver meaningful earnings recovery this year unless the government steps in with fuel price hikes or compensation support, according to Probal Sen, Oil and Gas Analyst at ICICI Securities. As on May 14, 2026 3:08 PM

Despite strong numbers for the March quarter of 2026 (Q4FY26) from Hindustan Petroleum Corporation (HPCL), Sen said the current stress from liquefied petroleum gas (LPG) and auto fuel losses could keep profitability under pressure through 2026-27 (FY27).

ICICI Securities has already built in a significant amount of loss for the first quarter in its revised estimates for HPCL, which it believes could report a loss of nearly 20,000 crore in FY27 if crude prices remain elevated and no pricing intervention happens.

Watch the full conversation here

The pressure, according to Sen, is unlikely to ease quickly because the brokerage has not assumed any major moderation in crude prices or fuel price hikes over the next three to six months. While profitability may improve in the second half of the year, he cautioned that the recovery may still not be enough to offset the losses incurred in the first half.

Even amid the stress, Sen highlighted that HPCL enters the current cycle in a much stronger financial position than during previous crises such as the 2008 financial crisis, Covid or the Russia-Ukraine conflict. He pointed to the company's deleveraging efforts and operational improvements as key cushions.

Highlighting why balance sheet strength matters this time, Sen said HPCL's debt-equity ratio has fallen to 0.8 despite ongoing capex on projects such as the Vizag expansion and Rajasthan refinery. He called that extremely creditable and said it gives the company more room to absorb temporary losses.

Geosphere Capital's Arvind Sanger skeptical on Trump-Xi deal, warns oil threatens AI rally

The refining environment, however, continues to remain favourable because of supply disruptions across the Middle East and Russia. Sen noted that nearly 3 million barrels per day of refining capacity has been impacted over the last six months, tightening product markets and keeping refining margins elevated. But he also cautioned that refiners may not fully benefit because of pricing caps and export restrictions.

Among private players, Sen remains relatively constructive on Reliance Industries, citing its diversified petrochemical feedstock mix and stronger operating leverage. He expects the company's oil-to-chemicals business to continue recovering over the next few quarters unless fresh restrictions emerge or crude supply disruptions intensify.

On the upstream side, Sen turned incrementally positive following the government's decision to cut royalty rates on oil and gas production. He believes Oil India stands to benefit more because of its higher onshore production exposure, although valuation comfort remains stronger in ONGC

Explaining the valuation gap, Sen said ONGC's current market pricing still implies crude assumptions below \$70 per barrel over the medium term, while Oil India already factors in oil closer to \$80-82 per barrel.

Headline	Govt's upstream royalty reforms to improve earnings outlook for oil, gas producers: Kotak		
Publication	Chhattisgarh Today	Edition	Online Coverage
Published Date	14 May 2026		

Govt's upstream royalty reforms to improve earnings outlook for oil, gas producers: Kotak

<https://www.chhattisgarhtoday.in/news/govts-upstream-royalty-reforms-to-improve-earnings-outlook-for-oil-gas-producers-kotak20260514172324/>

New Delhi [India, May 14 : The Centre's decision to rationalise upstream royalty rates could increase standalone earnings of state-run oil producers ONGC and Oil India, according to a report by Kotak Institutional Equities.

The government had earlier announced a rationalisation of royalty rates for crude oil, natural gas and casing head condensate under the amended Oilfields (Regulation and Development) Act and Petroleum & Natural Gas (PNG) Rules, with Petroleum Minister Hardeep Singh Puri saying the move marks a "new era" for India's oil and gas regime by creating a "stable, predictable, and investor-aligned framework."

Upstream royalty refers to the fee or share paid by oil and gas companies to the government for extracting crude oil and natural gas from fields. It is usually calculated as a percentage of the value of oil or gas produced.

According to the Kotak report, "We estimate a ~5-6% standalone earnings uplift for ONGC and ~12-13% for OIL."

The report said the reforms aim to simplify the royalty structure and remove older inconsistencies across exploration regimes.

"The government has taken multiple steps to enhance the attractiveness of the upstream sector. Amendments to the ORD Act, 1948, and revisions to the Petroleum & Natural Gas (PNG) Rules are focused on ensuring fiscal stability," the report said.

Kotak said one of the key changes is the reduction in crude royalty for nominated and pre-NELP blocks to 12.5 per cent from an earlier effective rate of around 16.67 per cent.

The report added that the government has also standardised deductions allowed for post-well-head costs, which are expenses incurred after oil or gas is extracted from the well and prepared for sale.

"For crude oil well-head cost deduction from the sale price was rationalized to 20% for nominated blocks and 15% for other blocks," it said.

Kotak further noted that natural gas fields will now also receive similar deductions, which were not available earlier.

"Importantly, natural gas will also get a 15-20% well cost deduction for other/nominated blocks (earlier NIL). This will effectively reduce royalty rates on gas to 8% on nominated fields and 8.5% on other fields (earlier 10%)," the report said.

The report further noted that royalty rates have also been aligned across Discovered Small Fields (DSF) and Hydrocarbon Exploration Licensing Policy (HELP) regimes to simplify the framework further.

According to Kotak, the changes could reduce effective royalty payments on crude oil production by around 2.5 per cent for ONGC and nearly 5.8 per cent for Oil India.

"As on-land blocks account for ~30%, the effective royalty decline on oil production will be ~2.5% for ONGC. With its entire oil production on land, the benefit will be higher at ~5.8% for Oil India," the report said.

For natural gas, the report estimated royalty rates could decline by around 1.8-2 per cent because post-well-head costs are now allowed as deductions.

Headline	UAE visit: PM Narendra Modi drops in on a consequential partner		
Publication	Daily Hunt (Mobile)	Edition	Online Coverage
Published Date	14 May 2026		

UAE visit: PM Narendra Modi drops in on a consequential partner

<http://m.dailyhunt.in/news/india/english/hindustan+times-epaper-httmes/uae+visit+pm+narendra+modi+drops+in+on+a+consequential+partner-newsid-n712212138>

Prime Minister Narendra Modi's stopover in Abu Dhabi on May 15, en route to the India-Nordic Summit, may last only a few hours, but comes at a moment of uncommon strategic consequence.

Modi will meet UAE President Sheikh Mohamed bin Zayed Al Nahyan (MBZ) amid exceptional turbulence in West Asia. Disruptions in the Strait of Hormuz and heightened tensions involving Iran have unsettled energy markets, shipping and regional security. Against this backdrop, sustained coordination with Abu Dhabi has acquired fresh urgency.

The timing is especially significant. Modi recently used a public address to urge Indians to moderate fuel consumption to ease the economic strain from rising oil prices and the West Asia conflict—an unusually direct appeal underscoring the seriousness of the moment. India imports nearly 87% of its crude oil and roughly half of its natural gas requirements. In moments of geopolitical disruption, energy security becomes an immediate economic imperative.

That reality helps explain why the UAE occupies a special place in India's external engagement. The UAE ranks among India's leading suppliers of crude oil, LNG and LPG and is today one of our most dependable energy partners. As energy markets become more fragmented and transactional, reliable bilateral arrangements matter more than ever for major importers such as India.

The relationship extends beyond simple buyer-seller dynamics. The Abu Dhabi National Oil Company (ADNOC) participates in India's strategic petroleum reserves, while an ONGC Videsh-led Indian consortium holds a 10% stake in Abu Dhabi's Lower Zakum oil field. Together, these arrangements give the relationship unusual strategic depth, combining supply reliability with upstream participation and long-term energy cooperation.

The UAE's recent exit from OPEC adds an important dimension. Outside cartel production quotas, Abu Dhabi will have greater flexibility to produce at capacity, potentially increasing crude availability and negotiating space for buyers like India, especially once disruptions ease. The case for expanding Emirati crude storage in India's strategic petroleum reserves is also strong. This would give the UAE secure storage beyond Hormuz while enhancing India's energy resilience.

The Abu Dhabi discussions are likely to focus on ensuring reliable energy flows, coordinating assessments of an increasingly volatile regional environment, and strengthening maritime and defence cooperation. Drone and missile attacks across the Gulf have demonstrated how quickly instability can threaten trade routes and energy corridors vital to both the UAE's exports and India's economic growth.

Yet reducing India-UAE ties to crisis management or hydrocarbons would miss the larger story. The visit follows MBZ's visit to India this January and NSA Ajit Doval's consultations in Abu Dhabi last month, underscoring intense high-level coordination. Leadership-level engagement, revived when Modi visited the UAE in 2015 after a 34-year hiatus, reflects a deeper transformation in India-UAE ties: from a transactional energy relationship to one of India's closest strategic partnerships in its extended neighbourhood.

That transformation mirrors larger shifts in India's external engagement. The end of the Cold War and India's economic liberalisation made energy security central to national strategy. As the Gulf diversified economically and the UAE emerged as a global commercial and logistics hub, complementarities with India deepened. A relationship once defined largely by oil trade and expatriate labour has evolved into a multidimensional partnership spanning investment, connectivity, technology, defence and security.

The economic numbers tell that story. Bilateral trade crossed US\$100 billion in 2025, making the UAE India's third-largest trading partner after China and the United States. The UAE was India's fifth largest FDI source in 2024-25. It has pledged cumulative investments of US\$75 billion in India's infrastructure sector, while the Abu Dhabi Investment Authority—one of the world's largest sovereign wealth funds—anchors India's National Investment and Infrastructure Fund. Building on the UAE's COP28 presidency in 2023, cooperation has widened to include clean energy partnerships, through Emirati

investments in Indian renewables and green hydrogen. Modi can be expected to encourage greater Emirati FDI and sovereign fund participation in India's growth story.

Indian companies are deeply embedded in the UAE economy, while the 4.3 million-strong Indian community-its largest expatriate group and one of the biggest concentrations of Indians abroad-provides enduring ballast to ties. Their remittances rank among the world's highest. Modi is equally likely to encourage greater investment into India by the Indian diaspora in the UAE, whose financial linkages form an important pillar of the relationship.

What distinguishes the UAE from other Gulf partners is the unusual concentration of its simultaneous strategic roles. Saudi Arabia may matter more for oil markets, Qatar for natural gas, and Oman for maritime access, but the UAE combines all: energy reliability, logistics connectivity, financial capital, a vast Indian diaspora, security cooperation and sustained political trust in a single relationship.

For India, the UAE increasingly functions as a trusted partner, energy security anchor, logistics hub, investment source, security interlocutor and bridge to a wider region. For Abu Dhabi, India represents a major market, trusted development partner and rising geopolitical actor with which deeper engagement carries long-term strategic value.

The partnership also sits comfortably within India's broader approach of strategic autonomy and multi-alignment. In a fractured international order, New Delhi benefits from cultivating dependable partnerships across regions and power centres rather than becoming overly dependent on any one country or bloc. Pragmatic and equally comfortable navigating geopolitical divides, the UAE has become a natural partner in that strategy.

Amid continuing turbulence in West Asia, Modi's stopover in the UAE is anything but routine. It reflects a larger reality: few relationships in India's extended neighbourhood matter more today than India's partnership with the UAE. Brief though it may be, the Abu Dhabi meeting may well prove one of the most consequential engagements of Modi's larger itinerary.

Ajai Malhotra, Distinguished Fellow, TERI. Former Indian Ambassador and former Independent Director, ONGC and ONGC Videsh. Views expressed are personal.

Headline	Oil India, ONGC stocks get double bonanza: royalty boost, after higher realization		
Publication	DataStreet	Edition	Online Coverage
Published Date	14 May 2026		

Oil India, ONGC stocks get double bonanza: royalty boost, after higher realization

<https://datastreet.in/oil-india-ongc-stocks-get-double-bonanza-royalty-boost-after-higher-realization/>

The Centre's strategic decision to incentivize local oil and gas output amid global volatility, combined with robust crude realizations, is set to boost earnings for major players like ONGC and Oil India.

Headline	Govt's upstream royalty reforms to improve earnings outlook for oil, gas producers: Kotak		
Publication	Delhi Live News	Edition	Online Coverage
Published Date	14 May 2026		

Govt's upstream royalty reforms to improve earnings outlook for oil, gas producers: Kotak

<https://www.delhilivenews.in/news/govts-upstream-royalty-reforms-to-improve-earnings-outlook-for-oil-gas-producers-kotak20260514172324/>

The government had earlier announced a rationalisation of royalty rates for crude oil, natural gas and casing head condensate under the amended Oilfields (Regulation and Development) Act and Petroleum & Natural Gas (PNG) Rules, with Petroleum Minister Hardeep Singh Puri saying the move marks a "new era" for India's oil and gas regime by creating a "stable, predictable, and investor-aligned framework."

Upstream royalty refers to the fee or share paid by oil and gas companies to the government for extracting crude oil and natural gas from fields. It is usually calculated as a percentage of the value of oil or gas produced.

According to the Kotak report, "We estimate a ~5-6% standalone earnings uplift for ONGC and ~12-13% for OIL."

The report said the reforms aim to simplify the royalty structure and remove older inconsistencies across exploration regimes.

"The government has taken multiple steps to enhance the attractiveness of the upstream sector. Amendments to the ORD Act, 1948, and revisions to the Petroleum & Natural Gas (PNG) Rules are focused on ensuring fiscal stability," the report said.

Kotak said one of the key changes is the reduction in crude royalty for nominated and pre-NELP blocks to 12.5 per cent from an earlier effective rate of around 16.67 per cent.

The report added that the government has also standardised deductions allowed for post-well-head costs, which are expenses incurred after oil or gas is extracted from the well and prepared for sale.

"For crude oil well-head cost deduction from the sale price was rationalized to 20% for nominated blocks and 15% for other blocks," it said.

Kotak further noted that natural gas fields will now also receive similar deductions, which were not available earlier.

"Importantly, natural gas will also get a 15-20% well cost deduction for other/nominated blocks (earlier NIL). This will effectively reduce royalty rates on gas to 8% on nominated fields and 8.5% on other fields (earlier 10%)," the report said.

The report further noted that royalty rates have also been aligned across Discovered Small Fields (DSF) and Hydrocarbon Exploration Licensing Policy (HELP) regimes to simplify the framework further.

According to Kotak, the changes could reduce effective royalty payments on crude oil production by around 2.5 per cent for ONGC and nearly 5.8 per cent for Oil India.

"As on-land blocks account for ~30%, the effective royalty decline on oil production will be ~2.5% for ONGC. With its entire oil production on land, the benefit will be higher at ~5.8% for Oil India," the report said.

For natural gas, the report estimated royalty rates could decline by around 1.8-2 per cent because post-well-head costs are now allowed as deductions.

Headline	How India's power stocks jumped ₹3 lakh crore on \$100 oil: The Great Revaluation		
Publication	Eastern Echo	Edition	Online Coverage
Published Date	14 May 2026		

How India's power stocks jumped ₹3 lakh crore on \$100 oil: The Great Revaluation

<https://easternecho.in/2026/05/14/how-indias-power-stocks-jumped-%e2%82%b93-lakh-crore-on-100-oil-the-great-revaluation/>

With Brent crude prices globally crossing the \$100 mark and West Asian tensions escalating, the Indian markets are witnessing a huge shift at the structural level. High oil prices are typically a macroeconomic headwind for importers but the Nifty Energy index has bucked the gloom, adding more than 3 lakh crore in market capitalisation. This is a fundamental repricing of energy security and we are seeing investors aggressively moving into domestic power generation and upstream oil companies as a hedge against imported inflation.

The rally is being driven by upstream majors like ONGC and Oil India that are directly benefiting from higher realisations and power transmission leaders like Adani Energy Solutions that are witnessing record project pipelines. At the same time, the crisis is speeding up India's transition to a distributed energy infrastructure. Rising LPG and fuel costs are leading to a shift towards electrification with record volumes being witnessed on the Indian Energy Exchange (IEX) and rapid uptake of electric vehicles and induction cooking.

That boom is a sign of a growing consensus in the market: Cheap imported fuel is volatile, and domestic power assets are the new foundation for portfolio stability. While traditional oil marketing companies are under margin pressure, the larger power sector is getting re-rated as the ultimate beneficiary of India's quest for energy independence. The message to investors is simple: the surge in crude is not just a cost burden, but the trigger for a massive multi-year investment cycle into domestic energy independence.

Headline	NTPC Green Energy adds 62.5 MW of solar capacity as 2 projects turn commercial		
Publication	Energywatch	Edition	Online Coverage
Published Date	14 May 2026		

NTPC Green Energy adds 62.5 MW of solar capacity as 2 projects turn commercial

<https://www.energywatch.in/renewable-energy/solar/ntpc-green-energy-adds-625-mw-of-solar-capacity-as-2-projects-turn-commercial>

NTPC Green Energy said two Rajasthan solar power units have started commercial operation, lifting its group capacity to 10,516.40 MW Published on

New Delhi: NTPC Green Energy Limited (NGEL) said in a regulatory filing to the stock exchanges on Thursday that the second part capacity of 12.5 MW of its 150 MW solar project in Rajasthan, housed under Project Eleven Renewable Power Private Limited, has been declared on commercial operation from 00:00 hrs of May 15. The company also said the second part capacity of 50 MW of its 300 MW solar project in Rajasthan, under Project Sixteen Renewable Power Private Limited, has been declared on commercial operation from the same date. The filing described both entities as step-down subsidiaries of the joint venture ONGC NTPC Green Private Limited.

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NTPC Green capacity inches up to 10,516.40 MW

The disclosure said NTPC Green Energy Group's commercial capacity stood at 10,453.90 MW, and it has now gone up to 10,516.40 MW after these two units started commercial operations.

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Bigger renewable build-out in the background

The announcement fits into NTPC Limited's wider renewable push. NTPC has said it plans to reach 60 GW of renewable energy capacity by 2032. ONGC NTPC Green Private Limited is a 50:50 joint venture between NGEL and ONGC Green Limited. In February 2025, that JV signed a share purchase agreement to acquire Ayana Renewable Power Private Limited, a deal the company said would add more than 4 GW of operational and pipeline capacity to its portfolio.

Headline	Desco Infratech Ltd emerges L1 Bidder for ONGC Pipeline Replacement Project		
Publication	Equity Bulls	Edition	Online Coverage
Published Date	14 May 2026		

Desco Infratech Ltd emerges L1 Bidder for ONGC Pipeline Replacement Project

<https://equitybulls.com/category.php?id=370910>

Desco Infratech Limited has emerged as the L1 (Lowest Bidder) for the following project floated by Oil and Natural Gas Corporation Limited (ONGC):

"Replacement of 24 Inch Crude Oil Transfer Pipelines from ONGC Trombay Terminal to BPCL and HPCL Refineries at Uran Plant"

As per the BOQ Summary Details, the Company secured the first position (L1) amongst various industry participants. This development marks another significant milestone in the Company's expanding footprint within India's oil & gas and hydrocarbon infrastructure sector.

The scope of the project involves replacement and strengthening of critical crude oil transfer pipeline infrastructure connecting the ONGC Trombay Terminal with refinery facilities of BPCL and HPCL at Uran Plant. The project is strategically important for ensuring safe, efficient, and uninterrupted transportation of crude oil within the country's energy infrastructure network.

The execution of the project is expected to involve advanced engineering practices, pipeline infrastructure expertise, stringent safety standards, and operational efficiency - areas in which the Company has consistently demonstrated strong technical and execution capabilities.

Oil and Natural Gas Corporation Limited (ONGC), a Maharatna Public Sector Enterprise, is one of India's largest and most reputed energy companies. ONGC plays a pivotal role in strengthening India's energy security and contributes substantially towards the country's crude oil and natural gas production.

With decades of operational excellence, ONGC has been instrumental in developing and modernizing India's upstream and midstream hydrocarbon infrastructure and continues to undertake strategic investments in modernization, sustainability, and energy infrastructure development.

Association with ONGC projects reflects robust technical qualifications, execution capabilities, and adherence to high operational and safety standards.

Strategic Significance

This achievement further strengthens Desco Infratech Limited's order pipeline and reinforces its positioning in the oil & gas infrastructure segment. The Company continues to focus on strategic opportunities in pipeline construction, gasification systems, industrial engineering, and energy infrastructure projects across India.

The management remains optimistic about the Company's long-term growth prospects, supported by strong execution capabilities, increasing participation in large-scale infrastructure projects, and expanding opportunities within the energy sector.

Headline	Wholesale inflation surges to 42-month high of 8.3% in April as oil shock pushes up fuel, crude prices		
Publication	Fortune India	Edition	Online Coverage
Published Date	14 May 2026		

Wholesale inflation surges to 42-month high of 8.3% in April as oil shock pushes up fuel, crude prices

<https://www.fortuneindia.com/economy/wholesale-inflation-surges-to-42-month-high-of-83-in-april-as-oil-shock-pushes-up-fuel-crude-prices/137690>

India's wholesale price inflation accelerated sharply to sharply to a 42-month high of 8.30% in April from 3.88% in March, driven primarily by a

steep rise in fuel, power, and crude petroleum prices amid ongoing geopolitical tensions in West Asia.

The spike in wholesale inflation reflects the growing impact of the West Asia crisis and disruptions around the Strait of Hormuz, a critical global oil transit route through which a major portion of India's crude oil imports pass.

According to data released by the Ministry of Commerce and Industry on Thursday, inflation in the fuel and power category surged to 24.71% in April, compared to just 1.05% in March.

Crude oil, natural gas recorded sharpest rise

Crude petroleum and natural gas recorded the sharpest increase, with inflation soaring to 88.06% in April from 51.5% in the previous month.

The ministry said the rise in wholesale inflation was mainly led by higher prices of mineral oils, crude petroleum and natural gas, basic metals, non-food articles and manufactured products. Positive rate of inflation in April 2026 is primarily due to increase in prices of mineral oils, crude petroleum & natural gas, basic metals, other manufacturing and non-food articles, the ministry said in a statement.

Inflation in food articles

Inflation in food articles remained relatively stable at 1.98% in April compared with 1.90% in March. However, non-food articles inflation rose to 12.18% during the month from 11.5% in March.

Within the fuel basket, LPG inflation climbed sharply to 10.92% in April from (-)1.54% in March. Petrol inflation jumped to 32.40% from 2.50% a month earlier, while high-speed diesel inflation rose to 25.19% against 3.26% in March.

Despite a nearly 50% rise in global crude oil prices in recent months, the government has so far kept retail prices of petrol, diesel, and domestic LPG unchanged to shield consumers from the direct impact of higher energy costs. However, prices of commercial LPG cylinders have been increased.

Analysts said the latest WPI data signals mounting cost pressures across the economy and raises concerns over imported inflation.

Shashwat Singh said the inflation print came in significantly above market expectations and reflected broad-based wholesale price pressures.

India's WPI inflation for April 2026 surged sharply to 8.30%, significantly above market expectations of 5.50% and versus 3.88% in March, indicating a strong acceleration in wholesale price pressures across the economy, Singh said.

He added that the sharp increase was largely driven by higher crude oil prices, fuel and power costs, imported inflation and elevated input prices amid continuing geopolitical tensions in West Asia. Higher logistics, freight and commodity prices are now increasingly getting reflected in wholesale inflation, which could eventually pass through to consumer inflation as well, Singh noted.

According to him, the spike in wholesale inflation also suggests margin pressure for manufacturing and industrial companies if rising input costs cannot be fully passed on to consumers. Going forward, WPI inflation may remain elevated

and volatile due to uncertainty in global crude oil prices, supply-chain disruptions and currency weakness, especially if geopolitical tensions persist, he added.

Frequently Asked Questions

What is India's wholesale inflation rate for April?

India's wholesale price inflation surged to a 42-month high of 8.30% in April, accelerating sharply from 3.88% in March, according to Ministry of Commerce and Industry data.

What caused the surge in wholesale inflation in April?

The surge was primarily driven by a steep rise in fuel, power, and crude petroleum prices, exacerbated by geopolitical tensions in West Asia and disruptions around the Strait of Hormuz.

Which categories saw the sharpest price increases in April?

Crude petroleum and natural gas recorded the sharpest increase, with inflation soaring to 88.06% in April. Fuel and power inflation surged to 24.71% during the month.

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Headline	Govt's upstream royalty reforms to improve earnings outlook for oil, gas producers: Kotak		
Publication	Gujarat Samachar News	Edition	Online Coverage
Published Date	14 May 2026		

Govt's upstream royalty reforms to improve earnings outlook for oil, gas producers: Kotak

<https://www.gujaratsamachar.news/news/govts-upstream-royalty-reforms-to-improve-earnings-outlook-for-oil-gas-producers-kotak20260514172324/>

The government had earlier announced a rationalisation of royalty rates for crude oil, natural gas and casing head condensate under the amended Oilfields (Regulation and Development) Act and Petroleum & Natural Gas (PNG) Rules, with Petroleum Minister Hardeep Singh Puri saying the move marks a "new era" for India's oil and gas regime by creating a "stable, predictable, and investor-aligned framework."

Upstream royalty refers to the fee or share paid by oil and gas companies to the government for extracting crude oil and natural gas from fields. It is usually calculated as a percentage of the value of oil or gas produced.

According to the Kotak report, "We estimate a ~5-6% standalone earnings uplift for ONGC and ~12-13% for OIL."

The report said the reforms aim to simplify the royalty structure and remove older inconsistencies across exploration regimes.

"The government has taken multiple steps to enhance the attractiveness of the upstream sector. Amendments to the ORD Act, 1948, and revisions to the Petroleum & Natural Gas (PNG) Rules are focused on ensuring fiscal stability," the report said.

Kotak said one of the key changes is the reduction in crude royalty for nominated and pre-NELP blocks to 12.5 per cent from an earlier effective rate of around 16.67 per cent.

The report added that the government has also standardised deductions allowed for post-well-head costs, which are expenses incurred after oil or gas is extracted from the well and prepared for sale.

"For crude oil well-head cost deduction from the sale price was rationalized to 20% for nominated blocks and 15% for other blocks," it said.

Kotak further noted that natural gas fields will now also receive similar deductions, which were not available earlier.

"Importantly, natural gas will also get a 15-20% well cost deduction for other/nominated blocks (earlier NIL). This will effectively reduce royalty rates on gas to 8% on nominated fields and 8.5% on other fields (earlier 10%)," the report said.

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Published Date	14 May 2026		

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<https://www.gujaratvarta.com/news/govts-upstream-royalty-reforms-to-improve-earnings-outlook-for-oil-gas-producers-kotak20260514172324/>

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Publication	Himachal Patrika	Edition	Online Coverage
Published Date	14 May 2026		

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<https://www.himachalpatrika.com/news/govts-upstream-royalty-reforms-to-improve-earnings-outlook-for-oil-gas-producers-kotak20260514172324/>

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Publication	Hindustan Times	Edition	Online Coverage
Published Date	14 May 2026		

UAE visit: PM Narendra Modi drops in on a consequential partner

<https://www.hindustantimes.com/india-news/uae-visit-pm-narendra-modi-drops-in-on-a-consequential-partner-101778747695860.html>

PM Narendra Modi recently used a public address to urge Indians to moderate fuel consumption to ease the economic strain from rising oil prices and the West Asia conflict

Prime Minister Narendra Modi's stopover in Abu Dhabi on May 15, en route to the IndiaNordic Summit, may last only a few hours, but comes at a moment of uncommon strategic consequence. Modi will meet UAE President Sheikh Mohamed bin Zayed Al Nahyan (MBZ) amid exceptional turbulence in West Asia. Disruptions in the Strait of Hormuz and heightened tensions involving Iran have unsettled energy markets, shipping and regional security. Against this backdrop, sustained coordination with Abu Dhabi has acquired fresh urgency.

The timing is especially significant. Modi recently used a public address to urge Indians to moderate fuel consumption to ease the economic strain from rising oil prices and the West Asia conflictan unusually direct appeal underscoring the seriousness of the moment. India imports nearly 87% of its crude oil and roughly half of its natural gas requirements. In moments of geopolitical disruption, energy security becomes an immediate economic imperative.

That reality helps explain why the UAE occupies a special place in India's external engagement. The UAE ranks among India's leading suppliers of crude oil, LNG and LPG and is today one of our most dependable energy partners. As energy markets become more fragmented and transactional, reliable bilateral arrangements matter more than ever for major importers such as India.

The relationship extends beyond simple buyer-seller dynamics. The Abu Dhabi National Oil Company (ADNOC) participates in India's strategic petroleum reserves, while an ONGC Videsh-led Indian consortium holds a 10% stake in Abu Dhabi's Lower Zakum oil field. Together, these arrangements give the relationship unusual strategic depth, combining supply reliability with upstream participation and long-term energy cooperation.

The UAE's recent exit from OPEC adds an important dimension. Outside cartel production quotas, Abu Dhabi will have greater flexibility to produce at capacity, potentially increasing crude availability and negotiating space for buyers like India, especially once disruptions ease. The case for expanding Emirati crude storage in India's strategic petroleum reserves is also strong. This would give the UAE secure storage beyond Hormuz while enhancing India's energy resilience.

The Abu Dhabi discussions are likely to focus on ensuring reliable energy flows, coordinating assessments of an increasingly volatile regional environment, and strengthening maritime and defence cooperation. Drone and missile attacks across the Gulf have demonstrated how quickly instability can threaten trade routes and energy corridors vital to both the UAE's exports and India's economic growth.

Yet reducing IndiaUAE ties to crisis management or hydrocarbons would miss the larger story. The visit follows MBZ's visit to India this January and NSA Ajit Doval's consultations in Abu Dhabi last month, underscoring intense high-level coordination. Leadership-level engagement, revived when Modi visited the UAE in 2015 after a 34-year hiatus, reflects a deeper transformation in IndiaUAE ties: from a transactional energy relationship to one of India's closest strategic partnerships in its extended neighbourhood.

That transformation mirrors larger shifts in India's external engagement. The end of the Cold War and India's economic liberalisation made energy security central to national strategy. As the Gulf diversified economically and the UAE emerged as a global commercial and logistics hub, complementarities with India deepened. A relationship once defined largely by oil trade and expatriate labour has evolved into a multidimensional partnership spanning investment, connectivity, technology, defence and security.

The economic numbers tell that story. Bilateral trade crossed US\$100 billion in 2025, making the UAE India's third-largest trading partner after China and the United States. The UAE was India's fifth largest FDI source in 2024-25. It has pledged cumulative investments of US\$75 billion in India's infrastructure sector, while the Abu Dhabi Investment Authorityone of

the world's largest sovereign wealth funds anchors India's National Investment and Infrastructure Fund. Building on the UAE's COP28 presidency in 2023, cooperation has widened to include clean energy partnerships, through Emirati investments in Indian renewables and green hydrogen. Modi can be expected to encourage greater Emirati FDI and sovereign fund participation in India's growth story.

Indian companies are deeply embedded in the UAE economy, while the 4.3 million-strong Indian community its largest expatriate group and one of the biggest concentrations of Indians abroad provides enduring ballast to ties. Their remittances rank among the world's highest. Modi is equally likely to encourage greater investment into India by the Indian diaspora in the UAE, whose financial linkages form an important pillar of the relationship.

What distinguishes the UAE from other Gulf partners is the unusual concentration of its simultaneous strategic roles. Saudi Arabia may matter more for oil markets, Qatar for natural gas, and Oman for maritime access, but the UAE combines all: energy reliability, logistics connectivity, financial capital, a vast Indian diaspora, security cooperation and sustained political trust in a single relationship.

For India, the UAE increasingly functions as a trusted partner, energy security anchor, logistics hub, investment source, security interlocutor and bridge to a wider region. For Abu Dhabi, India represents a major market, trusted development partner and rising geopolitical actor with which deeper engagement carries long-term strategic value.

The partnership also sits comfortably within India's broader approach of strategic autonomy and multi-alignment. In a fractured international order, New Delhi benefits from cultivating dependable partnerships across regions and power centres rather than becoming overly dependent on any one country or bloc. Pragmatic and equally comfortable navigating geopolitical divides, the UAE has become a natural partner in that strategy.

Amid continuing turbulence in West Asia, Modi's stopover in the UAE is anything but routine. It reflects a larger reality: few relationships in India's extended neighbourhood matter more today than India's partnership with the UAE. Brief though it may be, the Abu Dhabi meeting may well prove one of the most consequential engagements of Modi's larger itinerary.

Ajai Malhotra, Distinguished Fellow, TERI. Former Indian Ambassador and former Independent Director, ONGC and ONGC Videsh. Views expressed are personal.

Headline	ONGC asks Indian bidders to quote in rupees for procurement tenders to conserve foreign exchange		
Publication	India Seatrade News	Edition	Online Coverage
Published Date	14 May 2026		

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<https://indiaseatradenews.com/ongc-asks-indian-bidders-to-quote-in-rupees-for-procurement-tenders-to-conserve-foreign-exchange/>

State-run Oil and Natural Gas Corporation (ONGC), India's largest oil and gas explorer, has begun asking Indian bidders to quote in Indian rupees

for procurement tenders, including contracts related to hiring offshore support vessels and other exploration-linked services, according to multiple sources. The move is aimed at reducing foreign exchange outflow as the government pushes public sector firms to adopt measures that conserve dollar reserves.

According to sources, ONGC has made it mandatory for Indian companies participating in procurement tenders to submit bids in rupees rather than U.S. dollars. While bidders can still specify the foreign exchange component involved in imported equipment or services, payments will be made in rupees subject to verification.

Indian bidders are now required to quote in rupees in all procurement tenders floated by ONGC. If there is a foreign component in the proposal, it has to be disclosed separately, but the quoted currency has to be Indian rupees, a government source said.

The change is not limited to vessel hiring contracts and has reportedly been extended to other procurement categories as well. However, foreign companies awarded contracts by ONGC will continue to receive payments in U.S. dollars.

Shipping industry executives described the move as a logical step in line with the government's broader focus on conserving foreign exchange reserves. Industry observers noted that ONGC spends hundreds of millions of dollars annually on hiring drilling rigs and offshore support vessels used for exploration activities.

The development comes at a time when Prime Minister Narendra Modi has urged citizens and industries to reduce unnecessary foreign exchange outflows amid economic pressures arising from the ongoing conflict involving Iran. The Prime Minister recently appealed for judicious use of fuel, avoiding non-essential foreign travel and limiting gold imports to help conserve foreign currency reserves.

According to ET Infra, the shift towards rupee-denominated procurement could also influence other state-owned firms involved in shipping and EXIM logistics to seek rupee-based quotations from Indian entities for ship hiring and logistics contracts.

The global shipping industry has traditionally relied on U.S. dollar-denominated charter contracts because of the international nature of maritime trade. However, Indian policymakers are increasingly encouraging domestic shipping and shipbuilding to reduce dependence on foreign carriers and curb foreign exchange outflows.

At an event in Bhavnagar, Gujarat, in September 2025, Prime Minister Modi highlighted that India pays nearly Rs 6 lakh crore (around USD 75 billion) annually to foreign shipping companies as freight because only about 5 percent of the country's export-import cargo is transported on Indian-owned ships.

The government views this dependence on foreign carriers as both an economic and strategic concern. As part of efforts to strengthen maritime self-reliance, some shipbuilding tenders floated by Shipping Corporation of India have already sought rupee-denominated fixed-price offers from domestic shipyards.

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Publication	India's News	Edition	Online Coverage
Published Date	14 May 2026		

Govt's upstream royalty reforms to improve earnings outlook for oil, gas producers: Kotak

<https://www.indiasnews.net/news/279050373/govt-upstream-royalty-reforms-to-improve-earnings-outlook-for-oil-gas-producers-kotak>

Centre's decision to rationalise upstream royalty rates could increase standalone earnings of state-run oil producers ONGC and Oil India, according to a report by Kotak Institutional Equities.

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Kotak said one of the key changes is the reduction in crude royalty for nominated and pre-NELP blocks to 12.5 per cent from an earlier effective rate of around 16.67 per cent.

The report added that the government has also standardised deductions allowed for post-well-head costs, which are expenses incurred after oil or gas is extracted from the well and prepared for sale.

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Kotak further noted that natural gas fields will now also receive similar deductions, which were not available earlier.

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Headline	Govt's upstream royalty reforms to improve earnings outlook for oil, gas producers: Kotak		
Publication	Jharkhand Times	Edition	Online Coverage
Published Date	14 May 2026		

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<https://www.jharkhandtimes.in/news/govts-upstream-royalty-reforms-to-improve-earnings-outlook-for-oil-gas-producers-kotak20260514172324/>

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Publication	Just Dial	Edition	Online Coverage
Published Date	14 May 2026		

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<https://www.justdial.com/JdSocial/news/Money-generic/Oil-India-ONGC-stocks-get-double-bonanza-royalty-boost-after-higher-realization/1778747317939933>

The Centre's strategic decision to incentivize local oil and gas output amid global volatility, combined with robust crude realizations, is set to boost earnings for major players like ONGC and Oil India.

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Publication	Karnataka Live	Edition	Online Coverage
Published Date	14 May 2026		

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<https://www.karnatakalive.in/news/govts-upstream-royalty-reforms-to-improve-earnings-outlook-for-oil-gas-producers-kotak20260514172324/>

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Published Date	14 May 2026		

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<https://www.kashmirnewsline.in/news/govts-upstream-royalty-reforms-to-improve-earnings-outlook-for-oil-gas-producers-kotak20260514172324/>

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Published Date	14 May 2026		

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Publication	Mint	Edition	Online Coverage
Published Date	14 May 2026		

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<https://www.livemint.com/industry/mitsui-osk-lines-india-push-energy-shipping-logistics-auto-indian-seafarers-ceo-jotaro-tamura-west-asia-crisis-crude-oil-11778739486739.html>

Japan's Mitsui O.S.K. Lines (MOL), which operates the worlds second-largest fleet, plans to deepen its India presence across energy transportation, automobile exports, logistics and maritime manpower.

Mitsui O.S.K. Lines (MOL), the Japanese shipping company that operates the worlds second-largest fleet, plans to deepen its presence in India across energy transportation, automobile exports, logistics and maritime manpower and hire more Indian seafarers.

India is attractive for us, Jotaro Tamura, president and chief executive officer of MOL, said in an exclusive interview with Mint during his first visit to India after assuming office earlier this year. In our updated business plan, India is one of the priority targets.

Tamura said India has become strategically important in MOLs long-term Blue Action corporate growth strategy extending to 2035, particularly for the 2026-30 phase where the company plans to accelerate expansion in priority geographies.

MOLs India expansion plans come amid ongoing geopolitical tensions in West Asia that have disrupted shipping routes and increased fuel costs globally. Tamura said the companys immediate priority remains the safety of vessels and seafarers operating around the Gulf region.

Our top priority remains the safety of our vessels and seafarers, he said.

The executive noted that freight rates, especially in container shipping, have already risen sharply amid disruptions and supply uncertainties and could go up further if the conflict in West Asia gets prolonged.

Companies can no longer simply rely on one cheap source or one short-distance supply chain, Tamura said. You have to be more strategic, and that will change trade patterns and shipping.

MOL is the fourth-largest fleet operator in India and aspires to become the second largest by bringing more ships from Japan to service Indian clients, largely in the energy and automobile segments. The Tokyo-based company has 13 Indian-flagged or India-linked vessels operating in the country, largely catering to crude oil, LNG and gas transportation.

Growing demand

We are hoping to grow this, Tamura said. As demand arises from major oil players in India, we are very interested in looking at those opportunities.

Demand from state-run energy companies Oil and Natural Gas Corporation, Indian Oil Corporation and GAIL for tankers and gas carriers is expected to increase sharply over the coming decades as India expands its refining and gas import infrastructure. MOL already works with Indian companies in transporting energy cargoes, including ethane carriers linked to ONGC, and remains in discussions with Indian public sector firms for future opportunities.

Apart from energy transportation, MOL is looking to expand its logistics footprint in India, including terminals, intermodal transport and coastal movement solutions.

We see India still on its way to developing more integrated logistics, Tamura said. Ships, railways, road transport, terminals and intermodal facilities together create great opportunities.

MOL also plans to develop roll-on, roll-off terminals at ports to support automobile exports from India. The company already transports almost half of India-made vehicles.

As Indias automotive industry developed, exports started increasing and we also started playing a major role in supporting them, Tamura said.

The company is betting heavily on Indian maritime manpower, with Indian seafarers accounting for almost one-fifth of its global workforce.

As of now, we employ around 10,000 seafarers globally, of which about 20% are from India, Tamura said. We continue to rely on Indian seafarers because they are diligent, hardworking and trustworthy.

According to Tamura, MOL employs roughly 2,200 Indian seafarers and plans to continue expanding recruitment from India as global shipping demand grows.

This is in the mutual interest of shipping lines like us and also Indian society, he said.

Maritime training

MOL has tied up with maritime training institutes in India to build future talent pipelines. Tamura said the company regularly hires fresh graduates from Indian maritime academies and supports training programmes and scholarships.

We constantly hire new graduates on a regular basis and tie up with some of the top schools, he said. We provide scholarships and training courses as well.

India is among the worlds largest suppliers of maritime manpower, with Indian seafarers increasingly occupying officer-level and technical positions across global fleets.

MOL is closely watching Indias ambitions to emerge as a shipbuilding hub. India has identified multiple greenfield shipbuilding locations and is encouraging partnerships with global maritime players to build domestic manufacturing capability.

Tamura said the emergence of another major shipbuilding nation would be positive for the global maritime industry, currently dominated by China, South Korea and Japan.

From a global shipping perspective, it is positive to have another country capable of running a shipbuilding industry, he said. Right now, the industry is too concentrated.

However, he noted that shipbuilding requires a deep industrial ecosystem and would take time to scale up in India.

It is not a simple manufacturing industry. You need the whole ecosystem, skills and supporting industries, he said.

While MOL is unlikely to directly invest in shipyards, Tamura indicated the company could consider partnering and sourcing vessels from Indian shipyards in future once local capabilities mature and they start manufacturing ships it needs for local and global use.

Headline	Oil India, ONGC stocks get double bonanza: royalty boost, after higher realization		
Publication	Mint	Edition	Online Coverage
Published Date	14 May 2026		

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<https://www.livemint.com/market/mark-to-market/oil-india-ongc-royalty-cuts-domestic-production-boost-investment-11778742911219.html>

The Centre's strategic decision to incentivize local oil and gas output amid global volatility, combined with robust crude realizations, is set to boost earnings for major players like ONGC and Oil India.

The Centre's move to lower royalty rates on oil and gas produced in the country is a sharp contrast to its decision to impose a windfall tax during the earlier bout of oil price surge in 2022, when the Russia-Ukraine war began. The West Asia war is causing sharp volatility in oil prices, besides exposing supply-chain vulnerabilities, and seems to have prompted the government to provide greater incentives to encourage domestic production.

The share prices of state-owned producers Oil India Ltd (OIL) and Oil & Natural Gas Corp. Ltd (ONGC) have jumped 14% and 7.5%, respectively, over the last three days after the news.

The royalty rate on onshore fields is down to 12.5% from 20%, while it remains steady at 10% for offshore fields. The move should spur greater investments in onshore fields, which are faster and cheaper to develop. Yet, the effective rate would drop for offshore fields as well, as the method of deducting expenses before royalty calculation has changed. Exploration and production (E&P) companies can now claim a deduction of 15-20% of realization, or up to \$16 per barrel, assuming an oil price of \$80 per barrel, against \$3-6 per barrel earlier.

Existing producers should benefit. Thus, earnings estimates have been raised. ICICI Securities has revised its FY27-28 earnings per share estimates upwards by 16% and 7% for Oil India, and 12% and 10% for ONGC. Oil India benefits more, as it produces all its oil from onshore fields, whereas ONGC's fields are primarily offshore. Earnings could be even higher if oil prices stay stronger for longer.

Our assumptions of \$85 per barrel realizations for FY27 and \$80 per barrel for FY28 are conservative and may see upside risk if the current tightness in the oil markets continues for the next 3-4 months, said ICICI Securities. Cairn Oil & Gas, a part of Vedanta, is currently undergoing a demerger and should also benefit.

Higher oil prices improve realizations of producers. Oil Indias crude oil realization in the March quarter (Q4FY26) grew sharply to \$77.9 per barrel, from \$62.8 per barrel in Q3FY26. Thus, Ebitda grew nearly 40% sequentially to 1,820 crore. ONGC is set to declare its Q4 results on 26 May.

Oil India and ONGCs shares have gained 22-26% so far in 2026 in the backdrop of firm oil prices. Easing of geopolitical tensions, or any government decision to share the subsidy burden with oil marketing companies, would be a dampener for the stocks.

Headline	Do you know what upstream and downstream companies are? How do crude oil prices impact them?		
Publication	Mint	Edition	Online Coverage
Published Date	14 May 2026		

Do you know what upstream and downstream companies are? How do crude oil prices impact them?

<https://www.livemint.com/market/stock-market-news/do-you-know-what-upstream-and-downstream-companies-are-how-do-crude-oil-prices-impact-them-11778746738096.html>

Crude oil price fluctuations affect upstream and downstream companies differently. Upstream firms benefit from higher prices, while downstream companies experience cost increases and margin pressures.

Upstream and downstream refer to a company's position in the supply chain. Upstream functions focus on acquiring raw materials and manufacturing, primarily on supply management. This involves extraction, sourcing, and research and development efforts to obtain inputs effectively. Conversely, downstream processes involve the processing, distribution, promotion, and selling of finished goods to final consumers, emphasising demand generation and customer satisfaction.

In the oil and gas industry, upstream refers to exploration and drilling activities, midstream to transportation and storage, and downstream to refining crude oil into fuels and distributing them to end users.

Upstream Operations (Supply & Production) Upstream industries focus on acquiring raw materials and getting them ready for manufacturing. Their main objective is to secure a dependable and economical supply of inputs. Common examples include mining, farming, crude oil exploration, and suppliers of raw materials. Expenses at this stage primarily cover research and development, extraction, and sourcing.

Downstream Operations (Distribution & Sales) Downstream businesses manage the concluding phases processing, distribution, retail, and customer interactions. They concentrate on efficiently delivering products and satisfying market needs. Examples of such companies include refineries, retail outlets, logistics firms, and marketing agencies. Expenses in this segment include transportation costs, advertising fees, and sales-related expenditures.

How crude prices impact oil companies differently Mohit Gulati, CIO and managing partner of ITI Growth Opportunities Fund, explained that crude oil impacts upstream and downstream companies very differently.

Upstream companies, which produce crude oil, usually benefit when prices rise because they earn more per barrel sold. Higher crude generally means stronger revenues and profitability for oil producers.

Downstream companies, such as refiners and fuel retailers, face a more complex situation. Rising crude prices increase their input costs, and in India, their margins are also influenced by government policy, fuel price controls, and the extent to which the increase can realistically be passed on to consumers.

Gulati believes that's why a spike in crude prices may boost upstream earnings while putting pressure on downstream balance sheets at the same time.

For investors, it's a reminder that in India's energy sector, crude oil is not a one-way trade; the impact depends entirely on where a company sits in the value chain, said Gulati.

Upstream vs Downstream: Who gains when oil rises? Harshal Dasani, Business Head, INVasset PMS, said that upstream players such as ONGC and Oil India are engaged in the exploration and production of crude oil and natural gas. When crude prices rise, their realisations improve, typically boosting revenue, operating profit, and cash flows. With Brent crude currently around \$106 per barrel, the environment remains favourable for upstream earnings. However, gains may be moderated by factors such as windfall taxes, subsidy-sharing, declining output from mature fields, and currency movements. In essence, upstream performs best when oil prices are firm, and policy intervention remains limited.

On the other hand, Dasani explained that downstream companies such as IOC, BPCL, and HPCL purchase crude oil and refine it into fuels such as petrol, diesel, LPG, and ATF. For them, crude is a key input, so rising prices increase costs and put pressure on working capital. If retail fuel prices are not adjusted accordingly, marketing margins come under strain.

While strong refining margins can offer some cushion, sharp spikes in crude typically weigh on sentiment. Lower crude prices are more favourable for downstream players, whereas higher prices benefit upstream companies. Integrated players like Reliance Industries straddle both segments, with performance linked to refining, petrochemicals, and retail dynamics, added Dasani.

Disclaimer: This story is for educational purposes only. The views and recommendations above are those of individual analysts or broking companies, not Mint. We advise investors to check with certified experts before making any investment decisions.

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Publication	South India News	Edition	Online Coverage
Published Date	14 May 2026		

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The report added that the government has also standardised deductions allowed for post-well-head costs, which are expenses incurred after oil or gas is extracted from the well and prepared for sale. "For crude oil well-head cost deduction from the sale price was rationalized to 20% for nominated blocks and 15% for other blocks," it said. Kotak further noted that natural gas fields will now also receive similar deductions, which were not available earlier. "Importantly, natural gas will also get a 15-20% well cost deduction for other/nominated blocks (earlier NIL). This will effectively reduce royalty rates on gas to 8% on nominated fields and 8.5% on other fields (earlier 10%)," the report said. The report further noted that royalty rates have also been aligned across Discovered Small Fields (DSF) and Hydrocarbon Exploration Licensing Policy (HELP) regimes to simplify the framework further. According to Kotak, the changes could reduce effective royalty payments on crude oil production by around 2.5 per cent for ONGC and nearly 5.8 per cent for Oil India. "As on-land blocks account for ~30%, the effective royalty decline on oil production will be ~2.5% for ONGC. With its entire oil production on land, the benefit will be higher at ~5.8% for Oil India," the report said. For natural gas, the report estimated royalty rates could decline by around 1.8-2 per cent because post-well-head costs are now allowed as deductions.

Headline	Centre hikes petrol, diesel prices by Rs 3 per litre each		
Publication	ANI News	Edition	Online Coverage
Published Date	15 May 2026		

Centre hikes petrol, diesel prices by Rs 3 per litre each

<https://www.aninews.in/news/national/general-news/centre-hikes-petrol-diesel-prices-by-rs-3-per-litre-each20260515071059>

New Delhi [India, May 15 (ANI): The Centre has hiked the prices of petrol and diesel by Rs 3 per litre each on Friday across the country.

In New Delhi, the petrol prices rose from Rs 94.77 to Rs 97.77 per litre, while diesel prices increased from Rs 87.67 to Rs 90.67 per litre. This comes amid a call for fuel conservation as the world faces an energy crisis amid the West Asia conflict, which led to a blockade in the significant maritime trade route, the Strait of Hormuz. The Brent oil prices have been at a record high in the wake of the US-Israel and Iran war, which began on February 28 this year. The Brent oil price has been hovering over USD 100 per barrel as the US and Iran are attempting to mediate for a long-term ceasefire in the region. The widening of the ambit of the war engulfed the West Asian countries, which are major suppliers of fuel. However, India has maintained that there is no shortage of fuel and has adequate energy supplies. On May 12, Union Minister for Petroleum and Natural Gas Hardeep Singh Puri said India ensured stable fuel prices and uninterrupted energy supplies despite global disruptions and rising crude oil prices, while significantly boosting domestic LPG production to meet growing demand. Addressing the CII Annual Business Summit 2026, Puri highlighted India's resilience in handling global energy shocks through strong policy coordination and effective supply management. "At a time of global supply shocks and rising crude prices, India ensured seamless availability of petrol, diesel, and LPG across the country, with no reports of shortages. Despite sharp global volatility, fuel prices have largely remained unchanged since 2022, reflecting strong policy coordination and effective supply management," the minister said. Ministry of Petroleum and Natural Gas had also said the government has taken several effective measures to ensure uninterrupted fuel supplies for consumers and that the crude oil inventories remain stable, refineries are operating at optimum levels, and adequate stocks of petrol, diesel and LPG are available across the country with no reported dry-outs.

Headline	Oil India rallies 5%, hits 52-week high post Q4 results; ONGC gains 2%		
Publication	Business Standard	Edition	Online Coverage
Published Date	14 May 2026		

Oil India rallies 5%, hits 52-week high post Q4 results; ONGC gains 2%

https://www.business-standard.com/markets/news/oil-india-rallies-5-hits-52-week-high-post-q4-results-ongc-up-2-126051400819_1.html

Oil India reported a 62 per cent YoY growth in Q4 consolidated net profit, backed by 4.4 per cent increase in revenue from operations. The stock has rallied 15 per cent in the last five days.

Oil India and ONGC have rallied up to 15% in the last five trading sessions.

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Shares of Oil India, ONGC

Shares of public sector undertaking (PSU) upstream companies Oil and Natural Gas Corporation (ONGC) and Oil India continued at their upward march, rallying up to 5 per cent on the BSE in Thursday's intra-day trade.

Oil India hit a 52-week high of 531, surging 5 per cent after the company reported healthy earnings for the quarter ended March 2026 (Q4FY26). The oil exploration & production company surpassed its previous high of 524.15 touched on February 4, 2026.

Share price of ONGC was up 2 per cent to 303.65 on the BSE in intra-day trade. The stock had hit a 52-week high of 307.50 on April 29, 2026. At 02:03 PM; Oil India and ONGC were up 3 per cent and 2 per cent, respectively. In comparison, the BSE Sensex was up 1.4 per cent at 75,608.

In the past five trading days, ONGC (7 per cent) and Oil India (15 per cent) rallied up to 15 per cent, as against 2.3 per cent decline in the benchmark index.

What's driving ONGC, Oil India stocks?

ONGC and Oil India witnessed a sharp surge in share prices after the Union Minister of Petroleum and Natural Gas Hardeep Singh Puri on Monday announced rationalisation of royalty for India's upstream sector.

The Ministry of Petroleum and Natural Gas (MOPNG) made significant changes to the royalty regime for upstream oil and gas fields. Royalty rates for most categories of fields were reduced/revised which could potentially benefit companies like ONGC and OIL India with an effective cut of 5-6 per cent (factoring in the 20 per cent fixed deduction on well-head price) on nominated onshore fields and a 1-1.5 per cent cut on offshore fields. For natural gas nominated fields, the cut is around 2 per cent.

If the GST on royalty issue is upheld in favour of ONGC and OIL that could potentially be an additional upside risk. For non-nominated fields, the 15 per cent discount on well-head prices implies a 6 per cent reduction. Overall, this is a material positive for ONGC and OIL, on top of the still unconstrained realisations being seen in oil and gas, analysts at ICICI Securities said.

The brokerage firm believes these measures, coupled with the continued absence of any cap on realisations, bode well for the earnings prospects of both companies. Combined with our belief that production performance should pick up over the next 12- 18months, we maintain BUY on ONGC (target price of 399) and ADD on Oil India (target price of 552), analysts said.

Analysts at JM Financial Institutional Securities believe rationalisation in the royalty rate is reiteration by Gol that it wants to boost domestic Oil & Gas exploration to reduce India's huge dependency on imported crude and gas (further exposed during ongoing Middle East crisis), thereby further reducing the risk of any windfall tax on crude. This is significantly positive for ONGC and Oil India as their current prices are discounting only USD 6570/bbl due to fear of windfall tax (versus actual realisation being significantly higher linked to Brent); every USD 1/bbl rise in oil price boosts their EPS by 12 per cent.

The brokerage firm reiterates BUY on Oil India (target price of 585) and ONGC (target price of 340) based on net crude realisation assumption of ~USD 75/bbl.

Oil India Q4 results

State-run Oil India reported a 62 per cent year-on-year increase in consolidated net profit to 2,424 crore in the fourth quarter of financial year 2025-26 (FY26). The upstream player's revenue from operations rose 4.4 per cent year-on-year (YoY) to 10,012.77 crore in the quarter from 9,588 crore in the same quarter last year.

Oil India said the company achieved a standalone profit after tax (PAT) of 1,790 crore in Q4FY26 against 1,591 crore in Q4FY25 due to increase in crude oil production by 6 per cent and crude price realisation by 5 per cent from \$74.46/bbl in Q4FY25 to \$77.89/bbl in Q4FY26.

In its efforts towards ensuring Nation's Energy Security, the company, continuing its sustained efforts, produced 0.891 MMT of crude oil from its matured and old oilfields in Q4FY26 vis--vis 0.844 MMT in Q4FY25. Oil India said it has achieved highest daily production of 10,566 MT of crude oil, which is highest daily production during last decade.

The company's material subsidiary Numaligarh Refinery (NRL) achieved a robust 90 per cent growth in PAT, rising to 3,057 crore in FY26 from 1,608 crore in FY25 with a GRM of \$13.43/bbl. Disclaimer: View and outlook shared on the stock belong to the respective brokerages and are not endorsed by Business Standard. Readers discretion is advised.

Headline	Petrol and diesel prices hiked by Rs 3 per litre; new rates in Delhi, Mumbai, and Kolkata revealed Check list		
Publication	Daily Hunt (Mobile)	Edition	Online Coverage
Published Date	15 May 2026		

Petrol and diesel prices hiked by Rs 3 per litre; new rates in Delhi, Mumbai, and Kolkata revealed | Check list

<http://m.dailyhunt.in/news/india/english/zee+news+english-epaper-zeeeng/petrol+and+diesel+prices+hiked+by+rs+3+per+litre+new+rates+in+delhi+mumbai+and+kolkata+revealed+check+list-newsid-n712297899>

P etrol and diesel prices were hiked by Rs 3 per litre on Friday, May 15, as part of an increase made by State OMCs.

This marked the first revision in the prices since the introduction of a prolonged price freeze in light of Prime Minister Narendra Modi's appeal for citizens to save energy and conserve foreign exchange reserves.

Revised fuel prices across India's major cities

While the increase in price is consistent, the revised cost of fuel is affected by the VAT applicable in each state, alongside additional costs for transporting the fuel from refineries. In the nation's capital, petrol will now be priced above Rs 97, while diesel will be over Rs 90.

Revised fuel prices (per litre): Following the latest price revision, fuel rates across India's major metros have seen a significant jump. In Delhi, both petrol and diesel increased by an even Rs 3.00, bringing the new retail prices to Rs 97.77 and Rs 90.67 per litre, respectively. Kolkata witnessed the steepest hike in petrol at Rs 3.29, pushing the price to Rs 108.74, while diesel rose by Rs 3.11 to reach Rs 95.13. In Mumbai, petrol prices climbed by Rs 3.14 to settle at Rs 106.68, with diesel matching Kolkata's Rs 3.11 increase to land at Rs 93.14. Meanwhile, in Chennai, petrol rose by Rs 2.83 to Rs 103.67, and diesel prices were adjusted to Rs 95.25 per litre.

PM's 'save fuel' urgent appeals and the global scenario

This revision comes after a string of appeals from Prime Minister Narendra Modi made on both Sunday and Monday urging Indians to save fuel usage by reducing travel abroad, gold buying, and unnecessary use of petrol.

Industry specialists said that the increase was inevitable because of the continuing unrest in West Asia and the disruption of shipments through the Strait of Hormuz, driving up international crude oil prices. Until the new pricing, state-run companies, including IOCL, BPCL, and HPCL had borne most of the losses to shield domestic consumers from price volatility.

Position of Union Minister regarding price revision

Earlier this week, Union Minister of Petroleum and Natural Gas Hardeep Singh Puri hinted at the probability of the price increase. While addressing the CII Annual Business Summit on Tuesday, Puri pointed out the growing financial stress faced by the oil marketing companies owing to increasing under-recoveries.

"While the government has prioritised supply management and price stability for over four years, we must eventually assess the sustainability of these losses," Puri stated, emphasising that the current geopolitical "cauldron" necessitated a re-evaluation of domestic rates.

Effects of fuel price hike on common man

The sudden Rs. 3 jump is expected to have a cascading effect on transportation costs and the prices of essential commodities. Local governments, such as those in Uttarakhand and Goa, have already begun implementing fuel-saving guidelines for official convoys and restricting foreign trips for public servants in response to the broader economic push for conservation.

Headline	UAE to expand role in India's strategic oil reserves; LPG deal likely during PM Modi's visit		
Publication	Deccan Herald	Edition	Online Coverage
Published Date	14 May 2026		

UAE to expand role in India's strategic oil reserves; LPG deal likely during PM Modi's visit

<https://www.deccanherald.com/india/uae-to-expand-role-in-indias-strategic-oil-reserves-lpg-deal-likely-during-pm-modis-visit-4002347>

The Prime Minister and the UAE President to discuss bilateral issues, in particular energy cooperation, as well as regional and international issues of mutual interest.

New Delhi: The Abu Dhabi National Oil Company (ADNOC) may commit to playing a larger role in expanding India's strategic petroleum reserves, as energy security is likely to be a focus when Prime Minister Narendra Modi meets President Sheikh Mohammed Bin Zayed Al Nahyan of the United Arab Emirates on Friday.

ANYTIME, ANYWHERE.

As the war launched by Israel and the United States against Iran, and the larger conflict in West Asia brought India's energy security under stress over the past couple of months, New Delhi is also expecting another memorandum of understanding (MoU) with the UAE on the supply of liquefied petroleum gas, a source told DH

Indian Strategic Petroleum Reserves Limited (ISPRL) is likely to sign a new MoU with the ADNOC on the sidelines of the meeting between the Prime Minister and the UAE President in Abu Dhabi. The ADNOC is exploring the possibility of expanding its role in building India's strategic petroleum reserves, including potential participation in the Phase-II underground storage facilities at Padur in Karnataka and Chandikhol in Odisha, the source in New Delhi said.

Modi will leave New Delhi on Friday for a five-nation tour that will take him to the UAE, the Netherlands, Sweden, Norway and Italy. He will return to New Delhi on May 20.

The Prime Minister and the UAE President will discuss bilateral issues, in particular energy cooperation, as well as regional and international issues of mutual interest, Sibi George, Secretary (West) at the Ministry of External Affairs, told journalists in New Delhi on Wednesday. They will also discuss ways to advance the bilateral Comprehensive Strategic Partnership, underpinned by strong political, cultural, economic and people-to-people links.

Modi is visiting Abu Dhabi a fortnight after the UAE exited OPEC and the larger OPEC+. The move will allow the UAE to expand crude production without being constrained by output limits. New Delhi is keen to take advantage of the move to increase hydrocarbon imports from the UAE amid heightened volatility in global energy markets.

The UAE is among India's top three LPG suppliers, along with Qatar and Saudi Arabia, accounting for around 26%-40% of the country's imports. The UAE is also the fourth largest source of crude oil and the third largest source of liquefied natural gas to India.

The UAE has been an important partner in building India's strategic petroleum reserves (SPRs), aimed at protecting the country against global supply disruptions and maritime security risks. India currently maintains 5.33 million metric tonnes (MMT) of SPR capacity in underground rock caverns at Visakhapatnam in Andhra Pradesh, and at Mangaluru and Padur in Karnataka, providing nearly 9.5 days of crude oil cover. Combined with storage facilities operated by oil marketing companies, the country's total crude oil and petroleum storage capacity stands at around 74 days.

Amid concerns over disruptions in West Asia and the Strait of Hormuz, Petroleum Minister Hardeep Singh Puri recently said India currently has around 60 days of crude oil and LNG stocks, along with nearly 45 days of LPG reserves, adding that there was no problem on the supply side.

In July 2021, the government approved two additional commercial-cum-strategic SPR facilities with a combined capacity of 6.5 MMT 4 MMT at Chandikhol in Odisha and 2.5 MMT at Padur in Karnataka with construction work at Padur awarded in October 2025.

The ADNOC became the first foreign company to store crude in India's SPRs in 2018 under an agreement signed with ISPRL in 2017, permitting the UAE firm to use the 750 TMT-capacity Cavern-A facility at Mangaluru.

The widening conflict in West Asia has renewed concerns in New Delhi over the vulnerability of energy supply to India, given the country's heavy dependence on imports. Overseas purchases account for nearly 85% of crude oil consumption in India, while the Strait of Hormuz remains a crucial transit corridor for a significant share of energy supplies headed to the country. Nearly two-fifths of India's crude imports move through the world's most critical maritime choke point between the Persian Gulf on one side and the Gulf of Oman and the Arabian Sea on the other, along with more than half of the LNG cargoes and nearly nine out of every 10 LPG shipments. The escalating tension in West Asia, particularly around the Strait of Hormuz, led to supply disruptions, higher shipping charges and volatility in global fuel prices, adding pressure on the energy import bill of India.

Headline	Petrol, diesel price hike in India a matter of time if West Asia conflict persists: RBI Governor Sanjay Malhotra		
Publication	ET Energyworld	Edition	Online Coverage
Published Date	14 May 2026		

Petrol, diesel price hike in India a matter of time if West Asia conflict persists: RBI Governor Sanjay Malhotra

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/petrol-diesel-price-hike-in-india-a-matter-of-time-if-west-asia-conflict-persists-rbi-governor-sanjay-malhotra/131080670>

The government has already reduced duties and state refiners are absorbing losses. Prime Minister Modi urged citizens to conserve fuel. Oil companies are struggling to maintain current prices.

India may eventually have to raise retail petrol and diesel prices if the conflict in the West Asia continues for a prolonged period, Reserve Bank of India Governor Sanjay Malhotra said, as the Iran war intensifies pressure on the country's energy imports, inflation outlook and supply chains.

The world's third-largest oil consumer has been hit hard by the conflict, with the closure of the Strait of Hormuz disrupting the flow of critical energy imports, pushing up crude oil prices and triggering shortages of cooking gas.

If this is to continue for longer period of time, it is just a matter of time before the government will pass on some of the price increases, Malhotra said at a conference hosted by the Swiss National Bank and the International Monetary Fund in Switzerland on Tuesday.

Malhotra said excise duties had already been reduced while state-run fuel retailers continued absorbing higher crude prices as the conflict persisted.

India's energy supply chain disruptions deepen amid Strait of Hormuz closure

The closure of the Strait of Hormuz has added to concerns around supply-chain disruptions and inflationary risks for India, which imports a large share of its energy requirements.

We have this framework of flexible inflation targeting, but in such times it's not sufficient, Malhotra said, adding that fiscal coordination becomes critical if the supply shock is as big as it is.

Prime Minister Narendra Modi at the weekend urged citizens to voluntarily reduce petrol and diesel consumption and defer gold purchases in order to help preserve the country's foreign exchange reserves.

PTI had reported earlier, citing government sources, that a hike in petrol and diesel prices in the near future could not be ruled out.

State-owned oil companies have already increased prices of commercial LPG, industrial diesel, 5-kg LPG cylinders and jet fuel sold to international airlines in line with rising input costs.

Despite crude oil prices remaining above \$100 per barrel, the central government has kept domestic LPG rates unchanged. Commercial LPG cylinder prices for 19-kg cylinders, however, were recently increased by 993.

IMF backs crude price pass-through as oil minister voices concern

Amid growing speculation over higher retail fuel prices, the International Monetary Fund had earlier this month backed a pass-through of higher crude oil prices to consumers while saying India still had room to manage the current energy shock caused by the closure of the Strait of Hormuz.

Oil minister Hardeep Singh Puri on Tuesday sought to calm concerns over a possible fuel price increase after Modi urged citizens to rely more on public transport to cut petrol and diesel use.

At the same time, Puri acknowledged concerns about how long oil marketing companies would be able to continue selling fuel below market rates while absorbing losses.

"How long will the oil companies be able to take it? Frankly, that worries me," Puri said at an industry conference.

India's fuel market remains tightly controlled, with state-owned refiners accounting for around 90 per cent of retail fuel outlets. Petrol and diesel prices charged by these firms are approved by the central government, although retail rates vary across states because of different local taxes.

Inflation risks rise as RBI signals flexible policy approach

India's retail inflation rose to 3.48 per cent in April from 3.40 per cent in March, although the figure remained below expectations as the government absorbed part of the increase in crude prices.

However, the outlook remains uncertain as higher energy costs linked to the West Asia conflict continue to build inflationary pressure.

The RBI has projected economic growth of 6.9 per cent for the current financial year while forecasting average inflation of 4.6 per cent. Economists, however, expect slower growth and higher inflation if the conflict continues.

The central bank kept its benchmark repo rate unchanged at 5.25 per cent in April.

We are being more and more data dependent. We are taking it more meeting by meeting, Malhotra said.

The RBI governor added that the central bank remained flexible in its policy response and was prepared to look through temporary shocks, but if it is entrenched, we need to take action.

The RBI's next monetary policy meeting is scheduled for June 5.

Headline	Check new fuel rates in Delhi, Mumbai, Kolkata, other cities as petrol, diesel prices hiked		
Publication	Hindustan Times	Edition	Online Coverage
Published Date	15 May 2026		

Check new fuel rates in Delhi, Mumbai, Kolkata, other cities as petrol, diesel prices hiked

<https://www.hindustantimes.com/india-news/delhi-mumbai-kolkata-other-cities-petrol-diesel-prices-hiked-check-rates-101778811223273.html>

Petrol, diesel prices hiked: The hike in fuel prices comes after PM Modi urged nation to reduce consumption of fuel in backdrop of US-Iran war.

Petrol prices were raised by state-run oil marketing companies, by 3 per litre on Friday days after Prime Minister Narendra Modi addressed the nation and urged citizens to reduce fuel consumption and adopt work-from-home practices amid rising energy concerns triggered by the US-Iran war.

In his address on Sunday, the Prime Minister also appealed to people to avoid buying gold for the next year, postpone foreign travel, and conserve fuel as global oil prices continue to surge due to the ongoing conflict.

Petrol, diesel prices up by 3 per litre days after PM Modi's 'save' fuel' call

The hike in petrol prices, however, varied across cities because of differences in local taxes and levies.

Union Petroleum Minister Hardeep Singh Puri had earlier hinted at a possible revision in fuel prices. Speaking at a Confederation of Indian Industry (CII) event in New Delhi on Tuesday, Puri said the government would eventually have to take a decision on increasing the prices of petroleum products such as petrol and diesel.

Oil companies also raised concerns about facing mounting losses, adding that India was among the few countries to have kept fuel prices stable until now. State-owned firms had held prices steady for 11 weeks despite a sharp rise in input costs, but were eventually forced to pass on part of the burden once operations became financially unsustainable, PTI reported.

Headline	Govt's upstream royalty reforms to improve earnings outlook for oil, gas producers: Kotak		
Publication	Lokmat Times	Edition	Online Coverage
Published Date	14 May 2026		

Govt's upstream royalty reforms to improve earnings outlook for oil, gas producers: Kotak

<https://www.lokmatimes.com/business/govts-upstream-royalty-reforms-to-improve-earnings-outlook-for-oil-gas-producers-kotak/>

New Delhi [India, May 14 : The Centre's decision to rationalise upstream royalty rates could increase standalone earnings of state-run oil producers ONGC and Oil India, according to a report by Kotak Institutional Equities.

The government had earlier announced a rationalisation of royalty rates for crude oil, natural gas and casing head condensate under the amended Oilfields (Regulation and Development) Act and Petroleum & Natural Gas (PNG) Rules, with Petroleum Minister Hardeep Singh Puri saying the move marks a "new era" for India's oil and gas regime by creating a "stable, predictable, and investor-aligned framework."

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"For crude oil well-head cost deduction from the sale price was rationalized to 20% for nominated blocks and 15% for other blocks," it said.

Kotak further noted that natural gas fields will now also receive similar deductions, which were not available earlier.

"Importantly, natural gas will also get a 15-20% well cost deduction for other/nominated blocks (earlier NIL). This will effectively reduce royalty rates on gas to 8% on nominated fields and 8.5% on other fields (earlier 10%)," the report said.

The report further noted that royalty rates have also been aligned across Discovered Small Fields (DSF) and Hydrocarbon Exploration Licensing Policy (HELP) regimes to simplify the framework further.

According to Kotak, the changes could reduce effective royalty payments on crude oil production by around 2.5 per cent for ONGC and nearly 5.8 per cent for Oil India.

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For natural gas, the report estimated royalty rates could decline by around 1.8-2 per cent because post-well-head costs are now allowed as deductions.

Headline	Global oil shock: Petrol and diesel prices up by Rs 3 per litre, CNG gets costlier by Rs 2		
Publication	Lokmat Times	Edition	Online Coverage
Published Date	15 May 2026		

Global oil shock: Petrol and diesel prices up by Rs 3 per litre, CNG gets costlier by Rs 2

<https://www.lokmatimes.com/business/global-oil-shock-petrol-and-diesel-prices-up-by-rs-3-per-litre-cng-gets-costlier-by-rs-2-1/>

New Delhi, May 15 As oil marketing companies (OMCs) face mounting losses amid the ongoing West Asia crisis, they raised petrol and diesel prices by Rs 3 per litre each on Friday.

The revised rates came into effect immediately across the country.

In Delhi, petrol prices rose by Rs 3.14 per litre to Rs 97.77, while diesel became costlier by Rs 3.11 per litre.

Meanwhile, amid the Middle East crisis, oil companies have also raised CNG prices. Effective Friday, the price of CNG has increased by Rs 2 per kilogram. The new CNG rate in Delhi is Rs 79.09 per kilogram.

The OMCs continue to face mounting financial losses from keeping retail fuel prices unchanged despite surge in crude oil prices.

The combined under-recovery on petrol, diesel and LPG has reached nearly Rs 30,000 crore every month, according to Sujata Sharma, Joint Secretary in the Union Petroleum Ministry.

Our OMCs are buying crude oil at higher rates but are not selling at corresponding rates to protect our consumers. This impacts their finances, said Sharma.

She further said the Centre had already cut excise duties on petrol and diesel, sacrificing nearly Rs 14,000 crore in monthly revenue, but under-recoveries continue to widen, she informed.

India's state-run oil marketing companies (OMCs) are staring at the possibility of their entire FY26 profits being wiped out if crude oil prices remain elevated, Petroleum Minister Hardeep Singh Puri warned amid escalating tensions in the Middle East.

Speaking at the CII Annual Business Summit 2026 this week, Puri said the ongoing energy crisis triggered by the conflict in the Middle East has sharply increased pressure on Indian fuel retailers, with oil marketing companies currently losing nearly Rs 1,000 crore every day.

He estimated that their combined quarterly losses could touch around Rs 1 lakh crore if current trends continue.

The warning comes at a time when global crude oil prices have surged past the psychologically important \$100 per barrel mark due to fears of prolonged supply disruptions linked to the US-Iran conflict.

The financial stress on state-run fuel retailers has become so severe that a single quarter of losses at prevailing crude price levels could potentially erase their entire profit after tax for FY26, the minister stated.

The three major public sector oil retailers -- Indian Oil Corporation, Bharat Petroleum and Hindustan Petroleum -- are projected to report combined losses of nearly Rs 1.2 lakh crore in the first quarter of FY27 alone, according to industry estimates cited during the discussion.

Headline	India's flex-fuel vehicle rollout plan faces a chicken-and-egg hurdle		
Publication	Mint	Edition	Online Coverage
Published Date	14 May 2026		

India's flex-fuel vehicle rollout plan faces a chicken-and-egg hurdle

<https://www.livemint.com/news/india/indias-flex-fuel-vehicle-rollout-plan-faces-a-chicken-and-egg-hurdle-11778674378154.html>

Union minister of road transport and highways Nitin Gadkari unveils World's First Prototype of BS-VI phase II Electrified Flex Fuel Vehicle developed by Toyota Kirloskar Motor. File photograph (ANI)

Summary

Automakers aren't ready to commit to producing vehicles that run on high ethanol blends until the fuel is widely available. Oil marketing companies, on the other hand, are unwilling to invest in storing and supplying blends such as E85 and E100 until there are enough such vehicles on the road.

New Delhi: The government's push for flex-fuel vehicle rollout is facing a classic chicken-and-egg stalemate.

Automakers aren't ready to commit to producing vehicles that run on high ethanol blends until the fuel is widely available. Oil marketing companies, on the other hand, are unwilling to invest in storing and supplying blends such as E85 and E100 until there are enough such vehicles on the road, according to three people aware of the development.

The government is in talks with automakers and oil marketing companies to resolve the deadlock, the people cited above said, requesting anonymity.

Unlike standard vehicles, flex-fuel vehicles can run on petrol or any petrol-ethanol blend. India currently mandates a nationwide sale of E20 (20% ethanol-blended) petrol, and wants to push that proportion higher to reduce crude imports.

Key Takeaways

The demand uncertainty for flex-fuel vehicles poses a real storage problem for flex fuels.

Automakers aren't ready to commit to producing vehicles that run on high ethanol blends until the fuel is widely available.

Oil marketing companies are unwilling to invest in storing and supplying blends such as E85 and E100 until there are enough such vehicles on the road, according to three people aware of the development.

The demand uncertainty for flex-fuel vehicles poses a real storage problem for flex fuels. High ethanol blends, if left sitting too long in storage, can absorb moisture and potentially damage or corrode engines, said the first of the three persons cited above, who is an oil marketing company executive.

They (stocks of fuel with high ethanol blends) have to be kept rolling, otherwise the ethanol picks up moisture and turns hygroscopic, this person added.

For automakers, however, certainty on the supply of flex fuels across the country is essential to build demand for flex-fuel vehicles, which will also compete with vehicles operating on other fuels. There is no clarity yet on whether flex fuels will be available, and if there is no fuel available, it impacts demand, said the second person cited above, who is an auto industry executive.

"Prototypes of flex fuel-vehicles have been ready for some time now, but launches and sales rely on availability of the fuel, especially since these vehicles will be more expensive than regular petrol vehicles," said the third person.

The question then is: will vehicles come first or will fuel supply come first? This is a chicken-and-egg problem. And both have to work together on this. We cannot say how many vehicles will come in a certain area in a certain amount of time for these services. We cannot put pressure on common citizens, but we can liaison with service providers, the first person cited earlier said.

Queries sent to the ministries of petroleum and natural gas, heavy industries, and road transport, as well as state-run oil marketing companies Indian Oil Corporation Ltd (IOCL), Hindustan Petroleum Corporation Ltd (HPCL), Bharat Petroleum

Corporation Ltd (BPCL), auto industry body The Society of Indian Automobile Manufacturers (SIAM) and major automakers on 12 May did not elicit a response till press time.

Call for pilot test

Some analysts are of the view that a pilot test could smoothen this debate. As a suggestion, running a small pilot programme for flex-fuel vehicle operations could clear the air on how this system would work. Oil marketing companies and automobile manufacturers can both decide a minimum amount of fuel required for a small number of vehicles, and based on the results of this project, a larger deployment model could be scaled up, said Sanjukta Subudhi, associate director for microbial biofuels & biochemicals at The Energy and Resources Institute (Teri), a think-tank.

Subudhi also said that lessons from economies like Brazil can be useful in creating a plan for the rollout of flex-fuel vehicles.

Flex-fuel vehicles are widely used in Brazil, where they were introduced in 2003. They now account for more than 90% of new vehicle sales, with cars and two-wheelers able to run on ethanol, petrol, or any blend of the two, backed by a robust sugarcane-based ethanol ecosystem.

The countrys push for high ethanol blends in petrol comes at a time when the government is looking to reduce Indias near-90% dependence on imported crude oil, with prime minister Narendra Modi on 10 May calling for citizens to adopt electric vehicles amid the global energy crisis fuelled by the West Asia war.

Crude oil prices have risen from about \$65-70 per barrel to over \$100 per barrel since the conflict began on 28 February, putting pressure on the import bills of multiple economies, including India, the worlds third-largest energy consumer.

To be sure, oil imports have decreased year on year. In FY26, India imported crude oil worth \$123 billion, down from \$137 billion the previous year.

The demand for flex-fuel vehicles will not be generated until consumers know that high ethanol blends, for which they have paid a premium in the vehicle's purchase price, are readily available, according to Ashim Sharma, senior partner and business unit head at Nomura Research Institute (NRI) Consulting and Solutions, India. Purchase incentives on both flex fuel vehicles and their fuel could generate demand for both, he said.

In lobbying's wake

The push for higher ethanol blends follows intense lobbying by ethanol producers dealing with overcapacity. Days after the war broke out in West Asia, ethanol makers wrote to the government seeking higher ethanol blending, incentives for flex-fuel vehicles, and adoption of ethanol-based cooking.

According to ethanol makers, they have produced approximately 20 billion litres of the compound, but demand from the government's 20% blending mandate has only generated orders for about 11 billion litres. Several ethanol plants are operating at suboptimal levels, industry lobby group All India Distillers Association (Aida) said in a letter to the ministry of petroleum and natural gas on 3 March, only days after war broke out, Mint reported earlier.

The transition to higher ethanol blends is no longer a technical experiment but a national economic priority, Aida president Vijendra Singh said on Wednesday.

"India has made significant strides in ethanol blending, and the next phase will require parallel development of the flex fuel mobility ecosystem. For large-scale adoption of flex fuel vehicles, it is important that fuel availability, storage infrastructure, and vehicle readiness and conducive policy support progress in a coordinated manner. Higher ethanol blends such as E85 and E100 will require dedicated handling and distribution infrastructure, and timely expansion in this area will help provide greater confidence to automakers and consumers alike," he told Mint.

Oil minister Hardeep Singh Puri in January this year said that Indias E20 blending led to foreign exchange savings of around \$19.3 billion in the ethanol supply year 2025, which runs from November of one year to October of the next.

Headline	India-bound LPG tanker MV Sunshine crossing Strait of Hormuz; Indian Navy, agencies provide all support:...		
Publication	Moneycontrol	Edition	Online Coverage
Published Date	14 May 2026		

India-bound LPG tanker MV Sunshine crossing Strait of Hormuz; Indian Navy, agencies provide all support:...

<https://www.moneycontrol.com/news/india/india-bound-lpg-tanker-mv-sunshine-safely-crosses-strait-of-hormuz-report-13918480.html>

LPG tanker MV Sunshine is currently crossing the Strait of Hormuz and heading towards India after being safely evacuated from the Persian Gulf, sources told ANI.

The vessel is the fifteenth LPG ship bound for India to be evacuated safely from the region, the sources said.

According to the sources, multiple agencies, including the Indian Navy, are providing support to ensure the ship moves safely towards India.

LPG Tanker MV Sunshine is crossing the Strait of Hormuz. This was the 15th LPG Ship bound for India to be safely evacuated from the Persian Gulf. The ship is heading towards India and it is being provided all support by multiple agencies, including the Indian Navy, to move safely [pic.twitter.com/wcHG5kEtFD](https://twitter.com/wcHG5kEtFD)

ANI (@ANI) May 13, 2026 Meanwhile, Union Petroleum and Natural Gas Minister Hardeep Singh Puri on Wednesday said the government has managed energy supply disruptions caused by the West Asia crisis while ensuring minimal burden on consumers, adding that India sharply increased domestic LPG production during the period.

Speaking at the CII Annual Summit, Puri said Indias oil companies are currently facing heavy losses, with under-recoveries projected at Rs 1,98,000 crore.

If you look at the fiscal situation, if you look at the fact that my oil companies are losing Rs 1,000 crores every day, the under recovery is going to be Rs 1,98,000 crores. The losses are Rs 1 lakh crore, if you look at the quarter. In that context, how long can you keep it like this? Where is the oil? It used to be around \$64 or \$65. It has gone up to \$115 in that basket, he said.

Puri said fuel prices have remained unchanged for the past four years despite rising global crude prices and multiple elections in the country.

If I remember correctly, we haven't raised prices for the last four years. We're the only country in the world. Somebody said, 'the elections are over, now the price will rise.' 2022 was the last time we raised prices. There has been a general election in 2024, and there have been elections in the state government. It's not that prices will not go up. I'm saying the two are unrelated, he added.

Referring to the West Asia conflict, the minister said India had to quickly adjust because a major share of the countrys energy imports, especially LPG, earlier moved through the Strait of Hormuz.

Eighty five per cent of our imports of crude, a large percentage used to come from there. But more importantly, our LPG, the cylinder gas, which you use in kitchens, about 60% used to come from the Strait of Hormuz. Now we had to make arrangements. I'm amazed at what we were able to do. Our domestic production of LPG prior to the crisis was 35,000 or 36,000 metric tons per day. We ramped up our domestic production from 36,000 to 54,000 metric tons. This by itself is a mind-boggling thing, he said.

Puri said India has not witnessed shortages despite the crisis and attempts to spread panic.

Tell me any one country where prices have remained the same, and there has been no shortage anywhere in spite of the best efforts of some people to try to black market and raise false rumours. If I looked at some statistics, petrol consumption has gone up by 6%. In a crisis, there'd been no dry outs. Every petrol pump in the country has had petrol and diesel. LPG supply is more than enough. We have done some good things. We have ramped up LPG production. We brought consumption down a little, he added.

The minister also urged people to follow Prime Minister Narendra Modi's suggestions to reduce energy imports and avoid panic over supply concerns.

I'm going to conclude this by saying we have 60 days of crude, which is the maximum we need. We have 60 days of LNG, and we have 45 days of LPG. So there's no problem on the supply side. So why this panic since yesterday, or a day and a half? Please see what the Prime Minister has actually said, and let's not put a bizarre construct on it. This is borne out by the facts, he said.

If you look at the news this morning, the leader of the largest economy in the world is saying that "ceasefire is on life support"... PM Modi says, the time has come for us to look at our lifestyle also, and I totally endorse that. It's not that any lockdown is going to take place tomorrow, he added.

Headline	India explores direct energy pipeline with UAE to cut Hormuz dependence		
Publication	Moneycontrol	Edition	Online Coverage
Published Date	14 May 2026		

India explores direct energy pipeline with UAE to cut Hormuz dependence

<https://www.moneycontrol.com/news/india/india-explores-direct-energy-pipeline-with-uae-to-cut-hormuz-dependence-13919090.html>

The current geopolitical situation has reinforced the need to diversify both sourcing routes and transportation architecture for crude oil and gas supplies, a senior government official said.

India is actively examining the feasibility of a direct energy pipeline arrangement with the UAE as part of a long-term strategy to reduce excessive dependence on the Strait of Hormuz, a senior government official told Moneycontrol.

The move comes in the backdrop of the rising tensions in West Asia that has affected as much as 50% of Indias oil and 90% of LPG supplies from the Gulf region.

The idea is not only about immediate disruption management. It is about building strategic resilience into Indias energy supply chain for the next two to three decades. A direct pipeline connectivity mechanism is a proposal at the PMO, the official said.

The official noted that the current geopolitical situation has reinforced the need to diversify both sourcing routes and transportation architecture for crude oil and gas supplies.

The idea of the deep sea-pipeline is to secure gas supplies beyond the spot markets from the Gulf region, another official said.

India imports significant quantities of LPG and LNG from Middle Eastern countries including UAE, Qatar, Oman, and Saudi Arabia. The country is the world's fourth largest LNG importer with Qatar and the UAE making up over 55% of its total LNG deliveries.

A direct pipeline connectivity will reduce the countrys dependence on global chokepoints and ensure uninterrupted energy supplies in case of geopolitical disruptions such as the West Asia conflict, analysts said. However, they cautioned that the project could take up to five to seven years or beyond depending upon financing and execution.

The Strait of Hormuz remains one of the worlds most vulnerable energy chokepoints. Any escalation in the region immediately impacts freight costs, insurance premiums, crude availability and overall import economics for India. We cannot remain entirely dependent on a single maritime corridor for such a large share of our energy imports, the first official said.

This matters because around 3040% of Indias crude oil, 4555% of LNG, and as much as 8590% of imported LPG transit the Strait of Hormuz. This implies any indirect disruption quickly feeds into fuel inflation, fertiliser costs, and household LPG subsidy pressure, even as the impact on gasbased power generation remains limited due to its small share in Indias energy mix, Sourav Mitra, Partner - Oil and Gas, Grant Thornton Bharat had said.

The source noted that there is now much greater strategic urgency after recent disruptions. India also needs to align its long-term energy security planning with these emerging realities, the official said.

The strait of Hormuz lies between Oman and Iran and links the Gulf north of it with the Gulf of Oman to the south and the Arabian Sea beyond. Recent Kpler data suggest that tanker movement via the strait continues to be affected with only three vessels transiting the region as of May 13.

In light of the global energy crisis, Prime Minister Narendra Modi is scheduled to visit the UAE on May 15 as part of his multi-nation tour, during which he will hold talks with UAE President Sheikh Mohamed bin Zayed Al Nahyan. According to the Ministry of External Affairs, discussions during the visit are expected to focus on energy cooperation as well as regional and international issues of mutual interest, amid heightened concerns over global energy security.

Energy security is no longer only about securing supply contracts. It is equally about securing transport corridors, storage access, strategic reserves and alternative routes. That thinking is now at the highest levels, the official said.

Along with the pipeline, the government is now also mulling increasing its reserves capacity of LPG, crude oil, and products with key developments expected to be out within the next 3-6 months, official sources have told Moneycontrol.

Union Minister for Petroleum and Natural Gas Hardeep Singh Puri on May 12 also said that the government is now working to expand the capacity of its strategic reserves and build additional storage for oil and gas.

Headline	India asks US for waiver on Russian oil as Iran war squeezes energy supply: Report		
Publication	The Times of India	Edition	Online Coverage
Published Date	15 May 2026		

India asks US for waiver on Russian oil as Iran war squeezes energy supply: Report

<https://timesofindia.indiatimes.com/business/india-business/india-asks-us-for-waiver-on-russian-oil-as-iran-war-squeezes-energy-supply-report/articleshow/131084613.cms>

India has reportedly approached the United States to extend its waiver on Russian oil imports as the Strait of Hormuz continues to see disruptions for 75 days now, straining oil supplies across the world.

The US had first cleared the arrangement in March and expanded it later, with the current authorisation set to remain valid until May 16. The waiver was introduced to help stabilise oil markets by allowing additional crude supplies. While Russian oil is not under blanket sanctions, Washington has repeatedly urged India to reduce discounted purchases as part of efforts to pressure Moscow over the war in Ukraine, Bloomberg reported.

With the Middle East crisis that began on February 28 still intensifying, Indian officials have told Washington that securing a stable energy supply remains a priority. They have also warned that continued volatility in oil markets could have broad economic consequences.

Back in April, the US treasury department extended the sanctions waiver on Russian oil, giving temporary relief to countries importing crude from Moscow amid tight global supply conditions.

A fresh licence issued allowed the purchase of Russian oil and petroleum products that were already loaded onto ships by that date. The waiver will remain in effect until 12:01 am (0401 GMT) on May 16, replacing an earlier exemption that expired on April 11.

India's import of Russian crude

Indias imports of Russian oil have continued at record levels, as refiners accelerate purchases ahead of the waiver deadline. In May so far, inflows have reached a record 2.3 million barrels per day, according to Kpler data, supported by the allowance for already-loaded cargoes. Forecasts from Kpler suggest monthly inflows could still average about 1.9 million barrels per day.

Meanwhile, according to a Reuters report, India reportedly declined Russias offer to supply liquefied natural gas (LNG) cargoes that fall under US sanctions, even as energy pressures rise due to tensions in the Middle East. The decision has resulted in at least one Russia-linked LNG shipment being stranded near Singapore while talks continue over permitted supplies.

India shared its stance during Russian deputy energy minister Pavel Sorokin's visit to New Delhi on April 30, when he met petroleum and natural gas minister Hardeep Singh Puri and other officials. Sorokin is likely to return in June for further talks.

The Centre has repeatedly assured that India has adequate supply of fuels and no dry outs are reported. Earlier this week, Union petroleum and natural gas minister Hardeep Singh Puri said that supplies of fuel and cooking gas remain stable despite global tensions.

Speaking at the CII Annual Business Summit, Puri said India currently has crude oil and LNG reserves sufficient for 69 days, while LPG stocks can last up to 45 days. He said these levels rule out any immediate risk to supply disruption.

There is no supply issue, have 69 days of crude oil, LNG stock and 45 days of LPG stock, he said. He also noted that the government has significantly increased LPG production to strengthen supply security, raising daily output from 35,000 to 54,000 tonnes in response to geopolitical tensions in the Middle East.

Headline	Govt's upstream royalty reforms to improve earnings outlook for oil, gas producers: Kotak		
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Published Date	14 May 2026		

Govt's upstream royalty reforms to improve earnings outlook for oil, gas producers: Kotak

<https://www.tribuneindia.com/news/business/govts-upstream-royalty-reforms-to-improve-earnings-outlook-for-oil-gas-producers-kotak/>

New Delhi [India, May 14 (ANI): The Centre's decision to rationalise upstream royalty rates could increase standalone earnings of state-run oil producers ONGC and Oil India, according to a report by Kotak Institutional Equities.

The government had earlier announced a rationalisation of royalty rates for crude oil, natural gas and casing head condensate under the amended Oilfields (Regulation and Development) Act and Petroleum & Natural Gas (PNG) Rules, with Petroleum Minister Hardeep Singh Puri saying the move marks a "new era" for India's oil and gas regime by creating a "stable, predictable, and investor-aligned framework."

Upstream royalty refers to the fee or share paid by oil and gas companies to the government for extracting crude oil and natural gas from fields. It is usually calculated as a percentage of the value of oil or gas produced.

According to the Kotak report, "We estimate a Rs 5-6% standalone earnings uplift for ONGC and Rs 12-13% for OIL."

The report said the reforms aim to simplify the royalty structure and remove older inconsistencies across exploration regimes.

"The government has taken multiple steps to enhance the attractiveness of the upstream sector. Amendments to the ORD Act, 1948, and revisions to the Petroleum & Natural Gas (PNG) Rules are focused on ensuring fiscal stability," the report said.

Kotak said one of the key changes is the reduction in crude royalty for nominated and pre-NELP blocks to 12.5 per cent from an earlier effective rate of around 16.67 per cent.

The report added that the government has also standardised deductions allowed for post-well-head costs, which are expenses incurred after oil or gas is extracted from the well and prepared for sale.

"For crude oil well-head cost deduction from the sale price was rationalized to 20% for nominated blocks and 15% for other blocks," it said.

Kotak further noted that natural gas fields will now also receive similar deductions, which were not available earlier.

"Importantly, natural gas will also get a 15-20% well cost deduction for other/nominated blocks (earlier NIL). This will effectively reduce royalty rates on gas to 8% on nominated fields and 8.5% on other fields (earlier 10%)," the report said.

The report further noted that royalty rates have also been aligned across Discovered Small Fields (DSF) and Hydrocarbon Exploration Licensing Policy (HELP) regimes to simplify the framework further.

According to Kotak, the changes could reduce effective royalty payments on crude oil production by around 2.5 per cent for ONGC and nearly 5.8 per cent for Oil India.

"As on-land blocks account for Rs 30%, the effective royalty decline on oil production will be Rs 2.5% for ONGC. With its entire oil production on land, the benefit will be higher at Rs 5.8% for Oil India," the report said.

For natural gas, the report estimated royalty rates could decline by around 1.8-2 per cent because post-well-head costs are now allowed as deductions.