



ONGC News as on 20 June 2026 (Print & Online)

Current account deficit is an avoidable vulnerability

The world has become more uncertain, volatile and unforgiving. Assumptions that shaped economic policy for decades are being challenged. India must now revisit the belief that a current account deficit (CAD) of 1.5-2% of the gross domestic product (GDP) is normal, manageable and perhaps inevitable.

This took hold after the 1991 reforms. Liberalisation lifted India from the old 3% growth path to an average growth rate of about 6.5% for three decades. This growth attracted enough global capital in normal times to finance the CAD. So, in the last 35 years, we registered a CAD in 31. Over time, the deficit came to be as a feature of India's growth model, not a vulnerability.

The standard argument was simple. India lacked domestic oil and gas, and Indians could not be weaned off the age-old habit of buying gold as a store of value. Rising oil demand after Y2K did not materially worsen the current account situation because it was offset by IT services exports and rising India-bound remittances. But even then, each time oil prices spiked, we moved from strength to fragility in a heartbeat.

The shift in the global economic regime under the present US administration and the war in West Asia have exposed the fragility of India's external account assumptions. The agreement between the US and Iran, if one could call it that, provides two months for both sides to set up the framework for real negotiations. That is when nuclear capabilities, frozen assets, missile capa-

bility, support for proxies, and relief from sanctions get discussed. These are contentious issues and any purported agreement could unravel again — underscoring once more India's dependence on fuel imports as a major strategic weakness. At the same time, IT services exports may come under pressure from the AI disruption, while tighter immigration policies compress remittances.

Foreign capital tends to retreat when risk rises. A prolonged conflict can raise prices, disrupt supplies, pressure the current account, weaken growth, strain the fiscal deficit situation, stoke inflation and trigger second-order effects. If the rupee depreciates sharply, the Reserve Bank of India will be forced to use foreign currency reserves and interest rates to manage volatility.

However, this article is not about short-term crisis management. It challenges the policy belief that India's oil-gas-gold demand structurally condemns it to a CAD.

India consumes roughly 2,300 million barrels of oil a year but produces only about 530 million barrels domestically. Estimates of India's oil reserves vary widely, from around 12 billion tonnes of proven reserves to a theoretical potential closer to 42 billion tonnes. Until recently, some reserves could not be explored because of restrictions. The Prime Minister's Samudra Manthan decision is quite welcome, opening up around one

lakh square kilometers of coastline for deep-water exploration.

But intent must be matched by capital, technology, and incentives. India's oil is harder to access than that of many West Asian producers. Much of it lies offshore; so, domestic wells recover only about 35% on average. Extracting more is often uneconomic because of limited technological innovation. India, therefore, must make serious efforts on exploration, recovery technology, and incentivising risk-taking. ONGC and Oil India must be encouraged to explore, not hamstrung by tight MOUs. India should target raising domestic supply from the current level of roughly 12% of oil demand to 50%.



Janmejaya Sinha



Kaustubh Verma

Demand management is the second lever. India must accelerate transport electrification across two- and three-wheelers, cars, and buses. For trucks, liquefied natural gas can be a transition fuel, given India's gas import bill is a fraction of its oil bill. Over time, however, heavy transport too must be electrified. A determined policy pivot will accelerate innovation.

India must also reduce dependence on liquefied petroleum gas by expanding piped natural gas networks and encouraging alternative cooking technologies, including induction and solar-powered solutions. Industrial electrification must also be urgently expanded — currently at around 18%, compared with China's 30%. On fertilisers, with the subsidy bill likely to rise sharply, India should incentivise a shift from natural gas-based ammonia to green ammonia.

India's current account strategy must also prioritise reducing dependence on imported oil.

The second structural issue is gold. Nilesh Shah and Amit Chandra, using World Gold

Council data, have highlighted the scale of the opportunity. India holds around 26,000 tonnes of gold, worth roughly \$4 trillion. Of this, about 4,000 tonnes are estimated to be with temple trusts and around 20,000 tonnes with households. The top 10% of households may hold about 10,000 tonnes. Gold prices have surged since 2024, making these holdings seem like excellent investments. But the value remains largely notional unless monetised.

The government can roll out a credible national temple gold mobilisation programme, to buy temple gold (at a premium) on the market price, with a buyback option. A sovereign wealth fund of \$300 billion could be created with the receipts. The temple trusts would be converting the idle gold into productive national capital, and also get income to make structural and ambient upgrades to the temples and the surrounding areas to boost religious tourism. Illustratively, while the Vatican gets 11 million foreign tourists, all of India gets 9 million of which a large portion are NRI.

India should also study Turkey's experiment of allowing banks to hold part of their statutory reserves in gold. This would give banks an incentive to attract household gold. A one-time, no-questions-asked gold conversion window could also be considered.

India cannot continue to treat a CAD as an unavoidable cost of growth. A CAD may be manageable in benign times, but in a fractured world, where black swan events are becoming the new normal, it is a strategic vulnerability. Challenging an old policy belief on CAD and bringing it to surplus must be a central focus to India's economic policy in the years ahead.

Janmejaya Sinha is chairman, BCG India, and Kaustubh Verma is managing director and Partner, BCG. The views expressed are personal

CPSEs to adopt districts under 'PM Dhaanya Krishi Yojana' for corporate social responsibility activities

Shishir Sinha
New Delhi

Central public sector enterprises (CPSEs) will adopt at least one district, selected under 'PM Dhan Dhaanya Krishi Yojana', for corporate social responsibility (CSR) activities during the current fiscal and the next, as stated by an office memorandum of Department of Public Enterprises (DPE).

This is part of a common theme for CSR activities by CPSEs. DPE guidelines prescribe that CSR expenditure for thematic programme should be around 60 per cent of annual CSR expenditure of CPSEs. According to the annual Public Enterprises Survey, CSR expenditure of all 183 eligible CPSEs stood at ₹6,437

One district will be selected from each State for CSR activities nutrition, sports and livelihood enhancement

crore in FY25 against ₹4,915 crore in FY24, an increase of 31 per cent. Top five CPSEs contributing under CSR expenditure are Oil & Natural Gas Corporation Ltd, Indian Oil Corporation Ltd, NTPC Ltd, Powergrid Corporation of India Ltd and Bharat Petroleum Corporation Ltd.

THREE-PART THEME

The theme of CSR activities for FY27 and 28 has three parts. 'Nutrition' which consists of constructing Angan-

wadi Bhawan, toilets and drinking water, smart TV for early education and learning, among others; another is development of sporting activities, including sports infrastructure and promotion of sports, among others; and finally, 'Innovative Livelihood Enhancement' which involves support in the form of equipment, infrastructure, digital learning tools, modern workshops and laboratories, smart classrooms and digital learning infrastructure. Also, it prescribes "adopting one or more of the 100 Prime Minister Dhan Dhaanya Krishi Yojana (PM-DDKY) districts that align with their operational geography."

SCHEME MEASURES

PM DDKY was announced in the Union Budget for 2025.

It aims to develop 100 aspirational agricultural districts in partnership with States, through the convergence of existing schemes and specialised measures. The number of districts in each State will be based on the share of net cropped area and number of operational holdings. However, at least one district will be selected from each State.

The scheme aims to enhance agricultural productivity, adopt crop diversification and sustainable agriculture practices, augment post-harvest storage at the panchayat and block level, improve irrigation facilities, and facilitate availability of long term and short term credit.

For the past 5 years, a cumulative total of over ₹24,000 crore has been contributed by CPSEs in CSR.

Jio IPO may pave way for RIL rerating: Experts

SUNDAR SETHURAMAN
Mumbai, 19 June

The filing of the draft red herring prospectus (DRHP) by Jio Platforms for its much-anticipated initial public offering (IPO) is a watershed moment for Indian capital markets, which could eventually trigger a rerating of parent Reliance Industries Ltd (RIL) stock, said equity market experts.

Jio Platforms on Friday filed its DRHP for an IPO comprising a fresh issue of 27 crore equity shares. Reliance Industries informed exchanges that the board of Jio Platforms had approved the filing of the draft offer document.

"The most important value-creation milestone this year, of course, is Jio's imminent IPO. I assure you that this will unlock great value for Reliance shareholders, and offer an attractive investment opportunity to others," said Mukesh D Ambani, chairman and managing director (CMD) of RIL, while announcing the move earlier.

Market experts believe the listing could mark a significant shift in how investors value both Jio and Reliance Industries.

"The Jio IPO has the potential to become a landmark event for India's capital markets," said Chokkalingam G, founder of Equinomics. "Over time, Jio could emerge as a standalone largecap digital and telecom franchise, and eventually find a place in benchmarks Sensex and Nifty," he further said.

Chokkalingam added that the issue assumes strategic significance as the proceeds are proposed to be largely used for repayment of borrowings of Reliance Jio Infocomm Ltd (RJIL). "Lower leverage would improve Jio's profitability and, at the consolidated level, enhance Reliance Industries' net margins by reducing inter-

Top 10 IPOs since April 1, '89 (by fresh capital)

Company	Opening date	Issue amount (₹ cr)
Reliance Power	Jan 15, 2008	10,123
NTPC Green Energy	Nov 19, 2024	10,000
DLF	Jun 11, 2007	9,188
Cairn India	Dec 11, 2006	5,789
Adani Wilmar	Jan 27, 2022	3,600
Adani Power	Jul 28, 2009	3,017
PNB Housing Finance	Oct 25, 2016	3,000
JSW Infra	Sep 25, 2023	2,800
Aegis Vopak Terminals	May 26, 2025	2,800
Oil India	Sep 7, 2009	2,777

Source: primedatabase.com

est costs. It would also restore borrowing capacity, allowing the group to fund future expansion opportunities," he said.

The listing could become another important step in unlocking value from Reliance's digital assets. "A separately listed Jio should facilitate better price discovery for the digital segment, and could lead to a rerating of Reliance Industries itself, as investors assign a higher valuation multiple to a business mix that becomes increasingly driven by technology, digital services, and artificial intelligence (AI), rather than traditional oil & gas operations," Chokkalingam said.

U R Bhat, cofounder of Alphaniti Fintech, said Reliance Industries has incubated and invested in this business for a long time, deploying significant capital and effort to bring it to its current scale.

"A listed Jio could establish an important valuation benchmark, and improve price discovery for the industry," said Bhat.

"If Jio succeeds in extending internet access to areas that still suffer from poor connectivity, it could represent a meaningful structural shift in India's digital infrastructure,

and the market may assign additional value to that opportunity," said Bhat, who expects the IPO to attract substantial investor interest and potentially bring incremental foreign capital into the country.

Ambareesh Baliga, an independent equity analyst, said investors have been waiting several years for the Jio listing, much like the long-awaited IPO of the National Stock Exchange (NSE).

"The filing of Jio's DRHP is a significant milestone for Indian capital markets. These are highly anticipated issues and should attract strong investor interest. If enough value is left on the table for investors, and the IPO performs well post-listing, it could act as a catalyst for reviving momentum in the primary market," Baliga said.

While large offerings such as Jio would absorb a meaningful amount of market liquidity, Baliga said demand was unlikely to be a concern given the company's scale, brand strength, and the anticipation surrounding one of India's most closely watched IPOs.

Jio Platforms is an entirely fresh issue, and is likely to be both the largest IPO and the largest entirely fresh issue IPO.



DECISION COMES AMID HIGH FUEL COSTS

Highway developers to get compensation

FE BUREAU
New Delhi, June 19

THE GOVERNMENT HAS decided to compensate highway developers for the high costs of fuel and lubricants resulting from the West Asia war to ensure the uninterrupted construction and maintenance of highway projects.

The Ministry of Road Transport and Highways (MoRTH) on Friday came out with a formula to factor in the increased cost of bulk diesel, oil and lubricants used during construction and maintenance.

The circular applies to works executed between May 1 and June 30, 2026, though the ministry said it may be extended depending on how the global situation evolves.

Before the war started on February 28, industrial diesel prices were around ₹87.67 per litre. However, as the war progressed, the oil marketing companies increased prices by ₹22 per litre to ₹109.59 a litre on March 20. At present, industrial diesel costs anywhere between ₹134.5 a litre to ₹148.5 a litre depending on the state where it is bought.

The relief announced by MoRTH covers all modes of highway construction - Engineering Procurement Construction, Hybrid Annuity Model (HAM), under construction Build Operate Transfer (BOT), item rate contracts, perfor-

PRICING STRAIN



Bulk diesel price increase

February - ₹87.67 per litre

June - ₹148.5 per litre

(depending on the state taxes)

Bitumen price increase

February - ₹48,962 per tonne

June - ₹85,000 per tonne

mance based maintenance contracts (PBMC) and short-term maintenance contracts (STMC).

In the formula, the difference between the official average bulk price of diesel at the nearest refinery of IOC for the month and the price at the time of the contract would be taken into account to determine the construction cost. The reference price would be the price at the nearest Indian Oil Corporation refinery.

For HAM, STMC and contracts without a price escalation clause, the ministry will assume 10% of the work value as fuel and lubricant component for calculating compensation.

BOT concessionaires will get the flexibility to choose

either the new price adjustment mechanism or invoke the Force Majeure provisions available under their concession agreements.

Force Majeure provisions temporarily excuse both the private developer (concessionaire) and the government agency from performance liabilities when uncontrollable, unforeseeable events. Despite invoking this clause the maintenance of tolled road stretches must continue to ensure traffic safety, the ministry had said through an earlier circular.

Contractors will receive reimbursement only after producing original invoices for bulk diesel purchased from the nearest Central Public Sector refinery undertaking (CPSU), preventing misuse.

Earlier the ministry had come up with a one-time price adjustment mechanism to compensate contractors for the sharp increase in bitumen prices, acknowledging that existing contract provisions were insufficient under current market conditions.

The relief was provided as the bulk prices of bitumen used in road construction jumped from over Rs 82,100 per tonne by mid-April from about Rs 48,900 per tonne in early February—an increase of nearly 68% in just over two months.

The ministry had also moved to monthly payments for work executed from quarterly earlier.

High Court faults OMCs for departing from agreement to procure ethanol from DEP

The Hindu Bureau
BENGALURU

The High Court of Karnataka has said that Oil Marketing Companies (OMCs) cannot arbitrarily dilute assurances given to Dedicated Ethanol Plants (DEPs) for procuring a certain quantity of ethanol on preferential allocation basis after inducing them to invest hundreds of crores of rupees to set up the plant under the Union government's bio-fuel policy.

Justice M. Nagaprassanna made this observation while allowing a petition filed by VINP Distilleries and Sugars Pvt. Ltd., a dedicated ethanol producer situated in Konanakere village at Shiggaon taluk of Haveri district, Karnataka.

The company had challenged the sharp reduction in ethanol allocation for the Ethanol Supply Year (ESY) 2025-26 despite a long-term offtake agreement (LTOA) executed with Indian Oil Corporation Ltd., Bharat Petroleum Corporation Ltd., and Hindustan Petroleum Corporation Ltd.

Source of dispute

The dispute arose after the OMCs floated a tender in September 2025 for procurement of 1,050 crore

litres of ethanol for ESY 2025-26. The petitioner company claimed that despite bidding to supply 9.26 crore litres, it was allocated only 3.92 crore litres. The company argued that the allocation ignored a term of LTOA, which envisaged preferential allocation of additional quantities beyond the assured annual offtake quantity.

Examining the Centre's Ethanol Blended Petrol Programme and 20% ethanol roadmap, the court said the Centre encouraged private investment through policies, interest subvention and long-term procurement assurances boosting capacity.

Pointing out that the DEPs were established "exclusively to supply ethanol to OMCs" and such plants were "contractually barred from entering into similar supply arrangements with third parties", the court said that the petitioner-company had invested substantial capital and established a 300 KLPD ethanol plant based on the assurances contained in the agreement with the OMCs signed way back in 2021.

The court also noted that admittedly the OMCs exercise

"overwhelming monopoly over procurement of ethanol from DEPs".

Analysing the issue as to whether OMCs could, through a later tender condition, deny preferential allocation assured in the agreement with the petitioner-company and treat them on par with non-dedicated producers, the court said that when State instrumentalities exercise monopoly power, fairness and non-arbitrariness become constitutional obligations. They cannot induce investments through assurances and later defeat those expectations without compelling justification rooted in public interest, it said.

"DEPs, which have hitherto supplied ethanol exclusively to the OMCs and which are contractually prohibited from either manufacturing anything else or supplying ethanol to any third party, cannot now be relegated to the short end of the stick, thereby visiting them with grave and manifest prejudice," the court observed while directing the OMCs to consider the petitioner-company's plea for enhancement of procurement before procuring the next batch of ethanol under the tender.

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HC directs OMCs to consider request for ethanol supply

EXPRESS NEWS SERVICE @Bengaluru

THE Karnataka High Court directed oil marketing companies (OMCs) – Bharat Petroleum Corporation Ltd, Hindustan Petroleum Corporation Ltd and Indian Oil Corporation Ltd to consider the representation seeking enhancement of the allocation in the supply of ethanol within four weeks.

Allowing the petition filed by M/s Vinp Distilleries and Sugars Pvt Ltd, Haveri district, seeking directions to OMCs to consider the representation dated October 27, 2025, Justice M Nagaprasanna said the petitioner becomes entitled to issuance of a writ of mandamus directing OMCs to act in consonance with Clause 6.8 of the agreement, particularly when they themselves invoked Clause 6.8 to enhance procurement from 1.44 crore litres to 3.92 crore litres. There cannot be selective or partial invocation of Clause 6.8 by denying 9.90 crore litres as sought for. If such conduct were to be countenanced, operation of the clause would be reduced to the whims and fancies of OMCs, an eventuality wholly antithetical to law, he said. The petitioner was established exclusively for supplying ethanol to OMCs. The OMCs notified a tender in August 2021 for entering into long-term offtake agreements with dedicated ethanol plants in ethanol-deficit states, and the bids were opened in September of the same year.

In March 2023, the OMCs issued a second expression of interest to sign LTOAs in some states. In September 2025, a tender was floated inviting bids by OMCs for the supply of 1,050 crore litres of denatured anhydrous ethanol for ethanol supply year 2025-26. Through an e-mail on October 17, 2025, it was communicated that the petitioner was allotted a quantity of only 3.92 crore litres of ethanol against the allocation in the bid of 9.26 crore litres.

PM to lay foundation stone for ₹25K cr coal-gasification project in Odisha

SUDHEER PAL SINGH
New Delhi, 19 June

Prime Minister Narendra Modi will lay the foundation stone for a ₹25,016 crore coal-gasification project at Lakhanpur in Odisha's Jharsuguda district on Saturday, marking a major step towards strengthening India's energy security and reducing import dependence.

The project, involving India's first commercial-scale coal-to-ammonium nitrate facility, is being developed by Bharat Coal Gasification and Chemicals Limited (BCGCL), a

joint venture between Bharat Heavy Electricals (BHEL) and Coal India (CIL).

The facility will produce 2,000 tonnes of ammonium nitrate a day using coal-gasification technology developed indigenously by BHEL. "A land-leasing agreement was signed in April between BCGCL and Coal India subsidiary Mahanadi Coalfields Limited (MCL)," the coal ministry said in a statement on Friday.

The project will come up

on 350 acres of MCL land. It has received all necessary clearances, and construction is expected to begin after Saturday's ceremony. The ministry has enabled the use of coal-bearing land for such projects and provided ₹1,350 crore under its incentive scheme.

"The project will serve as a model for future coal-gasification ventures and contribute significantly to India's vision of becoming a self-reliant manufacturing and industrial powerhouse," the ministry said.



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OMCs incur ₹22,000 cr LPG underrecoveries

SUDHEER PAL SINGH
New Delhi, 19 June

India's oil-marketing companies (OMCs) incurred LPG underrecoveries of nearly ₹22,000 crore during March-May as domestic cooking gas prices failed to keep pace with soaring international rates amid the West Asia crisis, according to Crisil.

While the price of a 14.2-kg domestic LPG cylinder in Delhi rose 10 per cent between February and June, from ₹853 to ₹942, the price of a 19-kg commercial cylinder surged over 79 per cent, from ₹1,741 to ₹3,114.

As the domestic segment accounts

for 87 per cent of total LPG consumption, the calibrated increase in retail prices helped moderate cooking fuel inflation for households but sharply widened underrecoveries for OMCs.

According to Crisil, underrecoveries in Delhi — the gap between procurement cost and retail selling price — rose to ₹651 per domestic cylinder in May 2026.

The conflict pushed up international LPG prices, with the Saudi Aramco Contract Price — the benchmark for India's LPG imports — rising 46 per cent between February and June 2026 as markets priced in supply disruption risks and higher freight costs.



The report also noted a sharp shift in sourcing patterns. West Asia's share in India's LPG imports fell from 84 per cent in February 2026 to 63 per cent in April 2026. Before the conflict, the region accounted for about 90 per cent of India's LPG imports, which met 60-65 per cent of domestic demand.

India has increasingly turned to alternative suppliers. The US accounted for nearly one-third of LPG import volumes in April 2026, up from just 8 per cent in February.

"The shift has been possible because of a 2.2 million tonne per annum LPG sourcing agreement signed with the US in late 2025, equivalent to roughly 10 per cent of India's annual LPG imports," Crisil said.

Crude oil import bill surged 81.5% in May on elevated energy prices

SHUBHANGI MATHUR
New Delhi, 19 June

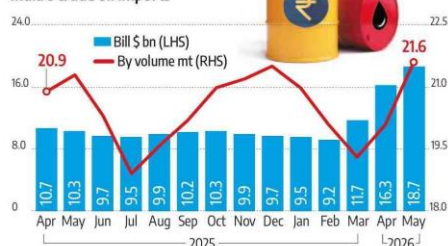
As the West Asia crisis pushed up energy prices, India's crude oil import bill surged 81.5 per cent year-on-year (Y-o-Y) in May to \$18.7 billion, according to official data. However, import volumes remained largely unchanged from a year ago.

India imported 21.6 million tonnes (mt) of crude oil in May, compared with 21.3 mt in the same month last year, when the import bill stood at \$10 billion, according to the latest data from the Petroleum Planning & Analysis Cell (PPAC).

The sharp rise in the import bill came as the Indian basket crude price averaged \$106.23 per barrel in May, compared with \$64.04 a barrel a year earlier. Crude oil remains India's largest import item, accounting for around 20 per cent of the country's merchandise import bill.

India has been sourcing

Bigger barrels
India's crude oil imports



Source: PPAC

energy at significantly higher costs to ensure adequate availability in the domestic market during the ongoing crisis. Energy prices have risen sharply in recent months due to supply disruptions caused by the blockage of traffic through the Strait of Hormuz, which has constrained supplies from West Asia.

India sources around 90

percent of its crude oil requirements, 50 per cent of its liquefied natural gas (LNG) demand and 60 per cent of its liquefied petroleum gas (LPG) needs through imports.

The country's net oil and gas bill, which reflects expenditure on imports of crude oil, LNG and LPG, minus earnings from exports of refined petroleum products, rose 75 per cent

Y-o-Y to \$17.5 billion in May.

This comes at a time when the government has imposed excise duties on exports of petrol, diesel and aviation turbine fuels since the beginning of the West Asia crisis to discourage exports and prioritise domestic demand amid supply constraints. In its regular fortnightly revision on June 16, the government fixed the special additional excise duty at ₹14 per litre on diesel exports, ₹12.5 per litre on ATF exports and ₹1.5 per litre on petrol exports.

India's petroleum product exports fell 33.9 per cent Y-o-Y to 3.7 mt in May, mainly due to lower shipments of petrol (motor spirit), diesel (high-speed diesel) and naphtha, among other products.

In the first two months of FY27 (April-May), India's crude oil import bill rose 69.85 per cent to \$35.5 billion, while the net oil and gas bill surged 51.1 per cent to \$32.2 billion.

RELIANCE INDUSTRIES' 49TH AGM

RIL betting on India's energy 'supercycle'

PRESS TRUST OF INDIA
Mumbai, 19 June

Reliance Industries (RIL) is positioning itself for what Chairman Mukesh Ambani described as an impending energy "supercycle" in India, ramping up investments across renewable energy, chemicals, advanced materials and alternative fuels as the conglomerate seeks to reduce the country's dependence on imported energy.

Speaking at the company's Annual General Meeting (AGM), Ambani said Reliance is pursuing an integrated energy strategy spanning solar power, batteries, wind energy, hydrogen, compressed biogas (CBG), bioenergy and underground coal gasification, aimed at strengthening India's energy security while supporting its transition to cleaner fuels.

The push comes as India remains heavily dependent on imported energy, with Ambani warning that reliance on overseas supplies leaves the country exposed to geopolitical disruptions and price volatility.

"India remains dependent on external energy sources for over 70 per cent of our needs. This is not only costly, but it also makes India vulnerable to geopolitical instability. Clearly, it is unsustainable in the long run," he said.

"Reliance is working on the most comprehensive, integrated, and future-



India's dependence on external energy sources is not only costly, but it also makes it vulnerable to geopolitical instability, making it unsustainable in the long run, RIL Chairman Mukesh Ambani said on Friday

PHOTO: PTI

focused plan by any Indian corporate to boost India's energy sources in every way possible — from solar, battery, wind power, hydrogen to underground coal gasification (UCG), and to compressed biogas (CBG) and bioenergy."

The singular aim, he said, is that India must produce almost all the energy it needs in abundance, in the most affordable and in the most eco-friendly manner. With its joint venture with BP currently producing about 30 per cent of India's do-

mestic gas output and a small quantity of oil, Reliance will continue investing in exploration and production opportunities as part of its strategy to strengthen India's energy security, he said.

Reliance's Jamnagar refinery in Gujarat — the world's largest single location oil refining complex — maintained near-full utilisation despite supply chain disruptions and volatility in global crude markets following tensions in West Asia earlier this year. The company also in-

creased domestic LPG supplies during the period to offset import disruptions.

The group is simultaneously expanding higher-value chemicals manufacturing. Projects under development include a 3 million tonne purified terephthalic acid (PTA) facility at Dahej, a carbon fibre plant at Hazira, and a 1.2-million-tonne PVC facility at Nagothane.

Reliance is also investing heavily in automation and artificial intelligence (AI) across its refining operations, with Anant Ambani, executive director and son of Mukesh Ambani, saying the company aims to transform Jamnagar into what he described as the world's first fully autonomous refinery.

The largest share of future investment, however, is directed towards clean energy. He said Reliance's solar photovoltaic manufacturing lines at the Dhirubhai Ambani Green Energy Giga Complex in Jamnagar have begun operations, producing nearly 1 gigawatt (Gw) of heterojunction technology solar modules. The company is targeting 20 Gw of fully integrated annual manufacturing capacity spanning polysilicon, wafers, cells, and modules.

Its battery manufacturing business is also progressing, with the first phase of a 40 Gwh battery cell factory expected to be commissioned this year. Reliance plans to expand capacity to

120 Gwh annually, potentially making it one of the world's largest lithium iron phosphate battery manufacturers, the junior Ambani said.

The company is developing a renewable energy hub across 550,000 acres in Gujarat's Kutch region, combining solar generation and battery storage. Once fully operational, the project is expected to generate more than 40 billion units of renewable electricity annually, equivalent to about 3 per cent of India's current power consumption.

Reliance is also advancing green hydrogen and green chemicals projects. Anant said the company had signed a long-term \$3 billion supply agreement with Samsung C&T for green ammonia, one of the largest such agreements globally, and was in discussions with buyers in Japan, South Korea, and Europe.

Commercial revenue from the solar business is expected to begin this year, while battery manufacturing is scheduled to commence operations in FY27. Anant said the New Energy division would begin making a meaningful contribution to Reliance's financial performance from next year onward.

The company expects its clean-energy investments, including renewable power, battery manufacturing, green fuels and compressed biogas, to generate around 200,000 jobs over time.

Building AI for India and by India: Mukesh Ambani

SHIVANI SHINDE
Mumbai, 19 June

Reliance Industries Chairman and Managing Director Mukesh Ambani on Thursday outlined the company's strategy on artificial intelligence (AI), saying newly formed Reliance Intelligence would provide AI to everyone, everywhere.

Reliance Intelligence will commission the first 120 megawatts (Mw) of its AI infrastructure in Jamnagar by the end of 2026.

Akash Ambani, chairman, Reliance Jio Infocomm, said this capacity could scale up to over 200,000 H100 equivalent GPUs (graphics processing units), positioning the company among the world's largest AI compute platforms.

Addressing shareholders at the company's 49th annual general meeting, Mukesh Ambani said India should not be a mere consumer of AI created elsewhere. It must become a creator, adopter, and global leader in AI.

"This is why we announced Reliance Intelligence last year as our newest growth engine. Our objective is to build a profitable AI infrastructure, platform, and services business serving consumers, enterprises, and governments at scale," he told shareholders.

Reliance Intelligence has now moved from the planning phase to execution. "What we are building is AI for India, AI by India, AI that will one day serve the world."

The company is building what it described as India's sovereign AI backbone in Jamnagar, powered entirely by renewable energy generated from Reliance's solar facilities in Kutch.

The first phase will include an initial fleet of advanced NVIDIA GB300 GPUs, with compute capacity equivalent to more than 75,000 H100 GPUs for AI inference workloads.

The company is also deepening



AI strategy

- First 120 Mw of Reliance Intelligence AI infrastructure in Jamnagar by the end of 2026
- First phase will include an initial fleet of Nvidia GB300 GPUs
- Building multilingual AI services, designed for 22 Indian languages
- Reliance Intelligence will disrupt AI economics by making it affordable for every Indian

partnerships with global technology firms like Google and Meta. Mukesh Ambani said Reliance's collaboration with Google had evolved into an AI-first partnership, with Google AI Pro powered by Gemini being made available free to hundreds of millions of Jio users.

Reliance is also working with Meta through a joint venture focused on operationalising the open-source LLaMa family of models for Indian enterprises.

"Reliance Intelligence will deliver sovereign hosting within India, with full model transparency and portability that allows every enterprise to own its AI journey," said Akash Ambani.

Reliance Intelligence is building multilingual AI services, designed for 22 Indian languages. The company announced a suite of AI applications, including JioBharatiQ, AI

Vyapar, JioHealthIQ, JioLearnIQ and JioKrishiIQ. These offers will target consumers, merchants, health care, education and agriculture, respectively.

"Just as Jio made data extremely affordable for every Indian, Reliance Intelligence will disrupt AI economics by making it dramatically more affordable for every Indian by the end of this decade," Akash Ambani said.

Reliance is also embedding AI across its businesses. At Jio, AI-native network management is being used to improve operational efficiency, while Reliance Retail is deploying AI in merchandising and supply-chain optimisation. At JioStar, AI is supporting multilingual content creation, and the group's oil-to-chemical business is using AI-driven process optimisation to improve yields and reduce energy consumption.

As part of its consumer AI road map, Reliance showcased a new AI-powered call assistant that will be integrated directly into the Jio network. The service, activated through a "Hey Jio" voice command, will be capable of transcribing calls, generating summaries, identifying speakers, and executing tasks such as booking cabs or ordering food during calls. The feature is expected to be rolled out to Jio's more than 500 million users later this year.

The company also announced plans to transform the MyJio application into an AI-powered personal assistant capable of handling tasks such as roaming pack selection, eSIM activation, and customer support through conversational interactions, while maintaining user-consent controls and payment authorisation safeguards.

Mukesh Ambani said Reliance was simultaneously investing in AI talent, startup ecosystems, and collaborations with Indian universities and research institutions as it sought to build what he described as "AI for India, by India".

Publication : Deccan Herald

Editions : Bangalore

Date :20 June 2026

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Oil shipments rise in Hormuz as US, Iran sign ceasefire deal

REUTERS

Oil shipments through the Strait of Hormuz picked up on Friday after the United States and Iran signed a ceasefire deal, with Gulf producers preparing to raise exports despite concerns over conditions set by Tehran for using the vital waterway.

Washington and Tehran released the text of an interim agreement signed on Wednesday to end the conflict, although US President Donald Trump warned he could resume attacks and target Iranian officials if commitments are not honoured.

At least four tankers carrying



An LNG carrier reaches Dahej Port carrying over 62,000 metric tonnes of LNG, in Ahmedabad, Gujarat on Friday.

crude, oil products and liquefied petroleum gas entered the strait on Friday, heading for Iraqi Gulf ports, according to MarineTraffic data.

A Japanese-owned crude tanker exited the strait after being delayed by the war and was bound for Japan. Separately, Indian-flagged crude super-

tankers Dosh Vibhor and Dosh Vaibhav had commenced voyages through the strait to India after days of disruption.

Vessels switch on signals
Ships resumed broadcasting positions as they transited Hormuz, after weeks of concealing movements by switching off transponders.

There were 25 commercial crossings through Hormuz on June 18 - the highest single-day count since April 18 and more than five times the average daily level of the first 10 days of June, AXS Marine data showed. Traffic remains well below the pre-conflict level of about 120 daily crossings.

Gulf oil producers were already active with tenders. Kuwait Petroleum Corp is offering crude for July delivery via a tender, a document showed on Friday, after lifting force majeure and announcing plans to ramp up output, while Abu Dhabi National Oil Company issued its fourth tender this month.

The US formally lifted its blockade of Iranian ports on Thursday.

"Mariners should be advised of the existence of mines and expect naval presence as clearance operations continue," the US navy-led Joint Maritime Information Center said late on Thursday.

Green energy hub set to break global records

RAGHAVENDRA KAMATH
Mumbai, June 19

RELIANCE INDUSTRIES' BATTERY giga factory in Jamnagar and its renewable energy hub in Kutch will set new global benchmarks in clean energy deployment, Chairman Mukesh Ambani said outlining the scale of the Group's green energy ambitions.

The projects form the centrepiece of Reliance's new energy strategy and are expected to begin contributing meaningfully to the company's financial performance from FY27 onwards, Ambani said.

At the 5,000-acre Dhirubhai Ambani Green Energy Giga Complex in Jamnagar, Reliance is building battery energy storage systems (BESS), cell manu-

facturing facilities, solar photovoltaic modules and electrolyser production units. Ambani said the company is targeting peak installation rates of 55 MWp of solar modules and 150 MWh of battery containers a day.

"This is not just any other project. We are gearing up for a world-scale deployment of clean energy infrastructure at a pace the world has never seen before," he said.

Reliance is also developing a renewable energy hub spread across 550,000 acres in Kutch that will combine solar generation and battery storage to supply round-the-clock electricity at gigawatt scale. According to Ambani, the integrated project is designed to become one of the world's lowest-cost sources of round-the-

RENEWABLE LEAP

■ New energy businesses expected to start making meaningful financial contributions from FY27

■ World-scale manufacturing buildout: Jamnagar complex to house battery storage, cell manufacturing

■ Solar supply chain integration: Targets 20 GW annual capacity across polysilicon, wafers, cells, modules and glass manufacturing



clock green power.

Once fully operational, the hub is expected to generate more than 40 billion units of green electricity annually, equivalent to about 3% of

India's current electricity consumption. The dedicated transmission corridor connecting Kutch and Jamnagar is under construction and engineering, procurement and

construction contracts have already been awarded.

The company is simultaneously expanding the scale of its battery manufacturing operations. Reliance plans to triple the

capacity of its battery energy storage systems giga factory to 120 GWh annually from the originally planned 40 GWh. Commercial-scale production at the first phase of the facility is expected to begin this year.

Ambani said the first phase of the company's 40 GWh battery energy storage systems and cell giga factory remains on track for commissioning this year. Reliance is also increasing capacity for lithium iron phosphate (LFP) batteries and aims to emerge as one of the world's largest manufacturers of the technology.

"In a world where supply chains are being contested and access to technology is being weaponised, building world-scale battery manufacturing capacity in India is not merely a

business decision. It is a strategic imperative for national resilience," Ambani said.

The company is also building an integrated solar manufacturing chain with a target of 20 GW annual capacity spanning polysilicon, ingots, wafers, cells, modules and glass.

Ambani said Reliance's solar photovoltaic cell and module manufacturing lines have already been commissioned, with nearly 1 GW of heterojunction technology (HJT) modules produced so far. The modules deliver higher energy yield, better temperature performance and lower degradation than conventional technologies. Reliance has also secured ALMM approval for HJT technology, a first in India.

BFSI, oil and gas face foreign investor pullout from India

FPIs chase AI infra in US, Taiwan and South Korea, alongside more tactical EMs like China

Dipti Sharma
dipti.sharma@livemint.com
MUMBAI

Global fund managers are actively rewriting their playbooks, pulling capital out of Indian equities to chase better opportunities elsewhere. This money is being channelled toward the artificial intelligence (AI) infrastructure and semiconductor powerhouses of the US, Taiwan and South Korea, alongside more tactical emerging markets such as China, market participants said.

Foreign portfolio investors (FPIs) were the biggest sellers in banking and financial stocks in May, pulling out ₹23,141 crore, Prime Database data showed. Oil & gas was the next major casualty, with net FPI sales of ₹8,978 crore in May, the highest since December 2024, according to the data.

As the Nifty 50 fell 2% in May, the market rout hit three sectors hardest: Nifty Consumer Durables plunged over 6.3%, while Nifty Oil & Gas skidded 4.2% and Nifty PSU Banks slid 3.8%.

BFSI

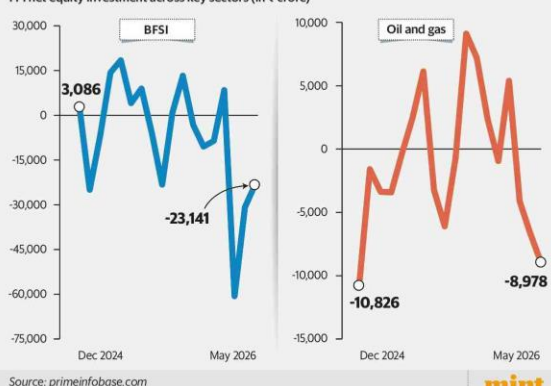
Foreign institutional investors (FIIs) primarily hold large-cap stocks and both their ownership and selling pressure are heavily concentrated in these larger names. So, when FIIs pull out of India, heavily owned sectors like banking, financial services and insurance (BFSI) bear the brunt of selling pressure.

Vinay Jaising, chief investment officer and head of equity advisory at ASK Private Wealth, noted that the financial sector faces the prospect of war-related bad debt from some borrowers, which could surface as early as the next quarter. "That said, the broader picture remains healthy—the country is witnessing robust loan

Where FPIs sold the most?

FPIs have been selling BFSI stocks for past three consecutive months whereas oil and gas outflow has been the highest since December 2024.

FPI net equity investment across key sectors (in ₹ crore)



growth of almost 16%," Jaising said.

Shibani Kurian, senior fund manager and head of equity research at Kotak Mahindra AMC, said loan growth has inched up and is getting broader based.

While inflation and interest rates are key risks, new rules allowing banks to raise foreign funds via external commercial borrowings (ECBs) and foreign currency non-resident bank (FCNR-B) deposits should ease local liquidity and boost deposit growth. Meanwhile, overall loan repayment trends remain healthy, she added.

"The sector, by and large, has seen improvement in return ratio profiles over the last five years and trades at valuations lower than historic average multiples," Kurian said.

Oil and gas

Fundamentally, the oil and gas sec-

tor is grappling with elevated prices, which are not easy to pass on to the customer, said ASK Private's Jaising.

Kotak Mahindra AMC has remained somewhat cautious about the oil and gas sector, with select exposure in pockets where valuations are undemanding. This is in light of the uncertainty over the West Asia conflict and the consequent volatility of oil prices.

The price of Brent crude oil has risen over 32% so far in 2026.

For India's oil marketing companies, earnings visibility is still weak because marketing margins remain negative for diesel and petrol despite recent price increases, according to Kurian. Upstream firms—in energy exploration and production—benefit from higher oil prices and rupee depreciation, but they haven't

been re-rated due to the overhang of likely policy changes and oil price uncertainty, she said.

Gas utilities may be better off as LNG is being imported from new destinations, Kotak's Kurian said. With the opening of the Strait of Hormuz, via which about one-fifth of the world's oil and natural gas flows, the outlook will improve on utilization and lower gas prices. However, if the shutdown continues beyond August, it will likely be a concern as winter demand could harden global gas prices and impact LNG availability for India, she said.

Valuations

Several market participants prefer to stay underweight on both sectors. Their massive index footprint crowds out high-conviction themes like AI and the capex boom. And, the West Asia war introduced too many wild cards, injecting an element of unpredictable volatility that is bound to squeeze corporate earnings, they said.

"Specifically, within financial services, private banks stand out as a strong prospect. As interest rates move upward, these institutions are fundamentally well-positioned to convert this environment into a core growth driver," said Rahul Singh, CIO-equities at Tata Asset Management.

According to ASK's Jaising, valuations in the BFSI space look relatively attractive.

Amid high crude prices, a weaker rupee and global uncertainties, JM Financial Institutional Securities has recalibrated its portfolio toward sectors offering stronger earnings visibility and macro resilience. The brokerage said on 10 June that it has turned overweight on sectors such as oil and gas and continues to favour NBFCs.

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

2%

The percentage the Nifty 50 fell by during May

32%

Brent crude oil price rise so far in 2026



Publication : Mint	Editions : New Delhi
Date :20 June 2026	Page : 16, 18

BFSI, oil and gas face foreign investor pullout from India

Global fund managers are actively rewriting their playbooks, pulling capital out of India to chase better opportunities elsewhere. This money is being channelled toward the AI infra and semiconductor powerhouses of the US, Taiwan and Korea. **>P16**

LOWEST MONSOON IN 11 YEARS PREDICTED

Ministry to Monitor Hydropower Output

Thermal sources to make up for shortfall

Shilpa Samant

New Delhi: The power ministry will closely monitor hydroelectricity availability amid forecasts of a deficient monsoon, although operations at hydroelectric power plants remain unaffected for now, government officials said.

The ministry, through the Grid Controller of India, will continue to assess rainfall projections, including the weather office's forecast next month, to evaluate any potential impact on power generation.

"Grid-India is working on it. Any shortfall can be met from thermal sources," said one of the officials, who did not wish to be identified.

The India Meteorological Department has forecast below-average southwest monsoon rainfall at 90% of the long period average during the June-September period.

In such cases, as witnessed in 2023, power demand usually goes up on account of increased irrigation needs and cooling requirement due to sultry weather.

India saw higher demand for irrigation and cooling in August and September 2023 during a deficient monsoon year, with the peak demand reaching a record 240 GW in September.

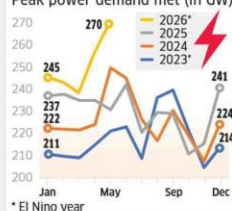
Officials said contingency measures are in place to deal with any situation, such as making thermal power capacity available by deferring planned maintenance to bridge potential gaps in generation.

"In September, 250 GW peak demand is expected and accordingly resource assessment has been done. Optimistically, it should be met. Otherwise, contingency measures could be rolled out such as deferring maintenance shutdowns," said another person.

This year, India saw peak power demand soaring to a fresh record in May, with the highest reaching 270 GW, in line with Grid-India's projection, led by more than usual heatwave days and higher than normal temperatures.

Feeling the Heat

Peak power demand met (in GW)



Publication : The Economic Times	Editions : Chennai
Date :20 June 2026	Page : 7

Oil Shipments Through Hormuz Strait Picks Up

London | Singapore: Oil shipments through the Strait of Hormuz increased on Friday after the US and Iran signed an interim ceasefire agreement, prompting Gulf producers to prepare for higher exports even as uncertainty lingered over Tehran's proposed shipping controls.



Indian and Japanese-linked tankers were among those moving through the strait after days of disruption

Several tankers carrying crude transited the strategic waterway while vessels delayed by the conflict resumed voyages. Indian and Japanese-linked tankers were among those moving through the strait after days of disruption.

Commercial traffic also showed signs of recovery. Data from AXS Marine showed 25 vessel crossings on June 18, the highest daily count in two months, though still well below pre-conflict levels of about 120 crossings a day.

The ceasefire agreement has raised hopes of a gradual restoration of oil flows from the Gulf and the eventual return of Iranian exports following the lifting of U.S. restrictions on Iranian ports. Gulf producers are already moving to increase supplies. Kuwait Petroleum Corp launched a tender for July crude deliveries after lifting force majeure. **Reuters**

RIL to turn oil into chemicals: Ambani

The Hindu Bureau
MUMBAI

In the long run, Reliance Industries Ltd. (RIL) will convert all the oil it refines into chemicals and new materials, CMD Mukesh Ambani told shareholders.

"This transformation will fundamentally improve the quality, resilience and value of our earnings. I am confident our new Oil-to-Chemicals & Materials business will become even more valuable than our current O2C business," he said at the company's AGM.

He emphasised the "ambition was to make RIL the world's leading integrated energy and materials company for the age of sustainability and intelligence."

Flexible partnerships

He said Reliance, which emerged as a partner for global chemicals and materials majors in this volatile world, was open to flexible partnerships and co-building integrated complexes in India and abroad, anchored in the company's integrated feedstock, manufacturing scale and execution capability, the lowest cost base, and a strong balance sheet.

"India remains one of the most favourable geographies globally for expansion, and RIL offers our partners a single, secure base to serve both - India's large domestic market and global demand," he said.

"The upcoming fully integrated green ecosystem will not only transform our Old Energy business, but also open up significant possibilities for Reliance's and India's future growth," he added.

Reliance, with its five integrated engines of growth - UCG, Bioenergy, New



RIL, under New Energy mission, would create 2 lakh green jobs.

Energy, O2C and the materials business - is now ready to deliver exponentially more value, he said.

With the New Energy & Materials platform, and an AI native way of working, Reliance is transforming its oldest business into a unique first-generation growth platform - "one that cannot be replicated on technology and scale."

Reliance, under its New Energy mission would create two lakh green jobs.

"That is the number of green jobs we expect to create through the Giga Complex and the Kutch Solar Farm combined. Two hundred thousand Indians - engineers, technicians, operators, construction workers, farmers, and entrepreneurs - whose livelihoods will be built on clean energy," he stated.

Inclusive prosperity

The clean energy transition will be an engine of inclusive prosperity. It will create jobs, reduce import dependence, boost exports, lower energy costs for every Indian home and every Indian factory and fulfil our obligation to save earth from climate crisis.

On India's future, Mr. Ambani said, "The world would now build its new energy on Indian sunshine."

Petrol and diesel demand defies May price hikes

Deepac Nishanth
Sourashis Banerjee
Chennai

Retail prices of petrol and diesel in India rose sharply in recent weeks as tensions in West Asia and the near-complete closure of the Strait of Hormuz disrupted global energy markets.

DATA FOCUS.

After remaining unchanged for almost four years, petrol and diesel prices were revised upwards from May 15. In Delhi, petrol prices climbed from ₹94.77 per litre on May 14 to ₹102.12 by May 25, a cumulative increase of ₹7.35 per litre. Diesel prices rose from ₹87.67 per litre to ₹95.20 during the same period, up by ₹7.53 per litre. Despite these increases, fuel consumption data suggests that demand has remained resilient.

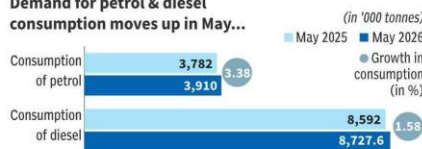
DEMAND GROWS

Consumption of both petrol and diesel increased in May compared with the same month a year earlier, even as consumers faced higher fuel costs. Petrol consumption rose to 39.1 lakh tonnes in May 2026 from 37.8 lakh tonnes in May 2025, representing year-on-year growth of 3.38 per cent. Diesel consumption increased to 87.2 lakh tonnes over the same period, a growth of 1.58 per cent.

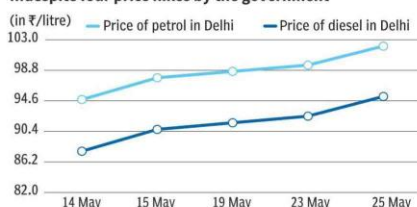
The data also show momentum in fuel demand on a month-on-month basis. Petrol consumption increased 6.13 per cent in May from April, reaching its highest level of this year so far. Diesel consumption rose 4.75 per cent during the month. Both fuels had witnessed decline in April before rebounding strongly in May. According to Madhavi Arora, of Emkay

Inelastic demand

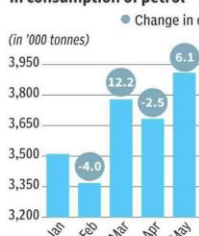
Demand for petrol & diesel consumption moves up in May...



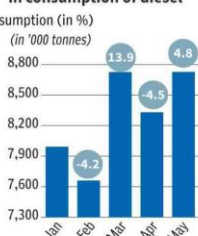
...despite four price hikes by the government



Month-on-month growth in consumption of petrol



Month-on-month growth in consumption of diesel



Source: PPAC

Research, "oil demand is inelastic in the near term, it takes time to hit demand on sustained fashion. This is applicable both in the case of a price rise or price cut."

PRICE ELASTICITY

The continued rise in fuel consumption despite higher prices highlights a key economic concept known as price elasticity of demand. A product is considered price inelastic when changes in price have a relatively small impact on the quantity demanded.

The May data illustrate this phenomenon clearly. Fuel prices increased by more than ₹7 per litre within

less than two weeks, yet consumption of both fuels continued to expand on both annual and monthly bases.

"Consumption tends to be sticky for these products. Diesel is mainly used for transport, where it is not possible to cut. Plus, extreme heat has led to higher use of diesel generator sets. In urban areas where petrol is used for private transport, absence of alternatives has kept cars moving. CNG prices too have gone up thus keeping alternatives also expensive," explained Madan Sabnavis, Chief Economist, Bank of Baroda.

Deepac Nishanth is an intern

Publication : The Hindu Business Line	Editions : New Delhi
Date :20 June 2026	Page : 8

Crude oil steadies as traders eye Lebanon ceasefire

Agencies

Crude oil steadied as Iran asserted its authority over the Strait of Hormuz, while Israel and Hezbollah reportedly agreed to a ceasefire starting Friday.

Brent crude futures were up 9 cents at \$79.94 a barrel by 1226 GMT. The front-month July contract for US West Texas Intermediate crude rose 79 cents to \$77.39. Both benchmarks hit their lowest since the early days of the conflict on Thursday as several tankers, including three Saudi-flagged vessels carrying 6 million barrels of crude, sailed through the strait hours after the US and Iranian presidents signed an interim deal to end their war.

On the demand front, world demand will rise to 113.3 million bpd in 2030 from 105.1 million barrels per day in 2025, OPEC said in its 2026 World Oil Outlook.

Recovery likely in phases from July; LPG to get priority over LNG and crude oil

Rishi Ranjan Kala
New Delhi

The reopening of the Strait of Hormuz (SoH) is expected to commence in phases, starting in July, with priority to liquefied petroleum gas (LPG), given India's dependence on West Asia for the commodity. It is used as cooking fuel by more than 33.50 crore households.

Besides LPG, the other pain point is liquefied natural gas (LNG), which is expected to follow as Gulf loading schedules and vessel availability improve, while crude oil remains a later-stage normalisation story given the resilience of import flows throughout the disruption.

SoH is India's most critical energy supply route, with the Middle East Gulf (MEG) region accounting for around 42 per cent of

crude imports, 91 per cent of LPG imports, and around 60 per cent of LNG imports in 2025, Kpler said.

The global real-time data and analytics provider said the reopening of the world's most critical energy choke point would represent a major milestone for global energy markets, but the impact on India is likely to vary significantly across commodities.

Sumit Ritolia, Kpler's Lead Research Analyst for Refining & Modelling, told *businessline*: "Our base case assumes a gradual reopening beginning in early July. The recovery is expected to occur in phases rather than through an immediate normalisation of trade flows."

He emphasised that the recovery in imports is likely to be sequential rather than simultaneous, reflecting the varying degree of disruption across commodities.

"LPG has been the most severely affected, with imports falling to around 51 per cent of pre-war levels, creating the strongest replenishment requirement. LNG is expected to follow as Gulf loading schedules and vessel availability improve, while crude remains a later-stage normalisation story given the resilience of import flows throughout the disruption," Ritolia added.

PHASES-WISE RECOVERY

Ritolia explained that in the first phase (weeks 0-4), with initial vessel movements, focus on evacuating stranded and delayed cargoes already within the Gulf. Priority is given to laden vessels carrying crude, products, LPG, chemicals and LNG. Opportunistic purchases of LPG and crude may emerge, subject to vessel availability, particularly for ships already positioned inside the Gulf.

In the second phase (weeks 3-10), he said that as confidence in the reopening strengthens, ballast (empty) vessels will gradually return to Gulf loading ports.

"LPG imports are likely to receive priority given India's heavy dependence on Middle Eastern supplies, inventory drawdowns during the disruption, and strong restocking demand. LNG and crude flows are expected to follow as vessel availability improves and loading schedules stabilise," Ritolia anticipated.

Finally, in the third phase (week 4 onwards), as the two-way shipping flows are restored in the SoH and storage pressures ease, Gulf producers can sustainably increase exports. Crude imports via MEG will begin to normalise, while refiners will gradually increase runs and product exports will recover, he added.

RIL raised LPG supply 4-fold during Hormuz disruption: Anant Ambani

RAKESH KUMAR @ New Delhi

RELIANCE Industries on Friday said it increased LPG (Liquefied Petroleum Gas) supplies four-fold to help the country manage import disruptions caused by the conflict in West Asia. The conflict, which lasted for more than 100 days, disrupted shipping through the Strait of Hormuz, a key global energy route through which a significant portion of India's crude oil, LNG and LPG imports pass.

Speaking at the company's 49th Annual General Meeting (AGM), Executive Director Anant Ambani said Reliance was able to maintain near-full refinery operations during the disruption through diversified crude sourcing and flexible logistics.

"We increased LPG supply four-fold to help the nation tide over the import disruption. This is the structural advantage of



building the world's most integrated, most flexible, most resilient refining and chemicals complex," said Anant Ambani.

He said the conflict affected refining margins as crude cargoes became more expensive and transportation costs increased. According to Ambani, physical crude barrels commanded a premium during the period, while freight rates and insurance costs also surged because of the geopolitical tensions.

He also highlighted the role of

Reliance's domestic gas production in supporting India's energy needs during the crisis. The company's KG-D6 and coal-bed methane (CBM) fields together form one of India's most productive natural gas platforms.

"When the West Asian conflict disrupted LNG supplies, Reliance swiftly redirected its domestic gas to priority sectors such as city gas distribution, fertilisers, and power generation. When the nation needed it most, Reliance delivered," said Anant Ambani.

Ambani said Reliance's KG basin fields continued to perform in line with expectations during FY26. Gas production stood at nearly 26 million metric standard cubic metres per day (MMSCMD), accounting for about 30 per cent of India's total natural gas production.

The company's oil production was nearly 18,000 barrels per day during the year.

Headline	Gujarat govt hosts high-level conference on innovation, startups and emerging technologies in defence		
Publication	Andhra Pradesh Mirror	Edition	Online Coverage
Published Date	20 Jun 2026		

Gujarat govt hosts high-level conference on innovation, startups and emerging technologies in defence

<https://www.andhrapradeshmirror.com/news/gujarat-govt-hosts-high-level-conference-on-innovation-startups-and-emerging-technologies-in-defence20260620045636/>

Gandhinagar (Gujarat) [India, June 20 : The Gujarat Government on Friday hosted a landmark conference titled "Innovation, Startups & Emerging

Technologies in Defence" at the Gujarat Chamber of Commerce & Industry (GCCI) to fast-track the integration of MSMEs and startups into the national defence supply chain.

According to a press release, the event brought together policymakers, military veterans, academics, and research organisations--including the Electronics & Quality Development Centre (EQDC)--to establish a roadmap for commercialising indigenous technologies capable of modernising India's armed forces.

Stressing the mandate for Aatmanirbharta, Neel Shrimali, Director of EQDC & Joint Technical Advisor, Government of Gujarat, noted that the private sector must step up to curb imports.

"Previously, the government relied entirely on defence PSUs and DRDO. Now, the sector is open, and the government is committed to building the necessary ecosystem startups require," Shrimali said, adding that states have been directed to actively map and address startup bottlenecks.

He also highlighted the benefits available under the Viksit Gujarat Industrial Policy 2026 and encouraged industries to take advantage of them.

A key highlight was the call for ecosystem unity. Air Commodore (Dr.) Jayanta Kumar Sahu (Retd.), Director at Rashtriya Raksha University (RRU), strongly advised startups to "collaborate, don't compete."

Sahu stated, "To cross the defence 'Valley of Death', Indian startups must shift from competition to collaboration." According to him, "By dividing core expertise -- where one handles precision hardware and another manages the AI or cyber security layer -- we build a robust, unified indigenous supply chain."

Panellists emphasised that next-generation military capabilities--including artificial intelligence, unmanned systems, and advanced materials--depend entirely on the agility of smaller enterprises. The primary focus remains on removing regulatory and testing barriers to help innovations seamlessly transition from prototype to active military supply.

As part of the event, an exhibition was also conducted that witnessed participation from 31 defence startups--including AeroShield, Bajrang UAV, Clovin Security, Dronelab Technologies, Omspace Rocket, Orbitt Space, and Prime UAV. They displayed cutting-edge products.

The release said that the attendees also engaged with EQDC to explore technical testing frameworks. Backed by the state's Industries and Mines Department, EQDC regularly services elite clients like ISRO's Space Applications Centre, the Indian Air Force, and ONGC, reinforcing Gujarat's trajectory toward becoming India's premier defence manufacturing hub.

Headline	ONGC May Build India's Next Strategic Petroleum Reserve at Mangaluru; Here's Why It Matters		
Publication	Angel One	Edition	Online Coverage
Published Date	19 Jun 2026		

ONGC May Build India's Next Strategic Petroleum Reserve at Mangaluru; Here's Why It Matters

<https://www.angelone.in/news/stocks/ongc-may-build-india-s-next-strategic-petroleum-reserve-at-mangaluru-here-s-why-it-matters>

ONGC may build a new strategic petroleum reserve at Mangaluru, expanding India's emergency crude storage capacity.

The government has asked Oil and Natural Gas Corporation (ONGC) to develop India's next strategic petroleum reserve (SPR) at Mangaluru in Karnataka, according to a report by The Economic Times. The proposed underground crude oil storage cavern is estimated to cost around 15,000 crore and is expected to strengthen India's emergency crude storage capacity amid geopolitical uncertainties and supply disruptions.

The proposed facility will have a storage capacity of 1.75 million metric tonnes (MMT), increasing India's existing strategic petroleum reserve capacity of 5.33 MMT by roughly one-third.

ONGC May Develop New Strategic Petroleum Reserve

The proposed Mangaluru cavern is expected to cost around 15,000 crore, with nearly 5,000 crore estimated for construction and around 10,000 crore required to fill the facility with crude oil at current prices.

ONGC, which already owns the land identified for the project, is expected to finance and construct the underground storage facility.

India's Existing Strategic Petroleum Reserve Capacity

India currently operates 3 strategic petroleum reserve facilities with a combined storage capacity of 5.33 MMT, or around 39 million barrels of crude oil.

The facilities are located at Visakhapatnam in Andhra Pradesh with 1.33 MMT capacity, Mangaluru in Karnataka with 1.5 MMT capacity and Padur in Karnataka with 2.5 MMT capacity.

India consumes around 5 million barrels of crude oil every day, making its current emergency reserves relatively limited compared with several major economies.

What Is a Strategic Petroleum Reserve?

Unlike commercial inventories maintained by refiners and oil marketing companies, these reserves are intended for use during emergencies such as wars, sanctions, shipping disruptions or other supply shocks.

India stores its strategic crude reserves in underground rock caverns located near ports and refinery infrastructure for quicker deployment during crises.

Why Is India Expanding Its Strategic Reserves?

India imports nearly 88% of its crude oil requirement, making it one of the world's largest energy importers and exposing it to geopolitical risks and supply disruptions.

The recent conflict involving Iran and volatility in global crude oil markets have renewed focus on strengthening the country's energy security through larger emergency reserves.

How Global Supply Routes Affect India's Energy Security

A large portion of India's crude oil imports passes through strategically important maritime routes such as the Strait of Hormuz, the Bab-el-Mandeb Strait and the Malacca Strait.

Any disruption along these shipping corridors can affect crude oil supplies and increase price volatility, making strategic petroleum reserves an important component of India's energy security framework.

How the Proposed ONGC Project Differs

The proposed Mangaluru project would be the first strategic petroleum reserve to be developed by a state-owned oil producer using its own balance sheet.

India's existing strategic petroleum reserve facilities were funded by the government and are operated by Indian Strategic Petroleum Reserve Limited (ISPRL). Under the proposed model, ONGC would finance and construct the storage asset.

ONGC Share Price Performance

As of 2:09 PM on June 19, 2026, ONGC share price was trading at 244.75, down 0.22% from the previous close of 245.30. During the session, the stock opened at 245.30, touched an intraday high of 245.50 and a low of 243.30.

In terms of returns, ONGC share price has declined 0.59% over the last 1 week and 17.45% over the last 1 month. On a year-to-date basis, the stock has gained 2.86%.

The stock touched its 52-week high of 307.50 on April 29, 2026, while the 52-week low stands at 228.61 recorded on December 17, 2025.

Conclusion

The proposed 1.75 MMT strategic petroleum reserve at Mangaluru would expand India's emergency crude storage capacity and add to the country's energy security infrastructure. The project also marks a shift in the development model, with ONGC expected to finance and construct the facility.

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Headline	Gujarat hosts conference to fast-track MSMEs into defence supply chain		
Publication	Asianet Newsable	Edition	Online Coverage
Published Date	20 Jun 2026		

Gujarat hosts conference to fast-track MSMEs into defence supply chain

<https://newsable.asianetnews.com/india/gujarat-hosts-conference-to-fasttrack-msmes-into-defence-supply-chain-articleshow-x8csi1c>

Gujarat government held a conference to integrate MSMEs and startups into the national defence supply chain, emphasizing Aatmanirbharta. Experts called for collaboration over competition to commercialise indigenous defence technologies.

The Gujarat Government on Friday hosted a landmark conference titled "Innovation, Startups & Emerging Technologies in Defence" at the Gujarat Chamber of Commerce & Industry (GCCCI) to fast-track the integration of MSMEs and startups into the national defence supply chain.

According to a press release, the event brought together policymakers, military veterans, academics, and research organisations--including the Electronics & Quality Development Centre (EQDC)--to establish a roadmap for commercialising indigenous technologies capable of modernising India's armed forces.

Aatmanirbharta and Policy Support

Stressing the mandate for Aatmanirbharta, Neel Shrimali, Director of EQDC & Joint Technical Advisor, Government of Gujarat, noted that the private sector must step up to curb imports. "Previously, the government relied entirely on defence PSUs and DRDO. Now, the sector is open, and the government is committed to building the necessary ecosystem startups require," Shrimali said, adding that states have been directed to actively map and address startup bottlenecks. He also highlighted the benefits available under the Viksit Gujarat Industrial Policy 2026 and encouraged industries to take advantage of them.

'Collaborate, Don't Compete'

A key highlight was the call for ecosystem unity. Air Commodore (Dr.) Jayanta Kumar Sahu (Retd.), Director at Rashtriya Raksha University (RRU), strongly advised startups to "collaborate, don't compete." Sahu stated, "To cross the defence 'Valley of Death', Indian startups must shift from competition to collaboration." According to him, "By dividing core expertise -- where one handles precision hardware and another manages the AI or cyber security layer -- we build a robust, unified indigenous supply chain."

Focus on Next-Generation Capabilities

Panellists emphasised that next-generation military capabilities--including artificial intelligence, unmanned systems, and advanced materials--depend entirely on the agility of smaller enterprises. The primary focus remains on removing regulatory and testing barriers to help innovations seamlessly transition from prototype to active military supply.

Showcasing Indigenous Innovation

As part of the event, an exhibition was also conducted that witnessed participation from 31 defence startups--including AeroShield, Bajrang UAV, Clovin Security, Dronelab Technologies, Omspace Rocket, Orbitt Space, and Prime UAV. They displayed cutting-edge products.

The release said that the attendees also engaged with EQDC to explore technical testing frameworks. Backed by the state's Industries and Mines Department, EQDC regularly services elite clients like ISRO's Space Applications Centre, the Indian Air Force, and ONGC, reinforcing Gujarat's trajectory toward becoming India's premier defence manufacturing hub. (ANI)

(Except for the headline, this story has not been edited by Asianet Newsable English staff and is published from a syndicated feed.)

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Asianet News Official App from the Android Play Store and iPhone App Store for accurate and timely news updates anytime, anywhere.

Headline	International arbitration award can't be challenged....: Bombay HC sustains \$24.7m award against ONGC		
Publication	Bar And Bench	Edition	Online Coverage
Published Date	19 Jun 2026		

International arbitration award can't be challenged....: Bombay HC sustains \$24.7m award against ONGC

<https://www.barandbench.com/news/international-arbitration-award-cant-be-challenged-bombay-hc-sustains-247m-award-against-ongc>

The Bombay High Court recently reiterated that even a potentially perverse finding in an international commercial arbitration (ICA) award cannot be interfered with by a court under Section 34 of the Arbitration and Conciliation Act [

Oil and Natural Gas Corp Ltd v. Sapura Fabrication SDN BHD .

Justice Sandeep Marne made the observation while rejecting a plea by the government-owned Oil and Natural Gas Corporation (ONGC) challenging a multimillion dollar arbitral award in favour of Malaysian contractor Sapura (now VTEB Fabrication).

The judge acknowledged ONGC's claim that the arbitral tribunal appeared to have ignored key correspondence and meeting minutes when it allowed one of the claims by Sapura.

However, he went on to point out that the Court did not have the power to review such patent illegality claims in awards passed in international commercial arbitration.

The judge explained that patent illegality, which includes any allegation that the arbitral award is perverse, is not available as a ground on which the Arbitration Act allows parties to challenge international commercial arbitration awards.

In this regard, the Court noted that the ground of patent availability is mentioned in Section 34(2A) of the Arbitration Act. This provision states that an arbitral award arising out of arbitrations "other than international commercial arbitrations" may be set aside if the award is vitiated by patent illegality.

In view of this, the Court held,

"The instant Award therefore cannot be challenged on the ground of patent illegality ... Though (a claim) appears to have been awarded by ignoring evidence on record and (ONGC) may be in a position to demonstrate patent illegality in award of the claim, the hands of this court are bound by the language of Section 34(2A) of the Arbitration Act. Had this been a domestic arbitration, the ground of patent illegality would have been available for ONGC by demonstrating perversity in the findings recorded in the award, the Court held.

On this issue, the judge also relied on the Supreme Court's interpretation of Section 34(2A) in , which stated that the grounds of patent illegality will not apply for setting aside arbitral awards in international commercial arbitrations.

Justice Marne reasoned that since Sapura is incorporated in Malaysia, the arbitration with ONGC qualified as an international commercial arbitration, even though the seat of arbitration was in Mumbai.

The case concerned a dispute arising from an agreement tied to the redevelopment of ONGC's Mumbai High South Field.

ONGC had entered into a turnkey contract with Sapura in 2015 for a broad package of offshore works.

The works were completed on time and ONGC paid over \$214.71 million, 7.81 million and 344.42 crore under the contract.

After completion, Sapura raised six claims for extra work of which ONGC partly admitted two as additional work/ change orders and rejected four.

The dispute was referred to arbitration.

A threemember arbitral tribunal led by former Chief Justice AP Shah passed a unanimous award in May 2024, rejecting one claim, partly allowing two and fully allowing three claims by Sapura.

It directed ONGC to pay substantial additional sums to the tune of over \$24 million plus postaward interest and nearly 1.88 crore in costs.

Aggrieved, ONGC approached the High Court under Section 34.

Justice Marne refused to interfere with the arbitral tribunal's findings on five out of six claims, holding that ONGC had not shown any ground to interfere.

The Court also found no grounds to interfere with the awarded amount and costs imposed and dismissed ONGC's petition upholding the tribunal's award.

With ONGC having already deposited the entire awarded amount and interest in court during the proceedings, the dismissal of the petition clears the way for Sapura to seek release of the funds.

Senior advocate Zubin Behramkamdin with advocates Sana Khan, Sakshi Kashyap, Arundhati Korale and Paras Gupta briefed by Jurisperitus Mumbai appeared for ONGC.

Advocates Naresh Thacker, Alok Jain, Samarth Saxena, Ria Garg and Vanshika Kainya appeared for Sapura.

[Read judgement

Attachment

Oil and Natural Gas Corp Ltd v. Sapura Fabrication SDN BHD

Headline	ATASU Sit-in Protests ONGC Policies in Sivasagar, Assam		
Publication	Bharat Horizon	Edition	Online Coverage
Published Date	19 Jun 2026		

ATASU Sit-in Protests ONGC Policies in Sivasagar, Assam

<https://bharathorizon.com/politics/law-order/atasu-sit-in-protests-ongc-policies-in-sivasagar.html>

Dibrugarh: The All Tai Ahom Students' Union (ATASU) held a sit-in at Dolmukh Chariali in Sivasagar town on Friday from 11 am to 1 pm, protesting

against Oil and Natural Gas Corporation's policies that the organization claims are detrimental to Assam and its people.

The demonstration comes nearly two weeks after ATASU convened a citizens assembly in Sivasagar on June 7, where speakers from various sections of society raised concerns over ONGC's operations in the region. Friday's sit-in marked an escalation of that agitation.

ONGC's Assam Asset, one of the corporation's largest onshore assets, is geographically spread across Sivasagar district, with its operational headquarters located at Nazira, about 16 kilometers from Sivasagar town. The asset manages development and production activities across mature onshore fields, including Geleki, Lakwa, Rudrasagar and several other fields in the region.

Protesters raised objections to the alleged halt in local recruitment, the outsourcing of oilfield operations to private entities, citing financial losses, and the alleged shifting of offices from Sivasagar. They said these decisions undermined the economic interests of local communities that have lived alongside ONGC's operations for decades.

ONGC has been extracting oil from this land for over six decades, but the people of this region have not received their rightful share of employment and benefits. The outsourcing of operations to outside contractors is depriving local youth of opportunities that are rightfully theirs, ATASU Sivasagar district executive president Madhujya Chetia said.

The organization placed a series of demands before ONGC, including 100% employment for local youths, provision of safe drinking water in affected areas, environmental protection measures, preservation of indigenous art and culture, development of sports infrastructure, retention of contract allocation controls in Nazira, improvement of the ONGC Hospital and an end to alleged irregularities at ONGC's Multi-Speciality Swargadew-Siu-Ka-Pha Hospital in Sivasagar.

The people of Sivasagar have raised these issues patiently through dialogue. But if ONGC continues to ignore our concerns, we will have no option but to intensify our movement, said another ATASU functionary.

Headline	Why govt wants ONGC to build India's next ₹15,000 crore strategic reserve		
Publication	Business Standard	Edition	Online Coverage
Published Date	19 Jun 2026		

Why govt wants ONGC to build India's next ₹15,000 crore strategic reserve

https://www.business-standard.com/companies/news/why-govt-wants-ongc-to-build-india-s-next-15-000-crore-strategic-petroleum-reserve-oil-126061900393_1.html

The facility would expand India's existing strategic storage capacity of 5.33 MMT by roughly one-third amid geopolitical conflicts and oil supply disruptions

The government has asked Oil and Natural Gas Corporation to build India's next strategic petroleum reserve.

New Delhi

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The government has asked Oil and Natural Gas Corporation (ONGC) to build India's next strategic petroleum reserve (SPR), marking a significant shift in how the country develops its emergency crude oil stockpiles.

The proposed 1.75 million metric tonne (MMT) underground crude storage cavern at Mangaluru in Karnataka is estimated to cost around 15,000 crore (nearly \$1.6 billion), reported The Economic Times . State-run ONGC, which already owns the land earmarked for the project, is expected to spend nearly 5,000 crore on constructing the cavern, while another 10,000 crore would be required to fill it with crude oil at current prices. If completed, the facility would expand India's existing strategic storage capacity of 5.33 MMT by roughly one-third at a time when geopolitical conflicts and supply disruptions are forcing countries to strengthen their energy security.

What is a strategic petroleum reserve?

A strategic petroleum reserve is an emergency stockpile of crude oil maintained by governments to protect against supply disruptions and sudden price shocks. Unlike commercial inventories held by refiners and oil marketing companies (OMCs), these reserves are intended for use during crises such as wars, sanctions, geopolitical conflicts, shipping disruptions or extreme volatility in global energy markets.

India's strategic reserves are stored in underground rock caverns located near major ports and refinery networks, enabling crude oil to be released quickly during emergencies.

How much oil does India currently hold in reserve?

India currently operates three strategic petroleum reserve facilities with a combined capacity of 5.33 MMT or about 39 million barrels of crude oil. These are located at Visakhapatnam in Andhra Pradesh (1.33 MMT), Mangaluru in Karnataka (1.5 MMT) and Padur in Karnataka (2.5 MMT). India consumes around 5 million barrels of oil every day, making its emergency reserves relatively modest compared with other major economies.

According to data cited by The Economic Times from the US Energy Information Administration, India held about 21 million barrels of strategic crude stocks at the end of 2025. By comparison, China held around 1,397 million barrels, the United States had 413 million barrels, and Japan maintained 263 million barrels.

Why is India expanding its reserves now?

The recent Iran conflict and the resulting volatility in global oil markets have once again highlighted India's vulnerability to external supply shocks.

India is the world's third-largest energy consumer and depends on imports for nearly 88 per cent of its crude oil requirements. Such dependence leaves the country exposed to geopolitical tensions in major oil-producing regions and disruptions along key shipping routes.

The government has long viewed strategic petroleum reserves as a critical pillar of energy security. Through Indian Strategic Petroleum Reserve Limited (ISPRL), a special purpose vehicle, India has been building emergency crude stockpiles to reduce dependence on any single supplier region and ensure supplies during periods of global turmoil.

How vulnerable are India's oil supply routes?

India's energy security challenge extends beyond import dependence, as much of its crude oil travels through some of the world's most strategically sensitive maritime chokepoints.

The Strait of Hormuz remains particularly important, with more than 60 per cent of India's oil imports historically passing through the narrow waterway connecting the Persian Gulf to global markets.

The Bab-el-Mandeb Strait, linking the Red Sea to the Gulf of Aden, has emerged as another area of concern amid attacks on commercial shipping, while the Malacca Strait remains critical for crude imports from Russia and East Asia.

Although Joint Secretary in the Ministry of Petroleum and Natural Gas Sujata Sharma has said that nearly 70 per cent of India's crude imports now originate from sources outside the Strait of Hormuz, policymakers continue to view supply diversification and larger emergency reserves as essential safeguards.

Why is the ONGC project different?

The proposed Mangaluru project would mark the first time a state-owned oil producer has been asked to build a strategic petroleum reserve.

India's existing SPR facilities were funded by the government and are operated by Indian Strategic Petroleum Reserve Limited (ISPRL). Under the new model, however, ONGC would finance and construct a national energy security asset using its own balance sheet.

What does the second phase of SPR expansion involve?

The government approved the second phase of SPR expansion in 2021 through a public-private partnership (PPP) model. The programme includes a 4 MMT facility at Chandikhol in Odisha and another 2.5 MMT facility at Padur in Karnataka.

Under the revised policy, ISPRL can lease 30 per cent of storage capacity to refiners or traders and use another 20 per cent for trading activities while retaining emergency access for the government. The model is designed to improve the financial viability of strategic storage assets while ensuring they remain available during crises.

Last year, Megha Engineering & Infrastructures Ltd won the mandate to build and operate the Padur facility after submitting the lowest bid for viability gap funding, which was capped at 60 per cent of the project's estimated 5,700 crore cost. The Chandikhol project is yet to be awarded, reported The Economic Times.

Why are strategic reserves becoming more important globally?

Recent geopolitical conflicts have reinforced the importance of maintaining large strategic oil stockpiles. Such reserves help governments cushion supply disruptions, moderate price shocks and provide greater flexibility during periods of market volatility.

According to The Economic Times, China was able to reduce crude imports by nearly one-third in May compared with pre-conflict levels by drawing on its vast stockpiles as prices surged. India, by contrast, had to continue sourcing crude from international markets to keep its refineries running.

That contrast helps explain why New Delhi is accelerating efforts to expand its emergency oil storage capacity and why the proposed ONGC-built Mangaluru cavern is being viewed as a significant addition to India's energy security infrastructure.

First Published: Jun 19 2026 | 11:56 AM IST

Headline	ONGC loses bid to scrap \$24.7 million award as Bombay HC limits challenges to international arbitration		
Publication	CNBC TV18	Edition	Online Coverage
Published Date	19 Jun 2026		

ONGC loses bid to scrap \$24.7 million award as Bombay HC limits challenges to international arbitration

<https://www.cnbctv18.com/legal/bombay-hc-upholds-usd-24-7-million-arbitral-award-against-ongc-19928910.htm>

In a ruling that reinforces the finality of international arbitration, the Bombay High Court dismissed ONGC's challenge to a \$24.7 million award in favour of a Malaysian contractor, holding that courts cannot set aside international arbitration awards on grounds of "patent illegality" even if a party alleges that evidence was ignored.

2 Min Read

The Bombay High Court has upheld an international commercial arbitration award directing state-owned Oil and Natural Gas Corporation (ONGC) to pay more than \$24.7 million to Malaysian contractor Sapura Fabrication, ruling that courts cannot interfere with such awards on grounds of patent illegality.

Justice Sandeep Marne dismissed ONGC's petition challenging the arbitral award, observing that even if a finding appears perverse or ignores evidence on record, such grounds are unavailable for setting aside an international commercial arbitration award under Section 34 of the Arbitration and Conciliation Act.

ONGC had argued that the arbitral tribunal overlooked key correspondence and meeting records while allowing one of Sapura's claims. However, the Court held that patent illegality under Section 34(2A) applies only to domestic arbitrations and not to international commercial arbitrations.

The Court relied on the Supreme Court's ruling in *Ssangyong Engineering & Construction Ltd. v. NHAH*, which clarified that patent illegality cannot be invoked to challenge international commercial arbitration awards.

Justice Marne noted that the dispute qualified as an international commercial arbitration because Sapura is incorporated in Malaysia, despite Mumbai being the seat of arbitration.

The dispute arose from a 2015 turnkey contract awarded by ONGC for the redevelopment of the Mumbai High South Field. The contractor completed the offshore works on schedule, with ONGC paying over \$214.71 million, 7.81 million and 344.42 crore under the contract.

Following completion of the project, Sapura raised six claims relating to additional work. ONGC partly admitted two claims and rejected four, leading to arbitration.

In May 2024, a three-member arbitral tribunal headed by former Chief Justice A.P. Shah partly or fully allowed five of the six claims and directed ONGC to pay additional sums exceeding \$24 million, along with post-award interest and nearly 1.88 crore in costs.

The High Court found no grounds to interfere with the tribunal's findings, compensation awarded or costs imposed, and dismissed ONGC's plea.

With ONGC having already deposited the awarded amount and interest before the Court, the ruling paves the way for Sapura to seek release of the funds.

Headline	India to expand strategic oil reserves RT.com 19 Jun 2026, 19:44 GMT+		
Publication	Calcutta News	Edition	Online Coverage
Published Date	19 Jun 2026		

India to expand strategic oil reserves RT.com 19 Jun 2026, 19:44 GMT+

<http://www.calcuttanews.net/news/279133899/india-to-expand-strategic-oil-reserves>

A state-run petroleum major will build a new reserve in the south, raising existing capacity by a third

India has directed the state-backed Oil and Natural Gas Corporation to build and fill another strategic petroleum reserve (SPR) facility, which would expand its reserve capacity by a third, a report has said.

The oil explorer and producer will invest an estimated \$1.6 billion to implement the federal government's directive. New Delhi is prioritizing energy security in the wake of the Middle East conflict, which depleted its strategic reserves and exposed its vulnerability to oil shocks.

The proposed 1.75 million metric ton (MMT) underground facility in the southern port city of Mangaluru is expected to increase New Delhi's current emergency reserve capacity of 5.33 MMT by a third, The Economic Times reported.

ONGC would require \$602 million for construction and \$1.2 billion for filling the facility with crude oil, according to estimates based on current oil prices.

It is reportedly the first time New Delhi has asked a state-backed oil company to develop an SPR facility, but there is no clarity on how ONGC will recover the costs.

India currently has three SPR facilities located in the southern states of Andhra Pradesh and Karnataka. These were funded by the government and are owned by Indian Strategic Petroleum Reserves Ltd, a state-owned special purpose vehicle.

A phase 2 plan to add 6.5 MMT was approved earlier.

India's daily consumption is five million barrels of oil per day, making its SPR capacity of about 39 million barrels look meager compared to the reserves of other major economies.

New Delhi held just 21 million barrels of strategic crude stocks at the end of 2025.

Washington's SPR has a total storage capacity of 714 million barrels, although it has steadily released barrels to tamp down oil prices amid the US-Israeli war with Iran. It still holds 340 million barrels, or about 84 days of supply.

China's reserves, at more than 220 million barrels, can last 60 days, while Japan's 324 million barrel-reserve can last 230 days.

(RT.com)

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a daily newsletter full of things to discuss over drinks. and the great thing is that it's on the house!

Headline	ONGC Petro additions Limited Recruitment 2026 for Managing Director Apply Now		
Publication	Career Star	Edition	Online Coverage
Published Date	19 Jun 2026		

ONGC Petro additions Limited Recruitment 2026 for Managing Director Apply Now

<https://careerstar.in/ongc-petro-additions-limited-recruitment-2026-for-managing-director-apply-now/>

ONGC Petro additions Limited Recruitment 2026 for Managing Director Apply Now ONGC Petro additions Limited (OPaL) invites applications from dynamic and accomplished professionals for the prestigious position of Managing Director

The selected candidate will serve as the whole-time Managing Director of OPaL , reporting to the Board of Directors through the Chairman. The Managing Director will be responsible for providing strategic leadership and overall direction to the company, driving business growth, and ensuring operational excellence in a highly competitive business ONGC Petro additions Limited Recruitment 2026 for Managing Director Apply Now ONGC Petro additions Limited (OPaL) invites applications from dynamic and accomplished environment.

The role requires a visionary leader who can inspire and guide a diverse, highly qualified, and multicultural workforce while fostering innovation, collaboration, and sustainable growth. The successful candidate will play a pivotal role in achieving OPaL's long-term strategic objectives and strengthening its position as a leading player in the petrochemical industry.

Candidates interested in applying are encouraged to thoroughly review the official notification before submitting their applications to ensure they meet all requirements. The official notification and website links are provided below in the article please read carefully.

Last Date of Application: 30th June 2026

Eligibility Criteria and Other Vacancy Details for ONGC Petro additions Limited Recruitment 2026 for Managing Director Apply Now

Here, you can find the complete eligibility criteria and other important details related to the Managing Director vacancy at OPaL, including educational qualifications, experience requirements, age limit, tenure, pay scale, and other conditions of appointment. Candidates are advised to carefully review all eligibility requirements before submitting their applications.

Age Limit

Candidates applying for the Managing Director position must satisfy the following age criteria:

Minimum Age: 45 Years

Maximum Age: 62 Years

The age of the applicant will be calculated as on the date of occurrence of the vacancy, i.e., 05 September 2026

Educational Qualification

Applicants must be Indian citizens and possess any one of the following qualifications from a recognized institution:

Graduate or Postgraduate in Engineering.

Chartered Accountant (CA).

Cost Accountant.

Graduate with a full-time MBA or PGDBA from a reputed institute.

Note: Only full-time educational qualifications will be considered eligible.

Experience Requirement

The applicant should possess a minimum of 25 years of post-qualification experience . Out of the total experience, at least 7 years should have been served in a senior leadership role in either the Private Sector or a PSU associated with:

Petrochemical Plants

Refineries

Oil & Gas Industry

The organization where the candidate has worked should have an average annual turnover of at least Rs. 2,000 crore during the last three financial years , based on audited financial statements.

Broad Job Profile

The ideal candidate should demonstrate:

Proven and exceptional leadership abilities with a strong professional track record.

Sound understanding of finance and operations management in large organizations.

Excellent negotiation, communication, and interpersonal skills.

Apart from providing strategic leadership, the Managing Director will be responsible for developing and executing the company's overall business, operational, and financial strategies to ensure sustained growth and competitiveness.

Place of Posting

The selected candidate will be posted in Vadodara, Gujarat

The appointment will initially be made for a fixed tenure of three (3) years

If the incumbent is below 60 years of age on the date of occurrence of the vacancy, the tenure may be extended by one year at a time , up to a maximum extension of two years (1+1 years) , subject to:

Satisfactory performance.

Mutual consent.

Approval from the Competent Authority.

The position offers an attractive compensation package along with various perks and benefits commensurate with the responsibilities of the role.

For candidates joining on deputation:

Salary, allowances, and benefits, including Performance Related Pay (PRP), will continue to be paid by the parent organization.

The associated expenses will be reimbursed by OPaL to the parent organization.

Apart from the eligibility conditions mentioned above, candidates should currently be working at not more than two levels below a Board-level position

Additional points:

Superannuated candidates may also apply, provided they satisfy the prescribed age limit and other eligibility requirements.

Employees working in PSUs are eligible to apply, subject to submission of a No Objection Certificate (NoC) from their current employer.

Only full-time employment experience will be considered. Experience gained through ad-hoc or contractual assignments will not be accepted.

Interested candidates may submit their applications via email at:

The subject line of the email should clearly mention:

Application for the post of Managing Director OPaL

The application should include complete details supporting the candidature, such as:

Age and educational qualifications.

Detailed work experience.

Last two to three career progressions and key achievements.

Organizational chart establishing that the current position is not more than two levels below the Board position.

Documents supporting eligibility criteria.

Current salary details.

Contact information.

The final date for submission of applications is 30 June 2026

Applications received after will not be considered.

Note: OPaL reserves the right to conclude, modify, or terminate the appointment process for the post of Managing Director without assigning any reason or issuing prior notice to applicants.

Note: for more and complete details please check the notification below.

Candidates must be between 45 and 62 years of age as on 05 September 2026.

Applicants should possess a full-time Engineering degree, CA, Cost Accountant qualification, or an MBA/PGDBA from a recognized institute.

Candidates must have at least 25 years of post-qualification experience , including 7 years in a senior leadership role in the Petrochemical, Refinery, or Oil & Gas sector.

The selected Managing Director will be posted at Vadodara, Gujarat

The last date for submitting the application through email is 30 June 2026

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<https://whatsapp.com/channel/0029VazXADrJpe8oTTZ4iM1s>) and receive instant alerts the moment we publish a new post.

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Headline	Iran war shock: Govt asks ONGC to build ₹15,000 crore strategic oil reserve at Mangaluru		
Publication	Cockroach Janta Party News 24	Edition	Online Coverage
Published Date	19 Jun 2026		

Iran war shock: Govt asks ONGC to build ₹15,000 crore strategic oil reserve at Mangaluru

<https://www.cockroachjantapartynews24.com/article/iran-war-shock-govt-asks-ongc-to-build-15000-crore-strategic-oil-reserve-at-mang>

India plans to boost its oil security. Oil and Natural Gas Corporation, ONGC, will build a new strategic petroleum reserve facility in Mangaluru. This project will significantly increase the nation's

Headline	New oil reserve will be created in India, ₹ 15000 crore will be spent: Gold became cheaper by ₹ 3,123 and silver by ₹ 8,218 in a day, maintenance charge will be imposed if PhonePe wallet is closed.		
Publication	Dainik News Live	Edition	Online Coverage
Published Date	20 Jun 2026		

New oil reserve will be created in India, ₹ 15000 crore will be spent: Gold became cheaper by ₹ 3,123 and silver by ₹ 8,218 in a day, maintenance charge will be imposed if PhonePe wallet is closed.

<https://dainiknewslive.in/new-oil-reserve-will-be-created-in-india-%e2%82%b9-15000-crore-will-be-spent-gold-became-cheaper-by-%e2%82%b9-3123-and-silver-by-%e2%82%b9-8218-in-a-day-maintenance-charge-will-be-imposed-if-phon/>

Gold & Silver Prices Drop Rs 3123 & Rs 8218; PhonePe Wallet Fees; India Oil Reserve New Delhi 44 minutes ago copy link

Yesterday's big news was related to PF. After the oil crisis during the US-Iran war, the central government has decided to create a new emergency oil reserve. This reserve will be created by Oil and Natural Gas Corporation (ONGC). According to the report of Economic Times, this entire project is estimated to cost around 15,000 crore.

There was a decline in the prices of gold and silver on June 19. One kg of silver fell by Rs 8,218 to Rs 2.32 lakh. Earlier on Thursday its price was Rs 2.40 per kg. At the same time, 10 grams of 24 carat gold has fallen by Rs 3,123 to Rs 1.45 lakh.

Before tomorrow's big news, these are today's headlines

The stock market will remain closed today.

There was no change in the prices of petrol and diesel today.

Now read tomorrow's big news

1. New emergency oil reserve will be created at a cost of 15000 crore: Decision after Iran war; In case of war or oil crisis, there will be an oil store of about 11 days.

After the oil crisis during the US-Iran war, the central government has decided to create a new emergency oil reserve. This reserve will be created by Oil and Natural Gas Corporation (ONGC).

According to the report of Economic Times, this entire project is estimated to cost around 15,000 crore. This underground emergency oil reservoir will be built in Mangaluru, Karnataka. It can hold 1.28 lakh barrels of oil.

2. Jio's IPO will come, it will be the biggest in the country: Plan to raise 37,700 crore from 27 crore shares; Medical City, Vantara University will be built in Mumbai

The 49th annual meeting, i.e. AGM, of Reliance Industries was held on Friday, June 19. Company Chairman Mukesh Ambani addressed about 44 lakh shareholders. He said that the company is entering the markets of Europe and Africa. At the same time, the company is also going to launch Jio's IPO.

Ambani told that IPO of Jio Platforms will be brought. For this, draft documents (DRHP) have been submitted to SEBI on June 19. The company will issue 27 crore new shares and plans to raise about \$4 billion i.e. 37,700 crore through IPO.

3. Silver fell by 8,218 to 2.32 lakh: So far this month it has become cheaper by 32 thousand; Gold price decreased by 3,123 today

There was a decline in the prices of gold and silver on June 19. According to India Bullion and Jewelers Association (IBJA), one kg of silver fell by Rs 8,218 to Rs 2.32 lakh. Earlier on Thursday its price was Rs 2.40 per kg.

At the same time, 10 grams of 24 carat gold has fallen by Rs 3,123 to Rs 1.45 lakh. A day ago its price was Rs 1.48. This month, gold has become cheaper by Rs 11 thousand and silver by Rs 31 thousand in 19 days.

4. Maintenance charges will be levied for keeping PhonePe wallet closed: 100 will be deducted every three months if not used for 365 days; Company will send 15 days notice

Digital payment platform PhonePe is preparing to charge maintenance fees from its users for inactive wallets. According to the company's new rules, if a user's PhonePe wallet is not used for 365 consecutive days, it will be considered dormant or inactive. A charge of 100 will be deducted from such wallets every quarter.

5. Muthoot Finance's partnership with MYFM: Started Sunhari Soch' campaign, under this we will remove the social hesitation of gold loan.

India's gold loan market has grown at a CAGR of 14.85% in the last five years. There is about 27,000 tonnes of gold in Indian households, but only 20% of it has been pledged so far.

Still 65% of the gold loan market is in the hands of the unorganized sector. The question arises that despite having so much gold, why do people not knock the doors of banks or NBFCs? The answer is not in statistics, but in emotions.

Also see who are the top 10 richest people in the world

Know the condition of tomorrow's stock market and gold and silver

Know the latest price of petrol, diesel and domestic gas cylinder

There is more news

Headline	RIL AGM 2026: Jio crosses 268 million 5G users, unveils AI-powered calling assistant		
Publication	Fortune India	Edition	Online Coverage
Published Date	19 Jun 2026		

RIL AGM 2026: Jio crosses 268 million 5G users, unveils AI-powered calling assistant

<https://www.fortuneindia.com/business-news/ril-agm-2026-jio-crosses-268-million-5g-users-unveils-ai-powered-calling-assistant/144028>

AI Generated by Fortune India Summary Reliance Jio surpassed 524 million subscribers and 268 million 5G users at Reliance Industries' 49th

AGM, with MD Akash Ambani targeting full 5G migration by 2030. FY26 revenue rose 14.6% to 1,46,885 crore, while profit after tax crossed 30,000 crore for the first time. JioAirFiber now connects 13 million homes. Jio also unveiled an AI-powered calling assistant requiring no app download, and announced a major MyJio app overhaul enabling voice and text-based interactions.

Key Takeaways

Jio solidifies market leadership with significant subscriber and financial growth.

Rapid 5G adoption and fixed wireless broadband expansion are key growth drivers.

New AI-powered calling assistant and MyJio app aim to enhance user experience.

Jio's strategic focus on AI and 5G positions India at the forefront of digital innovation.

Ambitious targets for 5G migration and 6G leadership highlight Jio's long-term vision.

Timeline

March 2025

JioAirFiber becomes world's largest fixed wireless broadband operator

JioAirFiber achieved the status of the world's largest fixed wireless broadband operator, indicating early success in this segment.

March 2026

Jio Platforms reports strong financial performance for FY26

Jio Platforms' revenue rose 14.6% to 1,46,885 crore, EBITDA increased 18.8% to 76,255 crore, and profit after tax crossed 30,000 crore.

March 2026

Significant growth in 5G users and data traffic

Jio added 77 million 5G subscribers during FY26, and total data traffic on its network reached 241 exabytes, a 30.8% year-on-year increase.

June 2026

Jio announces subscriber milestones at RIL AGM

At Reliance Industries' 49th AGM, Jio announced crossing 524 million total subscribers and 268 million 5G users, and JioAirFiber connecting 13 million homes.

June 2026

Jio unveils AI-powered calling assistant and MyJio app overhaul

Jio introduced an AI platform integrated into voice calls for real-time transcription and task execution, and an AI-powered overhaul of the MyJio app.

Later 2026

Rollout of AI services to Jio subscribers

The new AI assistant service is planned to be rolled out to Jio's more than 500 million subscribers later in the year.

By 2030

Target to migrate all subscribers to 5G

Jio aims to migrate all its subscribers to 5G by 2030, while also advancing India's leadership in 6G standards.

Frequently Asked Questions

A. Reliance Jio's 5G user base has surpassed 268 million, making it the largest for any single-country operator outside China as of the RIL AGM 2026.

A. Jio unveiled an AI-powered calling assistant, integrated directly into voice calls, offering real-time transcription, summaries, and task automation without an app.

A. The AI-powered calling assistant will be rolled out to Jio's more than 500 million subscribers later this year, supporting all Indian languages.

A. The MyJio app is being overhauled to become an AI-powered advisor, allowing users to interact via voice or text for tasks like connection transfers and service activation.

A. Jio Platforms' FY26 revenue rose 14.6% to 1,46,885 crore, EBITDA increased 18.8% to 76,255 crore, and profit after tax surpassed 30,000 crore.

A. Jio targets migrating all its subscribers to 5G by 2030, while also advancing India's leadership position in 6G standards, as stated by Akash Ambani.

A. JioAirFiber, the world's largest fixed wireless broadband operator, now connects 13 million homes across India, with over 90% installations completed within 24 hours.

First Principles

EBITDA margin

A profitability metric expressing earnings before interest, taxes, depreciation, and amortisation as a percentage of total revenue. It measures operational efficiency independent of capital structure and non-cash charges, making it a standard benchmark for comparing companies within capital-intensive sectors like telecom.

Basis points as a margin measurement unit

A basis point equals one-hundredth of a percentage point (0.01%), commonly used in finance to express precise changes in interest rates, yields, or profitability margins. Reporting margin expansion in basis points avoids ambiguity between absolute and relative percentage changes.

EBITDA

Earnings Before Interest, Taxes, Depreciation, and Amortisation a widely used proxy for a company's core operating cash generation. In capital-intensive industries such as telecommunications, EBITDA strips out the distorting effects of heavy infrastructure depreciation and financing costs to reveal underlying business performance.

Profit after tax

The net income remaining after all operating expenses, interest charges, depreciation, and corporate tax obligations have been deducted from total revenue. It represents the residual earnings attributable to equity holders and is a key input in valuation metrics such as price-to-earnings ratios.

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Reliance Jio has crossed 524 million subscribers, further cementing its position as India's largest telecom operator, while its 5G user base has surpassed 268 million, making it the largest for any single-country operator outside China. The company added 77 million 5G subscribers during FY26, underscoring the rapid adoption of its next-generation network.

Speaking at Reliance Industries' 49th annual general meeting, Akash Ambani, Managing Director, Jio Platforms, said Jio's scale has reached an "extraordinary" level within a decade of launch.

The company also highlighted the rapid expansion of its fixed wireless broadband business. JioAirFiber, which became the world's largest fixed wireless broadband operator last year, now connects 13 million homes across India. Total data traffic on Jio's network reached 241 exabytes in FY26, up 30.8% year-on-year, placing the company among the world's largest data operators.

The growth translated into strong financial performance for Jio Platforms. Revenue for FY26 rose 14.6% year-on-year to 1,46,885 crore, while EBITDA increased 18.8% to 76,255 crore. EBITDA margin improved by 190 basis points to 51.9%. Profit after tax crossed 30,000 crore for the first time in the company's history, growing 15.1% from a year earlier.

Looking ahead, Ambani said the next phase of Jio's growth will be driven by wider 5G adoption, broadband expansion, enterprise digitisation, artificial intelligence and global deployment of Jio's technology stack.

"Our target is to migrate all subscribers to 5G by 2030 while advancing India's leadership position in 6G standards," he said.

According to Ambani, more than 90% of JioAirFiber installations are completed within 24 hours, while home broadband connections are growing at a rate of up to 60,000 per day. Highlighting the growing demand for data services, he said per-capita data consumption on Jio's network has reached 42.3 GB per month, among the highest levels globally.

"This number will only grow as Jio migrates more Indians to 5G and as AI-enabled use cases proliferate," Ambani said.

Jio brings AI directly into phone calls

Alongside the network and business update, Jio unveiled a consumer-facing artificial intelligence platform that will be integrated directly into voice calls. "Every day, Jio carries 20 billion minutes of voice, making us one of the largest voice carriers in the world," Ambani said.

"We are building AI directly into the heart of the Jio network. No app to download, no number to add, available to every Jio customer in every Indian language," Ambani said. The company said the service will be rolled out to Jio's more than 500 million subscribers later this year.

Rank

Company Name

Reliance Industries

LIC

Indian Oil Corporation

State Bank of India

ONGC

[View Full List](#)

The AI assistant can transcribe calls in real time, identify up to 10 speakers on a conference call, generate summaries, create action items and reminders, and share notes with participants after the call ends. It can also perform tasks such as ordering food, booking a cab, reserving a restaurant table or scheduling meetings without requiring users to leave the call.

MyJio to become an AI-powered advisor

Reliance also announced a major overhaul of the MyJio app, which Kiran Thomas, President, Reliance Industries, said is used by more than 600 million customers.

Instead of navigating through menus and settings, users will be able to interact with the app through voice or text and simply state the task they want completed. During the demonstration, the AI assistant helped users transfer connections, identify suitable roaming packs, receive usage alerts, complete self-KYC processes and activate services.

"You'll no longer navigate MyJio. You say what you need, and MyJio starts working," Thomas said. The company said the service will support major Indian languages and operate with user consent. Any payment-related action will continue to require explicit confirmation from customers.

Headline	Current account deficit is an avoidable vulnerability		
Publication	Hindustan Times	Edition	Online Coverage
Published Date	20 Jun 2026		

Current account deficit is an avoidable vulnerability

<https://www.hindustantimes.com/opinion/current-account-deficit-is-an-avoidable-vulnerability-india-fuel-oil-lpg-gold-png-us-iran-war-gdp-101781888118614.html>

Rising oil demand after Y2K did not materially worsen the current account situation because it was offset by IT services exports and India-bound remittances.

The world has become more uncertain, volatile and unforgiving. Assumptions that shaped economic policy for decades are being challenged. India must now revisit the belief that a current account deficit (CAD) of 1.5-2% of the gross domestic product (GDP) is normal, manageable and perhaps inevitable.

This took hold after the 1991 reforms. Liberalisation lifted India from the old 3% growth path to an average growth rate of about 6.5% for three decades. This growth attracted enough global capital in normal times to finance the CAD. So, in the last 35 years, we registered a CAD in 31. Over time, the deficit came to be as a feature of India's growth model, not a vulnerability.

The standard argument was simple. India lacked domestic oil and gas, and Indians could not be weaned off the age-old habit of buying gold as a store of value. Rising oil demand after Y2K did not materially worsen the current account situation because it was offset by IT services exports and rising India-bound remittances. But even then, each time oil prices spiked, we moved from strength to fragility in a heartbeat.

The shift in the global economic regime under the present US administration and the war in West Asia have exposed the fragility of India's external account assumptions. The agreement between the US and Iran, if one could call it that, provides two months for both sides to set up the framework for real negotiations. That is when nuclear capabilities, frozen assets, missile capability, support for proxies, and relief from sanctions get discussed. These are contentious issues and any purported agreement could unravel again underscoring once more India's dependence on fuel imports as a major strategic weakness. At the same time, IT services exports may come under pressure from the AI disruption, while tighter immigration policies compress remittances.

Foreign capital tends to retreat when risk rises. A prolonged conflict can raise prices, disrupt supplies, pressure the current account, weaken growth, strain the fiscal deficit situation, stoke inflation and trigger second-order effects. If the rupee depreciates sharply, the Reserve Bank of India will be forced to use foreign currency reserves and interest rates to manage volatility.

However, this article is not about short-term crisis management. It challenges the policy belief that India's oil-gas-gold demand structurally condemns it to a CAD.

India consumes roughly 2,300 million barrels of oil a year but produces only about 530 million barrels domestically. Estimates of India's oil reserves vary widely, from around 12 billion tonnes of proven reserves to a theoretical potential closer to 42 billion tonnes. Until recently, some reserves could not be explored because of restrictions. The Prime Minister's Samudra Manthan decision is quite welcome, opening up around one lakh square kilometers of coastline for deep-water exploration.

But intent must be matched by capital, technology, and incentives. India's oil is harder to access than that of many West Asian producers. Much of it lies offshore; so, domestic wells recover only about 35% on average. Extracting more is often uneconomic because of limited technological innovation. India, therefore, must make serious efforts on exploration, recovery technology, and incentivising risk-taking. ONGC and Oil India must be encouraged to explore, not hamstrung by tight MOUs. India should target raising domestic supply from the current level of roughly 12% of oil demand to 50%.

Demand management is the second lever. India must accelerate transport electrification across two- and three-wheelers, cars, and buses. For trucks, liquefied natural gas can be a transition fuel, given India's gas import bill is a fraction of its oil bill. Over time, however, heavy transport too must be electrified. A determined policy pivot will accelerate innovation.

India must also reduce dependence on liquefied petroleum gas by expanding piped natural gas networks and encouraging alternative cooking technologies, including induction and solar-powered solutions. Industrial electrification

must also be urgently expanded -- currently at around 18%, compared with China's 30%. On fertilisers, with the subsidy bill likely to rise sharply, India should incentivise a shift from natural gas-based ammonia to green ammonia.

India's current account strategy must also prioritise reducing dependence on imported oil.

The second structural issue is gold. Nilesh Shah and Amit Chandra, using World Gold Council data, have highlighted the scale of the opportunity. India holds around 26,000 tonnes of gold, worth roughly \$4 trillion. Of this, about 4,000 tonnes are estimated to be with temple trusts and around 20,000 tonnes with households. The top 10% of households may hold about 10,000 tonnes. Gold prices have surged since 2024, making these holdings seem like excellent investments. But the value remains largely notional unless monetised.

The government can roll out a credible national temple gold mobilisation programme, to buy temple gold (at a premium) on the market price, with a buyback option. A sovereign wealth fund of \$300 billion could be created with the receipts. The temple trusts would be converting the idle gold into productive national capital, and also get income to make structural and ambient upgrades to the temples and the surrounding areas to boost religious tourism. Illustratively, while the Vatican gets 11 million foreign tourists, all of India gets 9 million of which a large portion are NRI.

India should also study Turkey's experiment of allowing banks to hold part of their statutory reserves in gold. This would give banks an incentive to attract household gold. A one-time, no-questions-asked gold conversion window could also be considered.

India cannot continue to treat a CAD as an unavoidable cost of growth. A CAD may be manageable in benign times, but in a fractured world, where black swan events are becoming the new normal, it is a strategic vulnerability. Challenging an old policy belief on CAD and bringing it to surplus must be a central focus to India's economic policy in the years ahead.

(Janmejaya Sinha is chairman, BCG India, and Kaustubh Verma is managing director and Partner, BCG. The views expressed are personal).

Headline	Today's News » Expo Engineering Bags ₹446.7 Million ONGC Maintenance Contract		
Publication	Indian Oil and Gas	Edition	Online Coverage
Published Date	19 Jun 2026		

Today's News » Expo Engineering Bags ₹446.7 Million ONGC Maintenance Contract

<http://www.indianoilandgas.com/viewnews.php?id=64916>

Regulation Alternative Energy / Fuel New Projects Market Watch Companies June 19, 2026: Expo Engineering and Projects Ltd has secured a 446.7 million contract from Oil and Natural Gas Corporation Ltd (ONGC) for the maintenance and inspection of floating roof crude oil storage tanks at the Gandhar Central Processing Facility (CPF) of ONGCs Ankleshwar Asset.

In a regulatory filing, the company said the work order was received on June 8 from ONGCs Central Procurement Department in New Delhi.

The contract, valued at 446.6 million inclusive of 18 per cent GST, involves a rate contract for maintenance and inspection of existing floating roof crude oil storage tanks at the Gandhar facility in Gujarat

(Source: Smallcap)

To download the latest issue 'Volume 33 Issue 5 - June 10, 2026', click [here](#)

Headline	Today's News » Why govt wants ONGC to build India's next ₹150 billion strategic reserve		
Publication	Indian Oil and Gas	Edition	Online Coverage
Published Date	20 Jun 2026		

Today's News » Why govt wants ONGC to build India's next ₹150 billion strategic reserve

<http://www.indianoilandgas.com/viewnews.php?id=64927>

Regulation Alternative Energy / Fuel New Projects June 20, 2026: The government has asked Oil and Natural Gas Corporation (ONGC) to build India's next strategic petroleum reserve (SPR), marking a significant shift in how the country develops its emergency crude oil stockpiles.

The proposed 1.75 million metric tonne (MMT) underground crude storage cavern at Mangaluru in Karnataka is estimated to cost around 150 billion (nearly \$1.6 billion), reported The Economic Times. State-run ONGC, which already owns the land earmarked for the project, is expected to spend nearly 50 billion on constructing the cavern, while another 100 billion would be required to fill it with crude oil at current prices.

If completed, the facility would expand India's existing strategic storage capacity of 5.33 MMT by roughly one-third at a time when geopolitical conflicts and supply disruptions are forcing countries to strengthen their energy security

(Source: Business Standard)

To download the latest issue 'Volume 33 Issue 5 - June 10, 2026', click [here](#)

Headline	Venezuela's oil sector at a crossroads: Recovery, geopolitics, and the future of energy production		
Publication	MSN India	Edition	Online Coverage
Published Date	19 Jun 2026		

Venezuela's oil sector at a crossroads: Recovery, geopolitics, and the future of energy production

<https://www.msn.com/en-in/money/topstories/venezuela-s-oil-sector-at-a-crossroads-recovery-geopolitics-and-the-future-of-energy-production/ar-AA2632so>

Anish Kumar *Dr Aparajita Pandey Venezuela stood as one of the world's most influential oil-producing nations for much of the twentieth century.

As a founding member of OPEC and home to the largest proven oil reserves globally, Venezuela has in the past leveraged its hydrocarbon resources to project economic and political influence across Latin America and beyond. However, in the recent past, Venezuela also became a cautionary tale of maladministration and corruption and outshine resource abundance and a country dependent on just resources without a stable and progressive policy network can often remain shy of energy security or economic prosperity. After the capture of its former President, Nicolas Maduro, and the subsequent intervention by the US, it is important to evaluate the trajectory that Venezuela might take for the future. A question that becomes even more important given the global energy situation. The track for Venezuela's energy sector cannot be understood without studying the evolution of the state oil company, Petroleos de Venezuela S.A. (PDVSA). During the latter half of the twentieth century, PDVSA was deemed as one of the most technically capable national oil companies in the world. Oil revenues financed social programmes, infrastructure development, and industrialisation while attracting substantial foreign investment. However, the political revolution initiated under President Hugo Chavez fundamentally distorted the relationship between the state and the oil industry. Beginning in the early 2000s, PDVSA progressively became a medium of political and social policy rather than a commercially driven energy company. The dismissal of thousands of experienced technical personnel following the 2002-03 oil strike substantially diminished institutional capability. Simultaneously, oil revenues were forwarded toward social spending while investment in maintenance, exploration, and production infrastructure dropped. With time, operational inefficiencies, corruption, underinvestment, and political interference undercut the sector's capacity to maintain production levels. The ramifications were severe. Venezuelan oil production fell from over three million barrels per day in the late 1990s to less than 400,000 barrels per day during the peak of the country's economic crisis. Refineries worsened, upgraders stopped functioning effectively, drilling activity subsided, and foreign investment gradually dried up. Although United States sanctions augmented the falloff the nation by restricting access to capital, technology, and export markets, the roots of the crisis lay principally in institutional decay and policy mismanagement rather than sanctions alone. Significantly, Venezuela's experience demonstrates that nationalisation is not characteristically incompatible with a successful energy sector. Countries like Brazil and Mexico have practised significant state control over their hydrocarbon industries while preserving operational efficiency and attracting foreign investment. The Venezuelan case point out that the decisive differing factor is governance and not ownership. The wearing away of technical autonomy within PDVSA was far more detrimental than the principle of state participation itself. Nevertheless, Venezuela still is one of the most resource-rich energy producers in the world. The country's greatest asset; the Orinoco Heavy Oil Belt, contains the largest accumulations of extra-heavy crude oil globally. These reserves embody a strategic resource base capable of supporting production for decades. However, the extraction costs are high and demand sophisticated upgrading infrastructure for optimum use, the sheer scale of the reserves ensures continued international interest. In addition to the Orinoco Basin, Venezuela also has substantial conventional oil resources in mature producing regions such as the Maracaibo Basin near the Maracaibo lake where many fields have experienced decreasing output due to insufficient investment and not geological depletion. It is clear that significant opportunities still exist for production enhancement but they need rehabilitation, secondary recovery techniques, and infrastructure modernisation. The most noteworthy yet underappreciated asset of Venezuela's energy basket is its natural gas. The country possesses massive offshore gas reserves, particularly in the Caribbean basin. Projects like Perla, Dragon, and Loran contain trillions of cubic feet of recoverable natural gas and have attracted attention from international energy companies. The Perla field, operated by Repsol and Eni, is already one of the largest offshore gas developments in Latin America. Recently more agreements involving Shell, Repsol, and other international oil and gas firms are indicative of the confidence that the world has in Venezuela's gas potential. Companies such as Repsol, Shell, Chevron, Eni, and ONGC Videsh are searching for opportunities to develop existing operations or restore inactive projects. Their interest is a reflection of recognition that Venezuela's resource base continues to be commercially appealing despite the political and economic risks linked with operating in the country. Recent agreements indicate that the Venezuelan government is willing to adopt a more pragmatic approach toward foreign participation. While PDVSA remains central to the sector, international firms are looking for operational flexibility, management autonomy, and

investment protections. This emerging model is similar to arrangements observed in numerous resource-nationalist states in which governments maintain sovereign control over hydrocarbon assets but allow foreign companies to contribute technology, capital, and operational expertise. For India, these developments carry strategic implications. Venezuela has historically held a significant spot in India's energy diversification strategy. Indian companies, particularly ONGC Videsh, have invested in Venezuelan upstream projects such as San Cristobal and Petrocarabobo. India was also one of the largest buyers of Venezuelan crude oil. The ongoing reorganisation of global energy markets has restored Venezuela's importance for Indian energy security matrix. Venezuela offers India an opportunity to diversify crude imports while securing long-term upstream investments. In the short term, production growth will predominantly depend on restoring existing assets rather than developing entirely new projects. International companies are expected to focus on restoring wells, repairing infrastructure, improving operational efficiency, and expanding production from mature fields. Incremental improvements are likely, but a rapid return to historical production levels remains unlikely given the scale of infrastructural degradation. The medium-term looks more promising, especially in the natural gas sector. Offshore developments like Dragon and Loran could make Venezuela a major gas supplier in the region. The proximity of these resources to Trinidad and Tobago's liquefied natural gas infrastructure creates opportunities for export-oriented development with relatively lower capital requirements than constructing entirely new facilities. As global demand for natural gas remains robust during the energy transition, Venezuela's offshore gas resources have the potential to become country's most valuable strategic assets. Over the longer term, the future of Venezuela's hydrocarbon sector will depend less on governance rather than geology. Venezuela's resource potential is undisputed. However, translating that potential into sustained production growth would need regulatory stability, contract certainty, institutional reform, and continued foreign investment. Venezuela could gradually restore production levels approaching two to three million barrels per day over the next decade in case the above is guaranteed. However, substantial risks also remain. Political uncertainty, policy reversals, sanctions-related challenges, and persistent weaknesses within PDVSA could restrict the tempo of recovery. Investors remain cautious, and large-scale capital commitments will depend on confidence that there is long term reforms. Venezuela's energy future will probably be defined by a hybrid model combining oil recovery with gas-led growth. Oil will remain the foundation of the sector, but natural gas will emerge as the principal engine of expansion and international investment with time. This dual-track approach offers Venezuela an opportunity to restore past production levels and surpass them. *Author is a Senior Assistant Professor at Amity Institute of Defence and Strategic studies and has a PhD in Energy Statecraft from Jawaharlal Nehru University.

Headline	ATASU protests in Sivasagar over ONGC's policies, seeks employment of local youths		
Publication	MSN India	Edition	Online Coverage
Published Date	20 Jun 2026		

ATASU protests in Sivasagar over ONGC's policies, seeks employment of local youths

<https://www.msn.com/en-in/news/world/atasu-protests-in-sivasagar-over-ongc-s-policies-seeks-employment-of-local-youths/ar-AA263Nig>

Rajib Dutta Dibrugarh: All Tai Ahom Students' Union (ATASU) took part in a sit-in at Dolmukh Chariali in Sivasagar town on Friday from 11

am to 1 pm, opposing Oil and Natural Gas Corporation's policies that the organisation described as detrimental to the interests of Assam and its people. The demonstration comes nearly two weeks after ATASU convened a citizens assembly in Sivasagar on June 7, where speakers from various sections of society raised concerns over ONGC's operations in the region. Friday's sit-in marked an escalation of that agitation. ONGC's Assam Asset, one of the corporation's largest onshore assets, is geographically spread across Sivasagar district, with its operational headquarters located at Nazira, about 16 kilometres from Sivasagar town. The asset manages development and production activities across mature onshore fields, including Geleki, Lakwa, Rudrasagar and several other fields in the region. Protesters raised objections to the alleged halt in local recruitment, the outsourcing of oilfield operations to private entities, citing financial losses, and the alleged shifting of offices from Sivasagar. They said these decisions undermined the economic interests of local communities that have lived alongside ONGC's operations for decades. ONGC has been extracting oil from this land for over six decades, but the people of this region have not received their rightful share of employment and benefits. The outsourcing of operations to outside contractors is depriving local youth of opportunities that are rightfully theirs, ATASU Sivasagar district executive president Madhujya Chetia said. The organisation placed a series of demands before ONGC, including 100% employment for local youths, provision of safe drinking water in affected areas, environmental protection measures, preservation of indigenous art and culture, development of sports infrastructure, retention of contract allocation controls in Nazira, improvement of the ONGC Hospital and an end to alleged irregularities at ONGC's Multi-Speciality Swargadew-Siu-Ka-Pha Hospital in Sivasagar. The people of Sivasagar have raised these issues patiently through dialogue. But if ONGC continues to ignore our concerns, we will have no option but to intensify our movement, said another ATASU functionary. Stay updated with the latest news on Times of India . Get all the trending City News , India News , Business News , and Sports News . For Entertainment News , TV News , and Lifestyle Tips , visit Etimes .

Headline	In a first, ONGC tapped to fund ₹15,000 crore strategic oil reserve in Mangaluru amid Iran war woes		
Publication	Mint	Edition	Online Coverage
Published Date	19 Jun 2026		

In a first, ONGC tapped to fund ₹15,000 crore strategic oil reserve in Mangaluru amid Iran war woes

<https://www.livemint.com/industry/energy/in-a-first-ongc-tapped-to-fund-15-000-crore-strategic-oil-reserve-in-mangaluru-amid-iran-war-woes-11781862431741.html>

The proposed reserve will be built as an underground cavern in Mangaluru with a storage capacity of 1.75 million metric tonnes.

State-owned Oil and Natural Gas Corp (ONGC) is set to play a key role in strengthening India's energy security, with plans to develop and stock the country's next strategic petroleum reserve (SPR) facility. According to a report by Economic Times citing sources familiar with the development, the project could require an investment of nearly 15,000 crore (\$1.6 billion).

The government's push comes in the wake of the Iran conflict, which highlighted India's relatively limited strategic crude reserves and its vulnerability to disruptions in global oil supplies. In response, authorities have reportedly asked ONGC to spearhead the development of a new emergency oil storage facility to enhance the country's preparedness against future supply shocks.

The proposed reserve will be built as an underground cavern in Mangaluru with a storage capacity of 1.75 million metric tonnes (MMT). Once completed, it will increase India's existing strategic crude storage capacity of 5.33 MMT by roughly one-third.

ONGC already owns the land required for the project. The company is expected to spend approximately 5,000 crore on constructing the cavern, while an additional 10,000 crore may be needed to fill the facility with crude oil at prevailing prices and exchange rates, reported ET

However, uncertainty remains about the project's financial viability. It is not yet known how ONGC would recover the substantial investment or whether the facility would operate solely as a strategic reserve or incorporate commercial activities to generate revenue.

The move marks a significant departure from past practice. Until now, all strategic petroleum reserve projects in India have been funded by the government and managed by Indian Strategic Petroleum Reserves Ltd (ISPRL), a special-purpose state-owned entity. India's existing SPR facilities are located at Visakhapatnam in Andhra Pradesh with a capacity of 1.33 MMT, and in Mangaluru and Padur in Karnataka with capacities of 1.5 MMT and 2.5 MMT, respectively.

India consumes around 5 million barrels of crude oil per day, making its strategic reserve capacity relatively small compared with major global energy consumers. The country's total SPR capacity of about 5.33 million tonnes, equivalent to nearly 39 million barrels, is modest by international standards and is not always fully utilised.

Data from the US Energy Information Administration shows that India held only 21 million barrels of strategic crude reserves at the end of 2025. In comparison, China maintained reserves of approximately 1.397 billion barrels, while the United States and Japan held 413 million barrels and 263 million barrels, respectively.

Initially designed exclusively for emergency use, India's strategic reserves have gradually evolved to include commercial functions. In 2021, the government allowed ISPRL to utilise up to half of its storage capacity for commercial purposes. Under the revised framework, 30% of capacity can be leased to refiners and traders, while 20% can be used for crude trading operations.

The second phase of India's SPR expansion, covering proposed facilities at Chandikhol in Odisha (4 MMT) and Padur in Karnataka (2.5 MMT), was approved under a public-private partnership (PPP) model in 2021. Last year, Megha Engineering & Infrastructures Ltd secured the contract to develop and operate the Padur facility, while the Chandikhol project is yet to be awarded.

Megha won the bid after seeking the lowest viability gap funding (VGF) among competing bidders. The government had capped VGF support at 60% of the project's estimated cost of 5,700 crore. The PPP model allows developers to recover investments through leasing storage space to the government or oil companies, while also providing flexibility to trade crude stored in the facility.

Strategic petroleum reserves are considered vital safeguards against supply disruptions, sudden spikes in oil prices and currency volatility caused by geopolitical tensions. The Iran conflict, which began on 28 February, underscored the importance of maintaining large emergency stockpiles. China, supported by its extensive reserves, was able to reduce crude imports by nearly one-third in May as oil prices surged. Indian refiners, on the other hand, were forced to aggressively source crude from multiple global suppliers to ensure uninterrupted refinery operations.

About the Author

Headline	Post Iran war crisis, ONGC to build India's next strategic oil reserve: India's existing reserves and why it matters		
Publication	Moneycontrol	Edition	Online Coverage
Published Date	19 Jun 2026		

Post Iran war crisis, ONGC to build India's next strategic oil reserve: India's existing reserves and why it matters

<https://www.moneycontrol.com/news/business/post-iran-war-crisis-ongc-to-build-india-s-next-strategic-oil-reserve-india-s-existing-reserves-and-why-it-matters-13953656.html>

The government has directed Oil and Natural Gas Corporation (ONGC) to construct and stock India's next strategic petroleum reserve (SPR), a project

likely to cost the company close to \$1.6 billion, the Economic Times reported citing people aware of the development.

The decision follows the Iran war, which laid bare the limits of India's emergency oil cushion and its exposure to sudden supply shocks. The new facility will act as a key step toward bolstering the country's energy security.

ONGC's proposed underground storage cavern in Mangaluru will hold 1.75 million metric tonnes (MMT) of crude, boosting India's existing emergency storage capacity of 5.33 MMT by roughly a third, sources said, ET reported.

The company already owns the land earmarked for the project and is expected to spend close to Rs 5,000 crore on building the cavern, with another Rs 10,000 crore needed to fill it with crude at prevailing prices and exchange rates.

The sources, however, did not specify how ONGC will recoup its investment or whether the Mangaluru facility will be reserved purely for strategic use or carry a commercial trading component as well.

This marks the first instance of a state-run oil company being assigned to build an SPR site. India's three existing reserves were funded entirely by the government and are run by Indian Strategic Petroleum Reserves Ltd (ISPRL), a public-sector special purpose vehicle. These reserves are located at Visakhapatnam (1.33 MMT) in Andhra Pradesh and at Mangaluru (1.5 MMT) and Padur (2.5 MMT) in Karnataka.

What India's current reserves look like

Currently, India consumes roughly 5 million barrels of oil per day, yet its total strategic storage of 5.33 MMT about 39 million barrels remains small relative to other major consuming nations and isn't always kept full. As of late 2025, India's actual strategic crude stockpile stood at just 21 million barrels, dwarfed by China's 1,397 million barrels, the US's 413 million barrels and Japan's 263 million barrels, per US Energy Information Administration data.

Originally designed as pure emergency stockpiles, India's SPR sites saw their mandate shift in 2021, when the government allowed ISPRL to commercialise up to half of the storage capacity leasing 30 percent to refiners and traders and using 20 percent for active crude trading.

For the second phase of SPR expansion, involving facilities at Chandikhol (4 MMT) in Odisha and Padur (2.5 MMT), the government approved a public-private partnership model in 2021. Last year, Megha Engineering & Infrastructures Ltd won the mandate to build and operate the Padur facility, while the Chandikhol project is yet to be awarded.

Megha secured the contract by seeking the lowest viability gap funding (VGF) among bidders, with VGF capped at 60 percent of the project's Rs 5,700-crore cost. Under the PPP model, the developer can recover its investment by leasing storage capacity to the government or domestic oil companies and by trading crude held in the facility with full commercial freedom, Economic Times reported.

What the new facility changes

India's reserves are a small fraction of what China, the US, or even Japan hold despite India being the world's third-largest oil importer.

India consumes roughly 5 million barrels of oil per day, yet its total strategic storage of 5.33 MMT about 39 million barrels remains small relative to other major consuming nations, and isn't always kept full.

The new ONGC facility will add 1.75 MMT of underground storage at Mangaluru about a 33 percent increase over current capacity. This is on top of the already-planned second phase (Chandikhol's 4 MMT + Padur's additional 2.5 MMT under the PPP model), which together would push total capacity well past 13 MMT once all phases are complete.

Why it matters

Large strategic reserves act as a cushion against supply disruptions, price spikes and currency swings triggered by geopolitical shocks exactly the kind unleashed by the Iran war that began on February 28. China, sitting on enormous reserves, was able to cut crude imports by about a third in May as prices spiked. Indian refiners, with far thinner buffers, had to scramble across global markets to keep refineries supplied.

A larger reserve cushion improves India's negotiating position with suppliers and reduces urgency-driven dependence on any single source or route (like the Strait of Hormuz).

Headline	Gujarat Conference Drives Startups and Innovation in Defence Sector		
Publication	New Kerala	Edition	Online Coverage
Published Date	20 Jun 2026		

Gujarat Conference Drives Startups and Innovation in Defence Sector

<https://www.newkerala.com/news/a/gujarat-govt-hosts-high-level-conference-innovation-startups-emerging-353.htm>

Gandhinagar, June 20 The Gujarat Government on Friday hosted a landmark conference titled "Innovation, Startups & Emerging Technologies in

Defence" at the Gujarat Chamber of Commerce & Industry to fast-track the integration of MSMEs and startups into the national defence supply chain.

"To cross the defence 'Valley of Death', Indian startups must shift from competition to collaboration. - Air Commodore (Dr.) Jayanta Kumar Sahu (Retd.)"

According to a press release, the event brought together policymakers, military veterans, academics, and research organisations--including the Electronics & Quality Development Centre (EQDC)--to establish a roadmap for commercialising indigenous technologies capable of modernising India's armed forces.

Stressing the mandate for Aatmanirbharta, Neel Shrimali, Director of EQDC & Joint Technical Advisor, Government of Gujarat, noted that the private sector must step up to curb imports.

"Previously, the government relied entirely on defence PSUs and DRDO. Now, the sector is open, and the government is committed to building the necessary ecosystem startups require," Shrimali said, adding that states have been directed to actively map and address startup bottlenecks.

He also highlighted the benefits available under the Viksit Gujarat Industrial Policy 2026 and encouraged industries to take advantage of them.

A key highlight was the call for ecosystem unity. Air Commodore (Dr.) Jayanta Kumar Sahu (Retd.), Director at Rashtriya Raksha University (RRU), strongly advised startups to "collaborate, don't compete."

Sahu stated, "To cross the defence 'Valley of Death', Indian startups must shift from competition to collaboration." According to him, "By dividing core expertise -- where one handles precision hardware and another manages the AI or cyber security layer -- we build a robust, unified indigenous supply chain."

Panellists emphasised that next-generation military capabilities--including artificial intelligence, unmanned systems, and advanced materials--depend entirely on the agility of smaller enterprises. The primary focus remains on removing regulatory and testing barriers to help innovations seamlessly transition from prototype to active military supply.

As part of the event, an exhibition was also conducted that witnessed participation from 31 defence startups--including AeroShield, Bajrang UAV, Clovin Security, Dronelab Technologies, Omspace Rocket, Orbitt Space, and Prime UAV. They displayed cutting-edge products.

The release said that the attendees also engaged with EQDC to explore technical testing frameworks. Backed by the state's Industries and Mines Department, EQDC regularly services elite clients like ISRO's Space Applications Centre, the Indian Air Force, and ONGC, reinforcing Gujarat's trajectory toward becoming India's premier defence manufacturing hub.

ANI

Headline	Bombay HC Upholds \$24.7M Award Against ONGC, Limits Arbitration Challenges		
Publication	One 18	Edition	Online Coverage
Published Date	19 Jun 2026		

Bombay HC Upholds \$24.7M Award Against ONGC, Limits Arbitration Challenges

<https://one.news18.com/english/article/legal/bombay-hc-upholds-247m-award-against-ongc-limits-arbitration-challenges-cne-6619928910>

The Bombay High Court upheld an international commercial arbitration award, directing ONGC to pay over \$24.7 million to Malaysian contractor Sapura Fabrication.

Justice Sandeep Marne dismissed ONGC's petition, ruling that courts cannot interfere with international commercial arbitration awards on grounds of patent illegality.

The Court clarified that patent illegality under Section 34(2A) of the Arbitration and Conciliation Act applies only to domestic arbitrations, not international ones.

The dispute stemmed from a 2015 turnkey contract for the Mumbai High South Field redevelopment, with Sapura raising claims for additional work after project completion.

The High Court's decision, following a tribunal's ruling in May 2024, paves the way for Sapura to access the deposited funds.

Tharoor Backs PM Modi on Sailor Deaths; BJP Slams Rahul Gandhi's 'Fake Narrative'

Uddhav Thackeray Offers Resignation Amid Rebellion, Calls Rebel MPs 'Traitors'

BJP Slams Congress Over Rahul Gandhi's Lord Parshuram Poster: 'Insult To Hindu Faith'

Cockroach Janta Party to Protest with Plates and Spoons at Jantar Mantar

Headline	India's Energy Security Gets a Reset: ONGC May Build New Strategic Oil Reserve		
Publication	Outlook Business	Edition	Online Coverage
Published Date	19 Jun 2026		

India's Energy Security Gets a Reset: ONGC May Build New Strategic Oil Reserve

<https://www.outlookbusiness.com/economy-and-policy/indias-energy-security-gets-a-reset-ongc-may-build-new-strategic-oil-reserve>

India is considering a major expansion of its strategic petroleum reserves, with ONGC reportedly tasked with developing a new 15,000 crore oil

storage facility as policymakers seek to strengthen energy security following disruptions caused by the Iran conflict

Outlook Business Desk

ONGC is reportedly set to develop a 1.75 MMT underground crude storage facility in Mangaluru, which would increase India's strategic petroleum reserve capacity by nearly one-third.

The project could require around 5,000 crore for construction and another 10,000 crore to procure crude oil and fill the reserve.

The proposal follows concerns over supply disruptions during the Iran conflict and highlights India's relatively modest strategic oil reserves compared with countries such as China, the US and Japan.

State-run Oil and Natural Gas Corporation (ONGC) is planning to develop and fill India's next strategic petroleum reserve (SPR) facility under a government-directed initiative aimed at strengthening the country's energy security, according to a report by The Economic Times

The proposed project comes in the aftermath of the Iran conflict, which highlighted India's vulnerability to global supply disruptions and underscored the limited size of its strategic crude reserves.

1 June 2026

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According to the report, ONGC has been asked to develop a 1.75 million metric tonne (MMT) underground crude storage cavern in Mangaluru, Karnataka. Once completed, the facility would increase India's existing strategic petroleum reserve capacity of 5.33 MMT by nearly one-third.

Sources cited in the report said ONGC may need to invest around 15,000 crore (\$1.6 billion) in the project. Of this, approximately 5,000 crore would be required for construction, while another 10,000 crore could be needed to procure crude oil and fill the storage facility at current prices.

The Mangaluru project would mark the first time a state-owned oil producer has been tasked with developing a strategic petroleum reserve . ONGC already owns the land earmarked for the facility, potentially accelerating the project's execution.

However, it remains unclear how the company would recover its investment or whether the facility would operate solely as a strategic reserve or include a commercial component.

India's Strategic Reserves Remain Limited

India currently maintains three strategic petroleum reserve facilities operated by Indian Strategic Petroleum Reserves Ltd (ISPRL), a government-owned special purpose vehicle.

The existing facilities are located at Visakhapatnam in Andhra Pradesh with a capacity of 1.33 MMT, and Mangaluru and Padur in Karnataka with capacities of 1.5 MMT and 2.5 MMT, respectively.

Despite being the world's third-largest oil consumer, India's strategic reserves remain modest compared with other major economies. The country consumes roughly 5 million barrels of crude oil per day, while its current SPR capacity of 5.33 million tonnes, equivalent to about 39 million barrels, is significantly lower than that of countries such as China, the United States and Japan.

According to data from the US Energy Information Administration, India held only 21 million barrels of strategic crude stocks at the end of 2025, compared with 1,397 million barrels in China, 413 million barrels in the United States, and 263 million barrels in Japan.

BY Outlook Business Desk

Shift Towards Commercialisation

India's strategic reserves were initially conceived as purely emergency stockpiles. However, the government revised its approach in 2021 by allowing ISPRIL to commercially utilise part of the storage capacity.

Under the policy, up to 30% of capacity can be leased to refiners and traders, while 20% of stored crude can be used for trading activities, helping improve the economic viability of the reserves.

The government has also adopted a public-private partnership model for the next phase of strategic reserve expansion, which includes planned facilities at Chandikhol in Odisha (4 MMT) and Padur in Karnataka (2.5 MMT).

The proposed ONGC-led project signals a broader reassessment of India's energy security strategy as policymakers seek to build larger buffers against future geopolitical disruptions and supply shocks.

Headline	ONGC Petro additions Limited (OPaL) announces price protection in High density polyethylene (HDPE) and Linear low density polyethylene (LLDPE) in the domestic markets of India		
Publication	Polymer Update	Edition	Online Coverage
Published Date	19 Jun 2026		

ONGC Petro additions Limited (OPaL) announces price protection in High density polyethylene (HDPE) and Linear low density polyethylene (LLDPE) in the domestic markets of India

<https://www.polymerupdate.com/News/Details/1493249/hdpe>

19 Jun 2026 10:42 IST

Headline	ATASU protests in Sivasagar over ONGC's policies, seeks employment of local youths		
Publication	The Times of India	Edition	Online Coverage
Published Date	19 Jun 2026		

ATASU protests in Sivasagar over ONGC's policies, seeks employment of local youths

<https://timesofindia.indiatimes.com/city/guwahati/atasu-protests-in-sivasagar-over-ongcs-policies-seeks-employment-of-local-youths/articleshow/131859477.cms>

Rajib Dutta Jun 19, 2026, 18:14 IST

Dibrugarh: All Tai Ahom Students' Union (ATASU) took part in a sit-in at Dolmukh Chariali in Sivasagar town on Friday from 11 am to 1 pm, opposing Oil and Natural Gas Corporation's policies that the organisation described as detrimental to the interests of Assam and its people. The demonstration comes nearly two weeks after ATASU convened a citizens assembly in Sivasagar on June 7, where speakers from various sections of society raised concerns over ONGC's operations in the region. Friday's sit-in marked an escalation of that agitation. ONGC's Assam Asset, one of the corporation's largest onshore assets, is geographically spread across Sivasagar district, with its operational headquarters located at Nazira, about 16 kilometres from Sivasagar town. The asset manages development and production activities across mature onshore fields, including Geleki, Lakwa, Rudrasagar and several other fields in the region. Protesters raised objections to the alleged halt in local recruitment, the outsourcing of oilfield operations to private entities, citing financial losses, and the alleged shifting of offices from Sivasagar. They said these decisions undermined the economic interests of local communities that have lived alongside ONGC's operations for decades. ONGC has been extracting oil from this land for over six decades, but the people of this region have not received their rightful share of employment and benefits. The outsourcing of operations to outside contractors is depriving local youth of opportunities that are rightfully theirs, ATASU Sivasagar district executive president Madhujya Chetia said. The organisation placed a series of demands before ONGC, including 100% employment for local youths, provision of safe drinking water in affected areas, environmental protection measures, preservation of indigenous art and culture, development of sports infrastructure, retention of contract allocation controls in Nazira, improvement of the ONGC Hospital and an end to alleged irregularities at ONGC's Multi-Speciality Swargadew-Siu-Ka-Pha Hospital in Sivasagar. The people of Sivasagar have raised these issues patiently through dialogue. But if ONGC continues to ignore our concerns, we will have no option but to intensify our movement, said another ATASU functionary. ATASU members take part in a sit-in at Dolmukh Chariali in Sivasagar town

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Headline	ONGC to Build ₹15,000 Cr Oil Reserve: Key Investor Angles		
Publication	Whalesbook	Edition	Online Coverage
Published Date	19 Jun 2026		

ONGC to Build ₹15,000 Cr Oil Reserve: Key Investor Angles

<https://www.whalesbook.com/news/English/energy/ONGC-to-Build-indian-rupee15000-Cr-Oil-Reserve-Key-Investor-Angles/6a34c1ecd017fdb5099a3305>

India has tasked ONGC with developing a 1.75 million metric tonne strategic petroleum reserve in Mangaluru at an estimated cost of 15,000 crore.

As the company takes on this national infrastructure project, investors are focusing on how this heavy capital allocation will impact cash flow and returns, especially compared to its core oil and gas exploration business.

What Happened

State-run Oil and Natural Gas Corporation (ONGC) has been directed to build a new strategic petroleum reserve (SPR) in Mangaluru. This project aims to store 1.75 million metric tonnes of crude oil. The total estimated cost for the facility is 15,000 crore. This development is a response to the need for better energy security, particularly in light of recent global supply shocks caused by geopolitical tensions in the Middle East.

The Financial Breakup

The estimated 15,000 crore investment is split into two parts. Approximately 5,000 crore is earmarked for building the underground cavern and necessary infrastructure. The remaining 10,000 crore will be used to fill the reserve with crude oil. This distinction is important for investors because the cost of the crude oil effectively becomes an inventory asset, while the construction cost is a long-term infrastructure investment. The company has not yet provided full details on how it plans to recover this capital or whether it will operate the facility on a commercial lease model, as seen in other newer SPR projects.

Shift in Infrastructure Strategy

Historically, India's strategic oil reserves were developed and managed by Indian Strategic Petroleum Reserves Ltd (ISPRL), a special-purpose vehicle fully funded by the government. The decision to involve ONGC, a listed entity with its own public shareholders, marks a change in how the country funds and builds such energy infrastructure. While the company has the land and technical experience in the energy sector, taking on a project of this scale represents a significant commitment of funds that would otherwise be available for oil and gas exploration or dividends.

Capital Allocation Questions

For investors, the key monitorable is capital allocation. ONGC is primarily an exploration and production company. Its core business involves finding and extracting oil and gas, which typically offers different risk and return profiles compared to managing storage infrastructure. When a large company diverts significant cash to a government-mandated infrastructure project, investors often look for clarity on the expected return on capital. If this project is treated as a strategic asset with no clear path to commercial returns, it may impact the company's free cash flow and dividend-paying capacity.

Sector And Peer Context

Global energy consumers like the United States, China, and Japan maintain massive strategic reserves to insulate their economies from supply disruptions. India currently lags in this capacity. While the government has recently allowed private sector involvement in SPR development, such as the contract awarded to Megha Engineering & Infrastructures Ltd for the Padur facility, this is the first time a state-run oil major like ONGC has been tasked with the full development of a new site. This sets a precedent for how future energy security projects might be funded.

What Could Go Wrong

Large infrastructure projects, especially underground caverns for oil storage, carry execution risks. Geological challenges can lead to delays or cost overruns. Furthermore, because a large portion of the budget is for the crude oil itself, the value of the inventory will fluctuate with global oil prices. If the company is forced to fill the reserve when oil prices are high, it may face pressure if prices drop significantly later, depending on the accounting model used for the reserve.

What Investors Should Track

Investors should look for management commentary on the funding structure of this project in future quarterly filings. Specifically, it is worth tracking whether the government provides a direct subsidy, guarantees a return, or allows ONGC to lease the storage space to third parties to generate revenue. These details will determine whether the project is value-accretive for shareholders or a drag on the balance sheet. Tracking the project timeline and any potential updates on the operational model will be essential.

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Headline	Regulatory Scrutiny: Updates on ONGC, Goa Wetlands, and J&K		
Publication	Whalesbook	Edition	Online Coverage
Published Date	19 Jun 2026		

Regulatory Scrutiny: Updates on ONGC, Goa Wetlands, and J&K

<https://www.whalesbook.com/news/English/environment/Regulatory-Scrutiny-Updates-on-ONGC-Goa-Wetlands-and-JandK/6a350351d017fdb5099a6393>

Environmental compliance is becoming a critical monitorable for Indian investors. This update highlights ongoing regulatory scrutiny involving waste

management infrastructure in Jammu & Kashmir, wetland protection in Goa, and historical environmental compliance cases concerning ONGC. Understanding how companies manage environmental risks and regulatory orders is essential for evaluating long-term operational stability and project execution timelines.

What Happened

Recent regulatory updates have highlighted environmental and infrastructure compliance issues across India. In Jammu & Kashmir, waste management systems are under scrutiny due to gaps in processing capacity, with a significant deficit reported in both solid and liquid waste management systems. Reports indicate that infrastructure in certain areas lacks disaster-resilient designs, leading to operational failures during floods.

In Goa, the State Wetland Authority is investigating potential environmental violations near Kodal Lake. The National Green Tribunal (NGT) has ordered an inspection following complaints of illegal mud-filling activities within the notified wetland boundary. The area is subject to strict Wetlands Rules, which restrict construction and land conversion near sensitive zones.

Separately, Oil & Natural Gas Corporation (ONGC) has been in the news regarding an environmental case from 2023 in Gujarat. The company refuted claims that its operations caused livestock deaths but confirmed it had paid Rs 50 lakh in interim environmental compensation and completed restoration work in the affected area after a pipeline leak occurred.

The Importance of ESG and Operational Compliance

For investors, these events underscore the growing importance of Environmental, Social, and Governance (ESG) compliance. Regulatory bodies like the National Green Tribunal are increasingly active in monitoring industrial and infrastructure projects. For public sector undertakings and large infrastructure companies, environmental compliance is not just about regulatory adherence; it directly impacts operational continuity.

When a company faces litigation or receives orders to stop work, it can lead to project delays, cost overruns, and reputational challenges. Investors often evaluate how companies respond to these issues whether they are proactive in restoration or if the issues represent a pattern of operational negligence.

ONGC and Environmental Risk Management

The case involving ONGC highlights the operational risks inherent in the oil and gas sector. Leakages and subsequent environmental damage are material risks for such companies. In this instance, the company reported that it initiated remedial measures and paid the required compensation to the Gujarat Pollution Control Board.

For investors, the key takeaway is the company's historical response to such incidents. Consistent regulatory compliance and the ability to resolve environmental disputes quickly are positive indicators of mature risk management. However, recurring environmental issues can weigh on investor sentiment and increase the cost of compliance for the firm.

Infrastructure Risks in Sensitive Zones

The developments in Jammu & Kashmir and Goa highlight a broader trend: projects located near floodplains, wetlands, or ecologically sensitive areas face higher execution risks. Regulatory hurdles, potential changes in environmental norms, and the need for disaster-resilient designs can delay project commissioning.

Companies involved in waste management, infrastructure, and real estate development in such regions must navigate stringent environmental clearances. Delays in upgrading waste processing capacity, as seen in Jammu & Kashmir, can limit a local body's ability to manage urban growth and may eventually lead to stricter oversight or financial penalties from state regulators.

What Investors Should Monitor

Investors looking at infrastructure, oil, gas, and utility sectors may track several key factors. First, monitor company ESG disclosures to understand how environmental risks are being managed. Second, keep an eye on orders from the National Green Tribunal and state pollution control boards, as these can serve as leading indicators of potential operational disruptions or fines. Finally, for companies with major project pipelines, watch for regulatory approvals and project execution updates, as environmental clearances remain a significant factor in project timelines.

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Headline	ONGC May Build India's Next Strategic Petroleum Reserve at Mangaluru; Here's Why It Matters		
Publication	Angel One	Edition	Online Coverage
Published Date	19 Jun 2026		

ONGC May Build India's Next Strategic Petroleum Reserve at Mangaluru; Here's Why It Matters

<https://www.angelone.in/news/stocks/ongc-may-build-india-s-next-strategic-petroleum-reserve-at-mangaluru-here-s-why-it-matters>

ONGC may build a new strategic petroleum reserve at Mangaluru, expanding India's emergency crude storage capacity.

The government has asked Oil and Natural Gas Corporation (ONGC) to develop India's next strategic petroleum reserve (SPR) at Mangaluru in Karnataka, according to a report by The Economic Times. The proposed underground crude oil storage cavern is estimated to cost around 15,000 crore and is expected to strengthen India's emergency crude storage capacity amid geopolitical uncertainties and supply disruptions.

The proposed facility will have a storage capacity of 1.75 million metric tonnes (MMT), increasing India's existing strategic petroleum reserve capacity of 5.33 MMT by roughly one-third.

ONGC May Develop New Strategic Petroleum Reserve

The proposed Mangaluru cavern is expected to cost around 15,000 crore, with nearly 5,000 crore estimated for construction and around 10,000 crore required to fill the facility with crude oil at current prices.

ONGC, which already owns the land identified for the project, is expected to finance and construct the underground storage facility.

India's Existing Strategic Petroleum Reserve Capacity

India currently operates 3 strategic petroleum reserve facilities with a combined storage capacity of 5.33 MMT, or around 39 million barrels of crude oil.

The facilities are located at Visakhapatnam in Andhra Pradesh with 1.33 MMT capacity, Mangaluru in Karnataka with 1.5 MMT capacity and Padur in Karnataka with 2.5 MMT capacity.

India consumes around 5 million barrels of crude oil every day, making its current emergency reserves relatively limited compared with several major economies.

What Is a Strategic Petroleum Reserve?

Unlike commercial inventories maintained by refiners and oil marketing companies, these reserves are intended for use during emergencies such as wars, sanctions, shipping disruptions or other supply shocks.

India stores its strategic crude reserves in underground rock caverns located near ports and refinery infrastructure for quicker deployment during crises.

Why Is India Expanding Its Strategic Reserves?

India imports nearly 88% of its crude oil requirement, making it one of the world's largest energy importers and exposing it to geopolitical risks and supply disruptions.

The recent conflict involving Iran and volatility in global crude oil markets have renewed focus on strengthening the country's energy security through larger emergency reserves.

How Global Supply Routes Affect India's Energy Security

A large portion of India's crude oil imports passes through strategically important maritime routes such as the Strait of Hormuz, the Bab-el-Mandeb Strait and the Malacca Strait.

Any disruption along these shipping corridors can affect crude oil supplies and increase price volatility, making strategic petroleum reserves an important component of India's energy security framework.

How the Proposed ONGC Project Differs

The proposed Mangaluru project would be the first strategic petroleum reserve to be developed by a state-owned oil producer using its own balance sheet.

India's existing strategic petroleum reserve facilities were funded by the government and are operated by Indian Strategic Petroleum Reserve Limited (ISPRL). Under the proposed model, ONGC would finance and construct the storage asset.

ONGC Share Price Performance

As of 2:09 PM on June 19, 2026, ONGC share price was trading at 244.75, down 0.22% from the previous close of 245.30. During the session, the stock opened at 245.30, touched an intraday high of 245.50 and a low of 243.30.

In terms of returns, ONGC share price has declined 0.59% over the last 1 week and 17.45% over the last 1 month. On a year-to-date basis, the stock has gained 2.86%.

The stock touched its 52-week high of 307.50 on April 29, 2026, while the 52-week low stands at 228.61 recorded on December 17, 2025.

Conclusion

The proposed 1.75 MMT strategic petroleum reserve at Mangaluru would expand India's emergency crude storage capacity and add to the country's energy security infrastructure. The project also marks a shift in the development model, with ONGC expected to finance and construct the facility.

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Headline	Crude oil may be cheap but there will be no relief from expensive petrol and diesel, Union Minister made a big disclosure		
Publication	Any Tv News	Edition	Online Coverage
Published Date	19 Jun 2026		

Crude oil may be cheap but there will be no relief from expensive petrol and diesel, Union Minister made a big disclosure

<https://anytvnews.com/business/crude-oil-may-be-cheap-but-there-will-be-no-relief-from-expensive-petrol-and-diesel-union-minister-made-a-big-disclosure/>

The deal was formally signed in France yesterday, following the peace deal between the US and Iran. After the signing of the agreement, crude oil prices are falling.

Crude oil had reached \$120 per barrel amid tensions in the Middle East, but now it is seeing a sharp decline. This fall in prices has come after the opening of the Strait of Hormuz. Countries around the world expect crude oil prices to fall further as supplies gradually normalize. Brent crude prices fell to \$78 per barrel on Thursday morning.

With the fall in crude oil prices, people are expecting a decline in the prices of petrol and diesel as well. People on social media have started asking questions about when domestic fuel prices will come down, as crude oil has fallen to \$78. Speaking on the situation on Thursday, Union Minister Suresh Gopi clarified that despite falling crude oil prices in the international market, fuel prices in India cannot be reduced immediately.

It will take time for cheap oil to reach India

The Union Minister said that many important factors are involved in this process, which also includes the time taken for cheap oil to reach India from abroad. Minister of State for Petroleum, Natural Gas and Tourism Suresh Gopi said fuel prices were recently increased by about 3.94 per litre; However, this increase cannot be reversed immediately simply because of the fall in global crude oil prices.

Why does it take time to reduce prices? Talking to the media, the Union Minister explained the reason behind this and said that it will take time because cheap crude oil will have to be brought to India through the Strait of Hormuz. There is currently a lot of shipping traffic pressure in this area; Therefore, it will take time for the situation to return to normal. Its effect will be visible only then.

Share this story

Headline	Crude Oil Has the Right Glut on the Wrong Calendar: What It Means for Markets		
Publication	Bitcoin World	Edition	Online Coverage
Published Date	20 Jun 2026		

Crude Oil Has the Right Glut on the Wrong Calendar: What It Means for Markets

<https://bitcoinworld.co.in/crude-oil-glut-wrong-calendar-market-impact/>

The global crude oil market is currently experiencing a supply surplus that, by most historical measures, appears well-timed.

Stockpiles have risen, production remains robust, and demand signals are mixed. Yet the calendar tells a different story one that traders, analysts, and policymakers are watching closely.

The Timing of the Glut

Typically, oil gluts that emerge during periods of weak demand create downward price pressure, benefiting consumers but squeezing producers. This time, the surplus is arriving at a moment when geopolitical tensions, refinery maintenance schedules, and seasonal demand shifts are converging in unusual ways. The result is a market that looks oversupplied on paper but faces potential tightness in specific regions and timeframes.

Data from the International Energy Agency and the U.S. Energy Information Administration indicate that global oil inventories have risen by approximately 1.5 million barrels per day over the past quarter. This is largely driven by increased output from non-OPEC producers, including the United States, Brazil, and Guyana. At the same time, demand growth has slowed in key consuming regions, particularly in Europe and parts of Asia.

Why the Calendar Matters

The concept of the 'wrong calendar' refers to the timing of this glut relative to upcoming seasonal shifts. Summer driving season in the Northern Hemisphere typically boosts gasoline demand, while winter heating oil consumption follows later in the year. If the current surplus persists into the second half of the year, it could coincide with refinery turnarounds and potential supply disruptions from weather events or geopolitical flashpoints.

Analysts at several major investment banks have noted that while headline inventory numbers suggest ample supply, the quality and location of that supply may not align with immediate demand needs. For instance, light sweet crude grades are abundant, but heavier sour grades required by many complex refineries remain relatively tight.

Implications for Prices and Consumers

For consumers, the glut may offer some relief at the pump in the short term, particularly if refiners pass on lower crude costs. However, the structural factors at play mean that price volatility could increase later in the year. Traders are pricing in a range of outcomes, from continued softness to a sudden spike if supply disruptions occur.

Producers, particularly those in higher-cost regions, face margin pressure. The current price environment, with benchmark crude trading in the mid-\$70s per barrel, is comfortable for low-cost producers in the Middle East but challenging for shale operators in the Permian Basin who require prices above \$60 to maintain drilling activity.

Conclusion

The crude oil glut is real, but its timing introduces complexity. Markets are not simply reacting to oversupply; they are pricing in the risk that today's surplus becomes tomorrow's shortage. For investors, energy companies, and consumers, understanding the calendar dynamics is essential to navigating what lies ahead. The next few months will reveal whether this glut is a temporary imbalance or a signal of deeper structural change in global oil markets.

FAQs

Q1: What is a crude oil glut?

A crude oil glut occurs when global oil supply exceeds demand, leading to rising inventories and typically lower prices. It can result from increased production, weaker demand, or both.

Q2: How does the timing of a glut affect oil prices?

Timing matters because seasonal demand patterns, refinery maintenance, and geopolitical events can amplify or mitigate the impact of a surplus. A glut arriving before peak demand seasons may have less price impact than one that coincides with supply disruptions.

Q3: Who benefits from a crude oil glut?

Consumers generally benefit from lower fuel prices, while oil-importing countries see reduced energy costs. Producers, especially those with high extraction costs, face lower revenues and may reduce investment in new production.

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Jayshree covers foreign exchange and global macroeconomics for BitcoinWorld, with daily reporting on major and minor currency pairs, central-bank decisions, and the economic data that moves them. She tracks ECB, Fed, and BoJ policy paths, the US Dollar Index, and cross-asset moves between FX, equities, and rates. Her work draws on bank research notes and high-frequency economic releases, and is read by traders looking for actionable views on the dollar, euro, pound, yen, and emerging-market currencies. She joined the BitcoinWorld desk in 2024.

Headline	Why govt wants ONGC to build India's next ₹15,000 crore strategic reserve		
Publication	Business Standard	Edition	Online Coverage
Published Date	19 Jun 2026		

Why govt wants ONGC to build India's next ₹15,000 crore strategic reserve

https://www.business-standard.com/companies/news/why-govt-wants-ongc-to-build-india-s-next-15-000-crore-strategic-petroleum-reserve-oil-126061900393_1.html

The facility would expand India's existing strategic storage capacity of 5.33 MMT by roughly one-third amid geopolitical conflicts and oil supply disruptions

The government has asked Oil and Natural Gas Corporation to build India's next strategic petroleum reserve.

New Delhi

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The government has asked Oil and Natural Gas Corporation (ONGC) to build India's next strategic petroleum reserve (SPR), marking a significant shift in how the country develops its emergency crude oil stockpiles.

The proposed 1.75 million metric tonne (MMT) underground crude storage cavern at Mangaluru in Karnataka is estimated to cost around 15,000 crore (nearly \$1.6 billion), reported The Economic Times . State-run ONGC, which already owns the land earmarked for the project, is expected to spend nearly 5,000 crore on constructing the cavern, while another 10,000 crore would be required to fill it with crude oil at current prices. If completed, the facility would expand India's existing strategic storage capacity of 5.33 MMT by roughly one-third at a time when geopolitical conflicts and supply disruptions are forcing countries to strengthen their energy security.

What is a strategic petroleum reserve?

A strategic petroleum reserve is an emergency stockpile of crude oil maintained by governments to protect against supply disruptions and sudden price shocks. Unlike commercial inventories held by refiners and oil marketing companies (OMCs), these reserves are intended for use during crises such as wars, sanctions, geopolitical conflicts, shipping disruptions or extreme volatility in global energy markets.

India's strategic reserves are stored in underground rock caverns located near major ports and refinery networks, enabling crude oil to be released quickly during emergencies.

How much oil does India currently hold in reserve?

India currently operates three strategic petroleum reserve facilities with a combined capacity of 5.33 MMT or about 39 million barrels of crude oil. These are located at Visakhapatnam in Andhra Pradesh (1.33 MMT), Mangaluru in Karnataka (1.5 MMT) and Padur in Karnataka (2.5 MMT). India consumes around 5 million barrels of oil every day, making its emergency reserves relatively modest compared with other major economies.

According to data cited by The Economic Times from the US Energy Information Administration, India held about 21 million barrels of strategic crude stocks at the end of 2025. By comparison, China held around 1,397 million barrels, the United States had 413 million barrels, and Japan maintained 263 million barrels.

Why is India expanding its reserves now?

The recent Iran conflict and the resulting volatility in global oil markets have once again highlighted India's vulnerability to external supply shocks.

India is the world's third-largest energy consumer and depends on imports for nearly 88 per cent of its crude oil requirements. Such dependence leaves the country exposed to geopolitical tensions in major oil-producing regions and disruptions along key shipping routes.

The government has long viewed strategic petroleum reserves as a critical pillar of energy security. Through Indian Strategic Petroleum Reserve Limited (ISPRL), a special purpose vehicle, India has been building emergency crude stockpiles to reduce dependence on any single supplier region and ensure supplies during periods of global turmoil.

How vulnerable are India's oil supply routes?

India's energy security challenge extends beyond import dependence, as much of its crude oil travels through some of the world's most strategically sensitive maritime chokepoints.

The Strait of Hormuz remains particularly important, with more than 60 per cent of India's oil imports historically passing through the narrow waterway connecting the Persian Gulf to global markets.

The Bab-el-Mandeb Strait, linking the Red Sea to the Gulf of Aden, has emerged as another area of concern amid attacks on commercial shipping, while the Malacca Strait remains critical for crude imports from Russia and East Asia.

Although Joint Secretary in the Ministry of Petroleum and Natural Gas Sujata Sharma has said that nearly 70 per cent of India's crude imports now originate from sources outside the Strait of Hormuz, policymakers continue to view supply diversification and larger emergency reserves as essential safeguards.

Why is the ONGC project different?

The proposed Mangaluru project would mark the first time a state-owned oil producer has been asked to build a strategic petroleum reserve.

India's existing SPR facilities were funded by the government and are operated by Indian Strategic Petroleum Reserve Limited (ISPRL). Under the new model, however, ONGC would finance and construct a national energy security asset using its own balance sheet.

What does the second phase of SPR expansion involve?

The government approved the second phase of SPR expansion in 2021 through a public-private partnership (PPP) model. The programme includes a 4 MMT facility at Chandikhol in Odisha and another 2.5 MMT facility at Padur in Karnataka.

Under the revised policy, ISPRL can lease 30 per cent of storage capacity to refiners or traders and use another 20 per cent for trading activities while retaining emergency access for the government. The model is designed to improve the financial viability of strategic storage assets while ensuring they remain available during crises.

Last year, Megha Engineering & Infrastructures Ltd won the mandate to build and operate the Padur facility after submitting the lowest bid for viability gap funding, which was capped at 60 per cent of the project's estimated 5,700 crore cost. The Chandikhol project is yet to be awarded, reported The Economic Times.

Why are strategic reserves becoming more important globally?

Recent geopolitical conflicts have reinforced the importance of maintaining large strategic oil stockpiles. Such reserves help governments cushion supply disruptions, moderate price shocks and provide greater flexibility during periods of market volatility.

According to The Economic Times, China was able to reduce crude imports by nearly one-third in May compared with pre-conflict levels by drawing on its vast stockpiles as prices surged. India, by contrast, had to continue sourcing crude from international markets to keep its refineries running.

That contrast helps explain why New Delhi is accelerating efforts to expand its emergency oil storage capacity and why the proposed ONGC-built Mangaluru cavern is being viewed as a significant addition to India's energy security infrastructure.

First Published: Jun 19 2026 | 11:56 AM IST

Headline	Crude oil import bill jumps 81.5% in May as elevated prices raise costs		
Publication	Business Standard	Edition	Online Coverage
Published Date	19 Jun 2026		

Crude oil import bill jumps 81.5% in May as elevated prices raise costs

https://www.business-standard.com/economy/news/crude-oil-import-bill-jumps-81-5-in-may-as-elevated-prices-raise-costs-126061900909_1.html

India's crude oil import bill rose sharply in May as higher global energy prices outweighed stable import volumes amid supply disruptions linked to the West Asia crisis

India sources around 90 per cent of its domestic crude oil requirements, 50 per cent of liquefied natural gas (LNG), and 60 per cent of its liquefied petroleum gas (LPG) needs from the global market

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As the West Asia crisis resulted in elevated energy prices, India's crude oil import bill rose 81.5 per cent year-on-year (YoY) in May to \$18.7 billion, even though oil import volumes remained largely the same as last year, official data showed. India imported 21.6 million tonnes of crude oil in May, compared with 21.3 million tonnes in the same period last year, for which it paid \$10 billion, according to fresh data sourced from the Petroleum Planning & Analysis Cell (PPAC).

The sharp rise in the import bill comes as the Indian basket crude price averaged \$106.23 per barrel during May, against \$64.04 a barrel a year earlier. Crude oil remains India's largest import item, accounting for around 20 per cent of the country's merchandise import bill. India has been sourcing energy at significantly higher costs to ensure availability in the domestic market during the ongoing crisis. Energy prices have surged in recent months due to supply disruptions triggered by the blockage of traffic through the Strait of Hormuz, constraining supplies from West Asia.

India sources around 90 per cent of its domestic crude oil requirements, 50 per cent of liquefied natural gas (LNG), and 60 per cent of its liquefied petroleum gas (LPG) needs from the global market.

The country's net oil and gas bill, which reflects spending on imports of petroleum products such as crude oil, LNG, and LPG minus earnings from exports of refined products, rose 75 per cent YoY in May to \$17.5 billion. This comes as the government has levied excise duty on exports of petrol, diesel, and aviation turbine fuel (ATF) since the beginning of the West Asia crisis to discourage exports while prioritising domestic demand amid supply constraints.

In its regular fortnightly revision, the government on June 16 fixed the special additional excise duty (SAED) at 14 per litre for exports of diesel, 12.5 per litre for ATF, and 1.5 per litre for petrol. In May, India's exports of petroleum products fell 33.9 per cent YoY to 3.7 million tonnes, mainly due to lower exports of petrol or motor spirit (MS), diesel or high-speed diesel (HSD), and naphtha, among others.

India's crude oil import bill rose 69.85 per cent to \$35.5 billion in the first two months (April-May) of the current financial year, while the net oil and gas bill increased 51.1 per cent to \$32.2 billion.

First Published: Jun 19 2026 | 5:12 PM IST

Headline	India to expand strategic oil reserves RT.com 19 Jun 2026, 19:44 GMT+		
Publication	Calcutta News	Edition	Online Coverage
Published Date	19 Jun 2026		

India to expand strategic oil reserves RT.com 19 Jun 2026, 19:44 GMT+

<http://www.calcuttanews.net/news/279133899/india-to-expand-strategic-oil-reserves>

A state-run petroleum major will build a new reserve in the south, raising existing capacity by a third

India has directed the state-backed Oil and Natural Gas Corporation to build and fill another strategic petroleum reserve (SPR) facility, which would expand its reserve capacity by a third, a report has said.

The oil explorer and producer will invest an estimated \$1.6 billion to implement the federal government's directive. New Delhi is prioritizing energy security in the wake of the Middle East conflict, which depleted its strategic reserves and exposed its vulnerability to oil shocks.

The proposed 1.75 million metric ton (MMT) underground facility in the southern port city of Mangaluru is expected to increase New Delhi's current emergency reserve capacity of 5.33 MMT by a third, The Economic Times reported.

ONGC would require \$602 million for construction and \$1.2 billion for filling the facility with crude oil, according to estimates based on current oil prices.

It is reportedly the first time New Delhi has asked a state-backed oil company to develop an SPR facility, but there is no clarity on how ONGC will recover the costs.

India currently has three SPR facilities located in the southern states of Andhra Pradesh and Karnataka. These were funded by the government and are owned by Indian Strategic Petroleum Reserves Ltd, a state-owned special purpose vehicle.

A phase 2 plan to add 6.5 MMT was approved earlier.

India's daily consumption is five million barrels of oil per day, making its SPR capacity of about 39 million barrels look meager compared to the reserves of other major economies.

New Delhi held just 21 million barrels of strategic crude stocks at the end of 2025.

Washington's SPR has a total storage capacity of 714 million barrels, although it has steadily released barrels to tamp down oil prices amid the US-Israeli war with Iran. It still holds 340 million barrels, or about 84 days of supply.

China's reserves, at more than 220 million barrels, can last 60 days, while Japan's 324 million barrel-reserve can last 230 days.

(RT.com)

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Headline	Crude oil futures settle marginally lower on Thursday		
Publication	Citrus Interactive	Edition	Online Coverage
Published Date	19 Jun 2026		

Crude oil futures settle marginally lower on Thursday

<http://www.citrusinteractive.in/News/OpenNewsContent.aspx?SecId=3&SubSecID=37&NewsID=1248592>

Crude oil futures settled marginally lower on Thursday after the presidents of US and Iran signed an interim agreement to end the conflict in the Middle East.

The move has allowed oil and gas tankers to resume transit, easing concerns about global energy supplies.

Benchmark crude oil futures for July delivery decreased by \$0.19 or 0.25% to settle at \$76.60 a barrel on the New York Mercantile Exchange. Brent crude for August delivery rose by \$0.3 or 0.38% to settle at \$79.85 a barrel on the New York Mercantile Exchange.

De Haan said that if there are no major hurricanes, refinery outages, or other unexpected disruptions, fuel prices could continue falling for the rest of the year. Under that scenario, the national average gasoline price could fall below \$3 per gallon by the end of 2026, according to Patrick De Haan of GasBuddy. Diesel prices could also drop below \$4 per gallon by year-end if market conditions remain stable and supply chains continue improving.

Overall, falling oil prices, easing tensions with Iran, and the expected reopening of the Strait of Hormuz are the main reasons Americans are finally seeing some relief at gas stations.

Headline	Crude Oil Prices Edge Higher As Delay In JD Vance's Switzerland Trip Postpones Next Round Of Iran Talks		
Publication	Daily Hunt (Mobile)	Edition	Online Coverage
Published Date	19 Jun 2026		

Crude Oil Prices Edge Higher As Delay In JD Vance's Switzerland Trip Postpones Next Round Of Iran Talks

<http://m.dailyhunt.in/news/india/english/the+free+press+journal-epaper-fpressjr/crude+oil+prices+edge+higher+as+delay+in+jd+vances+switzerland+trip+postpones+next+round+of+iran+talks-newsid-n716603668>

Crude oil prices posted modest gains on Friday as uncertainty emerged over the next phase of negotiations between the United States and Iran following a delay in US Vice President JD Vance's planned trip to Switzerland.

The global benchmark Brent crude rose around 0.3 percent to trade above the \$80-per-barrel mark. US benchmark West Texas Intermediate (WTI) crude also gained 0.5 percent to \$76.28 per barrel during Asian trading hours.

Oil prices had declined earlier this week after the United States and Iran signed a peace memorandum aimed at ending the 15-week conflict in West Asia.

Vance was expected to travel to Switzerland to lead the next round of discussions with Iran. However, the White House said the trip had been delayed, without providing a reason for the change.

The peace memorandum paved the way for the reopening of the Strait of Hormuz, a critical shipping route that handles nearly 20 percent of the world's oil supply from the Gulf region.

The waterway had remained largely disrupted since the conflict began in late February. Following the agreement, commercial shipping activity through the strait has resumed.

The document, titled the "Islamabad Memorandum of Understanding between the United States of America and the Islamic Republic of Iran," was signed by US President Donald Trump and Iranian President Masoud Pezeshkian on Wednesday.

Under the agreement, Iran committed to using its best efforts to ensure the safe passage of commercial vessels through the Strait of Hormuz without imposing additional charges.

The memorandum also outlines a framework to end hostilities across multiple fronts, including Lebanon. However, Israel has indicated that it will continue military operations against Hezbollah, potentially creating new challenges for the broader peace process.

According to Al Jazeera, the Israeli military acknowledged carrying out several strikes in southern Lebanon, stating that the operations were in response to alleged ceasefire violations by Hezbollah.

The agreement provides a 60-day window for the United States and Iran to negotiate a final peace deal, with the possibility of extending the timeline if required.

Headline	New oil reserve will be created in India, ₹ 15000 crore will be spent: Gold became cheaper by ₹ 3,123 and silver by ₹ 8,218 in a day, maintenance charge will be imposed if PhonePe wallet is closed.		
Publication	Dainik News Live	Edition	Online Coverage
Published Date	20 Jun 2026		

New oil reserve will be created in India, ₹ 15000 crore will be spent: Gold became cheaper by ₹ 3,123 and silver by ₹ 8,218 in a day, maintenance charge will be imposed if PhonePe wallet is closed.

<https://dainiknewslive.in/new-oil-reserve-will-be-created-in-india-%e2%82%b9-15000-crore-will-be-spent-gold-became-cheaper-by-%e2%82%b9-3123-and-silver-by-%e2%82%b9-8218-in-a-day-maintenance-charge-will-be-imposed-if-phon/>

Gold & Silver Prices Drop Rs 3123 & Rs 8218; PhonePe Wallet Fees; India Oil Reserve New Delhi 44 minutes ago copy link

Yesterday's big news was related to PF. After the oil crisis during the US-Iran war, the central government has decided to create a new emergency oil reserve. This reserve will be created by Oil and Natural Gas Corporation (ONGC). According to the report of Economic Times, this entire project is estimated to cost around 15,000 crore.

There was a decline in the prices of gold and silver on June 19. One kg of silver fell by Rs 8,218 to Rs 2.32 lakh. Earlier on Thursday its price was Rs 2.40 per kg. At the same time, 10 grams of 24 carat gold has fallen by Rs 3,123 to Rs 1.45 lakh.

Before tomorrow's big news, these are today's headlines

The stock market will remain closed today.

There was no change in the prices of petrol and diesel today.

Now read tomorrow's big news

1. New emergency oil reserve will be created at a cost of 15000 crore: Decision after Iran war; In case of war or oil crisis, there will be an oil store of about 11 days.

After the oil crisis during the US-Iran war, the central government has decided to create a new emergency oil reserve. This reserve will be created by Oil and Natural Gas Corporation (ONGC).

According to the report of Economic Times, this entire project is estimated to cost around 15,000 crore. This underground emergency oil reservoir will be built in Mangaluru, Karnataka. It can hold 1.28 lakh barrels of oil.

2. Jio's IPO will come, it will be the biggest in the country: Plan to raise 37,700 crore from 27 crore shares; Medical City, Vantara University will be built in Mumbai

The 49th annual meeting, i.e. AGM, of Reliance Industries was held on Friday, June 19. Company Chairman Mukesh Ambani addressed about 44 lakh shareholders. He said that the company is entering the markets of Europe and Africa. At the same time, the company is also going to launch Jio's IPO.

Ambani told that IPO of Jio Platforms will be brought. For this, draft documents (DRHP) have been submitted to SEBI on June 19. The company will issue 27 crore new shares and plans to raise about \$4 billion i.e. 37,700 crore through IPO.

3. Silver fell by 8,218 to 2.32 lakh: So far this month it has become cheaper by 32 thousand; Gold price decreased by 3,123 today

There was a decline in the prices of gold and silver on June 19. According to India Bullion and Jewelers Association (IBJA), one kg of silver fell by Rs 8,218 to Rs 2.32 lakh. Earlier on Thursday its price was Rs 2.40 per kg.

At the same time, 10 grams of 24 carat gold has fallen by Rs 3,123 to Rs 1.45 lakh. A day ago its price was Rs 1.48. This month, gold has become cheaper by Rs 11 thousand and silver by Rs 31 thousand in 19 days.

4. Maintenance charges will be levied for keeping PhonePe wallet closed: 100 will be deducted every three months if not used for 365 days; Company will send 15 days notice

Digital payment platform PhonePe is preparing to charge maintenance fees from its users for inactive wallets. According to the company's new rules, if a user's PhonePe wallet is not used for 365 consecutive days, it will be considered dormant or inactive. A charge of 100 will be deducted from such wallets every quarter.

5. Muthoot Finance's partnership with MYFM: Started Sunhari Soch' campaign, under this we will remove the social hesitation of gold loan.

India's gold loan market has grown at a CAGR of 14.85% in the last five years. There is about 27,000 tonnes of gold in Indian households, but only 20% of it has been pledged so far.

Still 65% of the gold loan market is in the hands of the unorganized sector. The question arises that despite having so much gold, why do people not knock the doors of banks or NBFCs? The answer is not in statistics, but in emotions.

Also see who are the top 10 richest people in the world

Know the condition of tomorrow's stock market and gold and silver

Know the latest price of petrol, diesel and domestic gas cylinder

There is more news

Headline	Current account deficit is an avoidable vulnerability		
Publication	Hindustan Times	Edition	Online Coverage
Published Date	20 Jun 2026		

Current account deficit is an avoidable vulnerability

<https://www.hindustantimes.com/opinion/current-account-deficit-is-an-avoidable-vulnerability-india-fuel-oil-lpg-gold-png-us-iran-war-gdp-101781888118614.html>

Rising oil demand after Y2K did not materially worsen the current account situation because it was offset by IT services exports and India-bound remittances.

The world has become more uncertain, volatile and unforgiving. Assumptions that shaped economic policy for decades are being challenged. India must now revisit the belief that a current account deficit (CAD) of 1.5-2% of the gross domestic product (GDP) is normal, manageable and perhaps inevitable.

This took hold after the 1991 reforms. Liberalisation lifted India from the old 3% growth path to an average growth rate of about 6.5% for three decades. This growth attracted enough global capital in normal times to finance the CAD. So, in the last 35 years, we registered a CAD in 31. Over time, the deficit came to be as a feature of India's growth model, not a vulnerability.

The standard argument was simple. India lacked domestic oil and gas, and Indians could not be weaned off the age-old habit of buying gold as a store of value. Rising oil demand after Y2K did not materially worsen the current account situation because it was offset by IT services exports and rising India-bound remittances. But even then, each time oil prices spiked, we moved from strength to fragility in a heartbeat.

The shift in the global economic regime under the present US administration and the war in West Asia have exposed the fragility of India's external account assumptions. The agreement between the US and Iran, if one could call it that, provides two months for both sides to set up the framework for real negotiations. That is when nuclear capabilities, frozen assets, missile capability, support for proxies, and relief from sanctions get discussed. These are contentious issues and any purported agreement could unravel again underscoring once more India's dependence on fuel imports as a major strategic weakness. At the same time, IT services exports may come under pressure from the AI disruption, while tighter immigration policies compress remittances.

Foreign capital tends to retreat when risk rises. A prolonged conflict can raise prices, disrupt supplies, pressure the current account, weaken growth, strain the fiscal deficit situation, stoke inflation and trigger second-order effects. If the rupee depreciates sharply, the Reserve Bank of India will be forced to use foreign currency reserves and interest rates to manage volatility.

However, this article is not about short-term crisis management. It challenges the policy belief that India's oil-gas-gold demand structurally condemns it to a CAD.

India consumes roughly 2,300 million barrels of oil a year but produces only about 530 million barrels domestically. Estimates of India's oil reserves vary widely, from around 12 billion tonnes of proven reserves to a theoretical potential closer to 42 billion tonnes. Until recently, some reserves could not be explored because of restrictions. The Prime Minister's Samudra Manthan decision is quite welcome, opening up around one lakh square kilometers of coastline for deep-water exploration.

But intent must be matched by capital, technology, and incentives. India's oil is harder to access than that of many West Asian producers. Much of it lies offshore; so, domestic wells recover only about 35% on average. Extracting more is often uneconomic because of limited technological innovation. India, therefore, must make serious efforts on exploration, recovery technology, and incentivising risk-taking. ONGC and Oil India must be encouraged to explore, not hamstrung by tight MOUs. India should target raising domestic supply from the current level of roughly 12% of oil demand to 50%.

Demand management is the second lever. India must accelerate transport electrification across two- and three-wheelers, cars, and buses. For trucks, liquefied natural gas can be a transition fuel, given India's gas import bill is a fraction of its oil bill. Over time, however, heavy transport too must be electrified. A determined policy pivot will accelerate innovation.

India must also reduce dependence on liquefied petroleum gas by expanding piped natural gas networks and encouraging alternative cooking technologies, including induction and solar-powered solutions. Industrial electrification

must also be urgently expanded -- currently at around 18%, compared with China's 30%. On fertilisers, with the subsidy bill likely to rise sharply, India should incentivise a shift from natural gas-based ammonia to green ammonia.

India's current account strategy must also prioritise reducing dependence on imported oil.

The second structural issue is gold. Nilesh Shah and Amit Chandra, using World Gold Council data, have highlighted the scale of the opportunity. India holds around 26,000 tonnes of gold, worth roughly \$4 trillion. Of this, about 4,000 tonnes are estimated to be with temple trusts and around 20,000 tonnes with households. The top 10% of households may hold about 10,000 tonnes. Gold prices have surged since 2024, making these holdings seem like excellent investments. But the value remains largely notional unless monetised.

The government can roll out a credible national temple gold mobilisation programme, to buy temple gold (at a premium) on the market price, with a buyback option. A sovereign wealth fund of \$300 billion could be created with the receipts. The temple trusts would be converting the idle gold into productive national capital, and also get income to make structural and ambient upgrades to the temples and the surrounding areas to boost religious tourism. Illustratively, while the Vatican gets 11 million foreign tourists, all of India gets 9 million of which a large portion are NRI.

India should also study Turkey's experiment of allowing banks to hold part of their statutory reserves in gold. This would give banks an incentive to attract household gold. A one-time, no-questions-asked gold conversion window could also be considered.

India cannot continue to treat a CAD as an unavoidable cost of growth. A CAD may be manageable in benign times, but in a fractured world, where black swan events are becoming the new normal, it is a strategic vulnerability. Challenging an old policy belief on CAD and bringing it to surplus must be a central focus to India's economic policy in the years ahead.

(Janmejaya Sinha is chairman, BCG India, and Kaustubh Verma is managing director and Partner, BCG. The views expressed are personal).

Headline	Today's News » Why govt wants ONGC to build India's next ₹150 billion strategic reserve		
Publication	Indian Oil and Gas	Edition	Online Coverage
Published Date	20 Jun 2026		

Today's News » Why govt wants ONGC to build India's next ₹150 billion strategic reserve

<http://www.indianoilandgas.com/viewnews.php?id=64927>

Regulation Alternative Energy / Fuel New Projects June 20, 2026: The government has asked Oil and Natural Gas Corporation (ONGC) to build India's next strategic petroleum reserve (SPR), marking a significant shift in how the country develops its emergency crude oil stockpiles.

The proposed 1.75 million metric tonne (MMT) underground crude storage cavern at Mangaluru in Karnataka is estimated to cost around 150 billion (nearly \$1.6 billion), reported The Economic Times. State-run ONGC, which already owns the land earmarked for the project, is expected to spend nearly 50 billion on constructing the cavern, while another 100 billion would be required to fill it with crude oil at current prices.

If completed, the facility would expand India's existing strategic storage capacity of 5.33 MMT by roughly one-third at a time when geopolitical conflicts and supply disruptions are forcing countries to strengthen their energy security

(Source: Business Standard)

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Headline	US Crude Oil, Gasoline Inventories Still Falling: EIA		
Publication	Investing	Edition	Online Coverage
Published Date	19 Jun 2026		

US Crude Oil, Gasoline Inventories Still Falling: EIA

<https://in.investing.com/analysis/us-crude-oil-gasoline-inventories-still-falling-eia-200637745>

Crude oil inventories in the United States decreased by 8.3 million barrels during the week ending June 12, according to new data from the U.S.

Energy Information Administration (EIA) released on Wednesday. The decrease brings commercial stockpiles to 418.2 million barrels, according to government data, which is now 6% below the five-year average for this time of year.

The EIA's data release follows API's figures that were released a day earlier, which reported that crude oil inventories saw a draw of 8.33 million barrels in the period.

Crude prices were rising in mid-morning trading. At 10:09 a.m. in New York, Brent was trading at \$80.12 per barrel up \$1.16 (+1.47%) on the day and a slight recovery from the day prior's significant crash. WTI was also trading up on the day, by \$1.16 per barrel (+1.53%) on Wednesday morning at \$77.21.

For total motor gasoline, the EIA reported that inventories had decreased by 900,000 barrels, compared to the week prior's 200,000 barrel increase. The most recent figures showed that average daily gasoline production increased to 10.1 million barrels. For middle distillates, inventories increased by 1 million barrels with production decreasing to an average of 5.2 million barrels daily. Distillate inventories are now 13% below the five-year average.

Total products supplied a proxy for U.S. oil demand averaged 20.6 million barrels per day over the last four weeks, up 3.3% compared to the same period last year. Gasoline demand averaged 8.9 million barrels per day over the last four weeks, while the distillate four-week average supplied averaged 3.7 million barrels up 5.5% percent year over year.

Original Post

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Headline	Crude Oil Hits Lowest Since March As US-Iran Agreement Eases Market Concerns		
Publication	Investing	Edition	Online Coverage
Published Date	19 Jun 2026		

Crude Oil Hits Lowest Since March As US-Iran Agreement Eases Market Concerns

<https://in.investing.com/news/commodities-news/crude-oil-hits-lowest-since-march-as-usiran-agreement-eases-market-concerns-5463059>

Kedia Advisory - Crude oil prices declined by 1.45% to settle at 7,054, marking the lowest closing level since early March, as market sentiment

turned bearish following reports of a breakthrough agreement between the United States and Iran aimed at ending the prolonged conflict that had severely disrupted global energy supplies. The signing of an interim agreement and the gradual reopening of the Strait of Hormuz improved expectations for a normalization of oil flows from the Persian Gulf. Early signs of recovery were visible as several oil tankers and LNG vessels resumed transit through the strategic shipping route. A full reopening could enable major producers such as Saudi Arabia, the UAE, and Iraq to restore significant volumes of previously halted production. Despite the decline in prices, underlying supply fundamentals remained supportive.

U.S. crude oil inventories fell by 8.26 million barrels during the week ended June 12, significantly exceeding market expectations for a 4.6 million-barrel draw. Stocks at the Cushing delivery hub also declined by 1.61 million barrels, while gasoline inventories fell modestly, indicating steady fuel demand. Refinery activity increased, with crude processing rates and utilization levels both moving higher. However, distillate inventories posted a build, partially offsetting the bullish inventory data. On the supply side, OPEC production fell sharply in May to 16.13 million barrels per day, the lowest level in more than two decades. The decline was driven primarily by reduced Iranian exports and disruptions across Gulf producers during the conflict period. Although OPEC+ members had planned production increases, geopolitical constraints prevented meaningful output growth.

Technically, crude oil remains under fresh selling pressure, with open interest rising 18.83% alongside falling prices, indicating new short positions entering the market. Immediate support is seen at 6,928, with a break below potentially extending losses toward 6,803. Resistance is placed at 7,147, and a move above this level could trigger a recovery toward 7,241.

Headline	US Gas Prices Plummet Below \$4 as Iran Deal Eases Crude Oil Fears		
Publication	Kokthum	Edition	Online Coverage
Published Date	19 Jun 2026		

US Gas Prices Plummet Below \$4 as Iran Deal Eases Crude Oil Fears

<https://kokthum.com/international/us-gas-prices-plummet-below-4-as-iran-deal-eases-crude-oil-fears>

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Gas prices fall below \$4 per gallon as oil prices drop after the Iran deal. Experts say gasoline could fall below \$3 by the end of the year.

Gas prices in the US have fallen below \$4 per gallon for the first time in weeks, reaching a national average of \$3.99 per gallon on Thursday.

The drop is coming just as the busy summer driving season begins, giving Americans some much-needed relief when many families are preparing for vacations and road trips.

Energy analysts believe gas prices could continue to move lower in the coming weeks because tensions in the Middle East have eased.

Patrick De Haan, GasBuddy's head of petroleum analysis, said fuel prices could ease in the coming weeks following the signing of an agreement with Iran and the gradual resumption of shipping traffic through the Strait of Hormuz.

He said the national average price of gasoline may move closer to \$3.70 a gallon, while diesel prices are likely to drop below \$5 a gallon in the near future.

Falling oil prices, easing tensions with Iran, and the expected reopening of the Strait of Hormuz are the main reasons Americans are finally seeing some relief at gas stations.

Headline	US-Iran peace deal lifts Asian markets as crude oil prices fall and inflation fears ease		
Publication	MSN India	Edition	Online Coverage
Published Date	19 Jun 2026		

US-Iran peace deal lifts Asian markets as crude oil prices fall and inflation fears ease

<https://www.msn.com/en-in/money/markets/us-iran-peace-deal-lifts-asian-markets-as-crude-oil-prices-fall-and-inflation-fears-ease/vi-AA25WnFP>

[So, this peace deal having been signed, well, the crude oil prices are going down and the markets are now climbing.

After the news of the initial agreement to end the war between Iran and the United States was reported, Japan's benchmark Nikkei 2225 stock average has gone up by 1400 points to hit a record intraday high, while South Korean stocks rose for the second consecutive day. As Attrus advisory has now come out to say that this memorandum of understanding that has been signed between the two countries has had a positive impact on Japanese equities as well. And there's still going to be a period of recovery. However, certainly as the ships that start to move out of the Strait of Hormuz that has been stranded for the last three months, but the impact just isn't on oil, but many other, you know, chemicals, plastics, particularly even when it comes to food packaging that is added to the inflation. So seeing this end of this inflation that has been induced by the oil prices, seems to have been what is being reflected in the markets is very positive. Mr. Ajay Bagga is connected with us. Mr. Bagga, sir, this deal has been signed. It's official now. Crude oil prices are coming back to the very price that it was before the 28th of February and markets have been cheering. What is your take, sir? Political risk has reduced considerably for India. It is easily \$50-\$60 billion less of import bill over the year that we were fearful of. Prices are coming down. Yesterday, Indian basket crude oil basket came down to \$82. Today it will be less than \$80. So it is a a very positive move. Overall, it scorches the ugly monster of inflation. It helps risk on. Basically, what that means is that stocks go up and commodities also start going up. Overall, it's a very positive move. Absolutely, sir. And it seems that it is now being reflecting in the markets as well as it opened this morning. Thank you very much, Mr Bagga, for your point of view, well, the markets have been cheering and that seems to be a reflection coming in on the opening of the South Asian markets this morning at least.

Headline	Venezuela's oil sector at a crossroads: Recovery, geopolitics, and the future of energy production		
Publication	MSN India	Edition	Online Coverage
Published Date	19 Jun 2026		

Venezuela's oil sector at a crossroads: Recovery, geopolitics, and the future of energy production

<https://www.msn.com/en-in/money/topstories/venezuela-s-oil-sector-at-a-crossroads-recovery-geopolitics-and-the-future-of-energy-production/ar-AA2632so>

Anish Kumar *Dr Aparajita Pandey Venezuela stood as one of the world's most influential oil-producing nations for much of the twentieth century.

As a founding member of OPEC and home to the largest proven oil reserves globally, Venezuela has in the past leveraged its hydrocarbon resources to project economic and political influence across Latin America and beyond. However, in the recent past, Venezuela also became a cautionary tale of maladministration and corruption and outshine resource abundance and a country dependent on just resources without a stable and progressive policy network can often remain shy of energy security or economic prosperity. After the capture of its former President, Nicolas Maduro, and the subsequent intervention by the US, it is important to evaluate the trajectory that Venezuela might take for the future. A question that becomes even more important given the global energy situation. The track for Venezuela's energy sector cannot be understood without studying the evolution of the state oil company, Petroleos de Venezuela S.A. (PDVSA). During the latter half of the twentieth century, PDVSA was deemed as one of the most technically capable national oil companies in the world. Oil revenues financed social programmes, infrastructure development, and industrialisation while attracting substantial foreign investment. However, the political revolution initiated under President Hugo Chavez fundamentally distorted the relationship between the state and the oil industry. Beginning in the early 2000s, PDVSA progressively became a medium of political and social policy rather than a commercially driven energy company. The dismissal of thousands of experienced technical personnel following the 2002-03 oil strike substantially diminished institutional capability. Simultaneously, oil revenues were forwarded toward social spending while investment in maintenance, exploration, and production infrastructure dropped. With time, operational inefficiencies, corruption, underinvestment, and political interference undercut the sector's capacity to maintain production levels. The ramifications were severe. Venezuelan oil production fell from over three million barrels per day in the late 1990s to less than 400,000 barrels per day during the peak of the country's economic crisis. Refineries worsened, upgraders stopped functioning effectively, drilling activity subsided, and foreign investment gradually dried up. Although United States sanctions augmented the falloff the nation by restricting access to capital, technology, and export markets, the roots of the crisis lay principally in institutional decay and policy mismanagement rather than sanctions alone. Significantly, Venezuela's experience demonstrates that nationalisation is not characteristically incompatible with a successful energy sector. Countries like Brazil and Mexico have practised significant state control over their hydrocarbon industries while preserving operational efficiency and attracting foreign investment. The Venezuelan case point out that the decisive differing factor is governance and not ownership. The wearing away of technical autonomy within PDVSA was far more detrimental than the principle of state participation itself. Nevertheless, Venezuela still is one of the most resource-rich energy producers in the world. The country's greatest asset; the Orinoco Heavy Oil Belt, contains the largest accumulations of extra-heavy crude oil globally. These reserves embody a strategic resource base capable of supporting production for decades. However, the extraction costs are high and demand sophisticated upgrading infrastructure for optimum use, the sheer scale of the reserves ensures continued international interest. In addition to the Orinoco Basin, Venezuela also has substantial conventional oil resources in mature producing regions such as the Maracaibo Basin near the Maracaibo lake where many fields have experienced decreasing output due to insufficient investment and not geological depletion. It is clear that significant opportunities still exist for production enhancement but they need rehabilitation, secondary recovery techniques, and infrastructure modernisation. The most noteworthy yet underappreciated asset of Venezuela's energy basket is its natural gas. The country possesses massive offshore gas reserves, particularly in the Caribbean basin. Projects like Perla, Dragon, and Loran contain trillions of cubic feet of recoverable natural gas and have attracted attention from international energy companies. The Perla field, operated by Repsol and Eni, is already one of the largest offshore gas developments in Latin America. Recently more agreements involving Shell, Repsol, and other international oil and gas firms are indicative of the confidence that the world has in Venezuela's gas potential. Companies such as Repsol, Shell, Chevron, Eni, and ONGC Videsh are searching for opportunities to develop existing operations or restore inactive projects. Their interest is a reflection of recognition that Venezuela's resource base continues to be commercially appealing despite the political and economic risks linked with operating in the country. Recent agreements indicate that the Venezuelan government is willing to adopt a more pragmatic approach toward foreign participation. While PDVSA remains central to the sector, international firms are looking for operational flexibility, management autonomy, and

investment protections. This emerging model is similar to arrangements observed in numerous resource-nationalist states in which governments maintain sovereign control over hydrocarbon assets but allow foreign companies to contribute technology, capital, and operational expertise. For India, these developments carry strategic implications. Venezuela has historically held a significant spot in India's energy diversification strategy. Indian companies, particularly ONGC Videsh, have invested in Venezuelan upstream projects such as San Cristobal and Petrocarabobo. India was also one of the largest buyers of Venezuelan crude oil. The ongoing reorganisation of global energy markets has restored Venezuela's importance for Indian energy security matrix. Venezuela offers India an opportunity to diversify crude imports while securing long-term upstream investments. In the short term, production growth will predominantly depend on restoring existing assets rather than developing entirely new projects. International companies are expected to focus on restoring wells, repairing infrastructure, improving operational efficiency, and expanding production from mature fields. Incremental improvements are likely, but a rapid return to historical production levels remains unlikely given the scale of infrastructural degradation. The medium-term looks more promising, especially in the natural gas sector. Offshore developments like Dragon and Loran could make Venezuela a major gas supplier in the region. The proximity of these resources to Trinidad and Tobago's liquefied natural gas infrastructure creates opportunities for export-oriented development with relatively lower capital requirements than constructing entirely new facilities. As global demand for natural gas remains robust during the energy transition, Venezuela's offshore gas resources have the potential to become country's most valuable strategic assets. Over the longer term, the future of Venezuela's hydrocarbon sector will depend less on governance rather than geology. Venezuela's resource potential is undisputed. However, translating that potential into sustained production growth would need regulatory stability, contract certainty, institutional reform, and continued foreign investment. Venezuela could gradually restore production levels approaching two to three million barrels per day over the next decade in case the above is guaranteed. However, substantial risks also remain. Political uncertainty, policy reversals, sanctions-related challenges, and persistent weaknesses within PDVSA could restrict the tempo of recovery. Investors remain cautious, and large-scale capital commitments will depend on confidence that there is long term reforms. Venezuela's energy future will probably be defined by a hybrid model combining oil recovery with gas-led growth. Oil will remain the foundation of the sector, but natural gas will emerge as the principal engine of expansion and international investment with time. This dual-track approach offers Venezuela an opportunity to restore past production levels and surpass them. *Author is a Senior Assistant Professor at Amity Institute of Defence and Strategic studies and has a PhD in Energy Statecraft from Jawaharlal Nehru University.

Headline	FMCG prices unlikely to fall despite crude oil dropping below \$80 per barrel		
Publication	MSN India	Edition	Online Coverage
Published Date	19 Jun 2026		

FMCG prices unlikely to fall despite crude oil dropping below \$80 per barrel

<https://www.msn.com/en-in/money/topstories/fmcg-prices-unlikely-to-fall-despite-crude-oil-dropping-below-80-per-barrel/ar-AA264zeH>

Even as crude oil prices have corrected sharply to under \$80 per barrel from their highs, the decline is unlikely to translate into immediate savings

for shoppers, as makers of fast-moving consumer goods (FMCG) continue to grapple with elevated raw material costs. Industry executives said they are still working through inventories purchased when crude was trading above \$120 a barrel amid the West Asia conflict. They also pointed out that input cost pressures are still elevated, with freight and packaging expenses remaining high despite the fall in crude prices. "We are in a wait-and-watch situation and do not expect any immediate price correction," said Harsha Vardhan Agarwal, Vice Chairman & MD, Emami Ltd. "Even though oil prices have come down, we are carrying inventory for the next 2-3 months that was procured at higher rates" he added. "The benefit of lower crude hasn't yet flown through...raw material costs, including packaging and freight are still higher," said Mohit Malhotra, global chief executive, Dabur India Ltd. Dabur is, in fact, may take selective price hikes to protect margins, though the quantum could be lower than earlier planned if crude prices sustain at the current levels. According to industry estimates, packaging costs - linked to crude derivatives - have risen 15-50% and freight costs 20%, driving price hikes across categories in the past three months. Companies also indicated that any benefit from lower crude prices is likely to reach consumers after three months, particularly ahead of the festive season. India's largest biscuit maker, Parle Products has also indicated that it doesn't see any immediate reduction in MRP. "We are currently monitoring the input cost situation... we need to be sure where prices finally settle," said it's vice-president Mayank Shah. "If input prices continue to soften, there could be some price correction, discounts and offers during the festive season."

Headline	In a first, ONGC tapped to fund ₹15,000 crore strategic oil reserve in Mangaluru amid Iran war woes		
Publication	Mint	Edition	Online Coverage
Published Date	19 Jun 2026		

In a first, ONGC tapped to fund ₹15,000 crore strategic oil reserve in Mangaluru amid Iran war woes

<https://www.livemint.com/industry/energy/in-a-first-ongc-tapped-to-fund-15-000-crore-strategic-oil-reserve-in-mangaluru-amid-iran-war-woes-11781862431741.html>

The proposed reserve will be built as an underground cavern in Mangaluru with a storage capacity of 1.75 million metric tonnes.

State-owned Oil and Natural Gas Corp (ONGC) is set to play a key role in strengthening India's energy security, with plans to develop and stock the country's next strategic petroleum reserve (SPR) facility. According to a report by Economic Times citing sources familiar with the development, the project could require an investment of nearly 15,000 crore (\$1.6 billion).

The government's push comes in the wake of the Iran conflict, which highlighted India's relatively limited strategic crude reserves and its vulnerability to disruptions in global oil supplies. In response, authorities have reportedly asked ONGC to spearhead the development of a new emergency oil storage facility to enhance the country's preparedness against future supply shocks.

The proposed reserve will be built as an underground cavern in Mangaluru with a storage capacity of 1.75 million metric tonnes (MMT). Once completed, it will increase India's existing strategic crude storage capacity of 5.33 MMT by roughly one-third.

ONGC already owns the land required for the project. The company is expected to spend approximately 5,000 crore on constructing the cavern, while an additional 10,000 crore may be needed to fill the facility with crude oil at prevailing prices and exchange rates, reported ET

However, uncertainty remains about the project's financial viability. It is not yet known how ONGC would recover the substantial investment or whether the facility would operate solely as a strategic reserve or incorporate commercial activities to generate revenue.

The move marks a significant departure from past practice. Until now, all strategic petroleum reserve projects in India have been funded by the government and managed by Indian Strategic Petroleum Reserves Ltd (ISPRL), a special-purpose state-owned entity. India's existing SPR facilities are located at Visakhapatnam in Andhra Pradesh with a capacity of 1.33 MMT, and in Mangaluru and Padur in Karnataka with capacities of 1.5 MMT and 2.5 MMT, respectively.

India consumes around 5 million barrels of crude oil per day, making its strategic reserve capacity relatively small compared with major global energy consumers. The country's total SPR capacity of about 5.33 million tonnes, equivalent to nearly 39 million barrels, is modest by international standards and is not always fully utilised.

Data from the US Energy Information Administration shows that India held only 21 million barrels of strategic crude reserves at the end of 2025. In comparison, China maintained reserves of approximately 1.397 billion barrels, while the United States and Japan held 413 million barrels and 263 million barrels, respectively.

Initially designed exclusively for emergency use, India's strategic reserves have gradually evolved to include commercial functions. In 2021, the government allowed ISPRL to utilise up to half of its storage capacity for commercial purposes. Under the revised framework, 30% of capacity can be leased to refiners and traders, while 20% can be used for crude trading operations.

The second phase of India's SPR expansion, covering proposed facilities at Chandikhol in Odisha (4 MMT) and Padur in Karnataka (2.5 MMT), was approved under a public-private partnership (PPP) model in 2021. Last year, Megha Engineering & Infrastructures Ltd secured the contract to develop and operate the Padur facility, while the Chandikhol project is yet to be awarded.

Megha won the bid after seeking the lowest viability gap funding (VGF) among competing bidders. The government had capped VGF support at 60% of the project's estimated cost of 5,700 crore. The PPP model allows developers to recover investments through leasing storage space to the government or oil companies, while also providing flexibility to trade crude stored in the facility.

Strategic petroleum reserves are considered vital safeguards against supply disruptions, sudden spikes in oil prices and currency volatility caused by geopolitical tensions. The Iran conflict, which began on 28 February, underscored the importance of maintaining large emergency stockpiles. China, supported by its extensive reserves, was able to reduce crude imports by nearly one-third in May as oil prices surged. Indian refiners, on the other hand, were forced to aggressively source crude from multiple global suppliers to ensure uninterrupted refinery operations.

About the Author

Headline	Post Iran war crisis, ONGC to build India's next strategic oil reserve: India's existing reserves and why it matters		
Publication	Moneycontrol	Edition	Online Coverage
Published Date	19 Jun 2026		

Post Iran war crisis, ONGC to build India's next strategic oil reserve: India's existing reserves and why it matters

<https://www.moneycontrol.com/news/business/post-iran-war-crisis-ongc-to-build-india-s-next-strategic-oil-reserve-india-s-existing-reserves-and-why-it-matters-13953656.html>

The government has directed Oil and Natural Gas Corporation (ONGC) to construct and stock India's next strategic petroleum reserve (SPR), a project

likely to cost the company close to \$1.6 billion, the Economic Times reported citing people aware of the development.

The decision follows the Iran war, which laid bare the limits of India's emergency oil cushion and its exposure to sudden supply shocks. The new facility will act as a key step toward bolstering the country's energy security.

ONGC's proposed underground storage cavern in Mangaluru will hold 1.75 million metric tonnes (MMT) of crude, boosting India's existing emergency storage capacity of 5.33 MMT by roughly a third, sources said, ET reported.

The company already owns the land earmarked for the project and is expected to spend close to Rs 5,000 crore on building the cavern, with another Rs 10,000 crore needed to fill it with crude at prevailing prices and exchange rates.

The sources, however, did not specify how ONGC will recoup its investment or whether the Mangaluru facility will be reserved purely for strategic use or carry a commercial trading component as well.

This marks the first instance of a state-run oil company being assigned to build an SPR site. India's three existing reserves were funded entirely by the government and are run by Indian Strategic Petroleum Reserves Ltd (ISPRL), a public-sector special purpose vehicle. These reserves are located at Visakhapatnam (1.33 MMT) in Andhra Pradesh and at Mangaluru (1.5 MMT) and Padur (2.5 MMT) in Karnataka.

What India's current reserves look like

Currently, India consumes roughly 5 million barrels of oil per day, yet its total strategic storage of 5.33 MMT about 39 million barrels remains small relative to other major consuming nations and isn't always kept full. As of late 2025, India's actual strategic crude stockpile stood at just 21 million barrels, dwarfed by China's 1,397 million barrels, the US's 413 million barrels and Japan's 263 million barrels, per US Energy Information Administration data.

Originally designed as pure emergency stockpiles, India's SPR sites saw their mandate shift in 2021, when the government allowed ISPRL to commercialise up to half of the storage capacity leasing 30 percent to refiners and traders and using 20 percent for active crude trading.

For the second phase of SPR expansion, involving facilities at Chandikhol (4 MMT) in Odisha and Padur (2.5 MMT), the government approved a public-private partnership model in 2021. Last year, Megha Engineering & Infrastructures Ltd won the mandate to build and operate the Padur facility, while the Chandikhol project is yet to be awarded.

Megha secured the contract by seeking the lowest viability gap funding (VGF) among bidders, with VGF capped at 60 percent of the project's Rs 5,700-crore cost. Under the PPP model, the developer can recover its investment by leasing storage capacity to the government or domestic oil companies and by trading crude held in the facility with full commercial freedom, Economic Times reported.

What the new facility changes

India's reserves are a small fraction of what China, the US, or even Japan hold despite India being the world's third-largest oil importer.

India consumes roughly 5 million barrels of oil per day, yet its total strategic storage of 5.33 MMT about 39 million barrels remains small relative to other major consuming nations, and isn't always kept full.

The new ONGC facility will add 1.75 MMT of underground storage at Mangaluru about a 33 percent increase over current capacity. This is on top of the already-planned second phase (Chandikhol's 4 MMT + Padur's additional 2.5 MMT under the PPP model), which together would push total capacity well past 13 MMT once all phases are complete.

Why it matters

Large strategic reserves act as a cushion against supply disruptions, price spikes and currency swings triggered by geopolitical shocks exactly the kind unleashed by the Iran war that began on February 28. China, sitting on enormous reserves, was able to cut crude imports by about a third in May as prices spiked. Indian refiners, with far thinner buffers, had to scramble across global markets to keep refineries supplied.

A larger reserve cushion improves India's negotiating position with suppliers and reduces urgency-driven dependence on any single source or route (like the Strait of Hormuz).

Headline	Crude Oil Prices Rise Amid Uncertainty Over Iran-US Negotiations Delay		
Publication	Mumbai News	Edition	Online Coverage
Published Date	19 Jun 2026		

Crude Oil Prices Rise Amid Uncertainty Over Iran-US Negotiations Delay

<https://mumbainews.com/news/crude-oil-prices-rise-amid-uncertainty-over-iran-us-negotiations-delay-35f1c1>

Crude oil prices saw a modest increase on June 19, 2026, following the delay of US Vice President JD Vance's trip to Switzerland for negotiations with Iran.

Brent crude rose by 0.3%, trading above \$80 per barrel, while West Texas Intermediate crude increased by 0.5% to \$76.28. This comes after a peace memorandum was signed between the US and Iran, aimed at de-escalating tensions in the region and reopening the Strait of Hormuz for oil supply.

MBN Business Reporter

Jun 19, 2026

Crude oil prices rise due to negotiation uncertainties

JD Vance's trip to Switzerland postponed

Peace memorandum signed aims to reopen Strait of Hormuz

So crude oil prices are getting jumpy again on June 19,2026 . And honestly,it's because of the exact same old story,uncertainty in West Asia.

This time,it's all about the next phase of talks between United States and Iran . Apparently US Vice President JD Vance's trip to Switzerland got postponed,and that's what is making markets nervous. That trip was supposed to be for next round of discussions.

And you can see it in numbers ah. Global benchmark Brent crude went up by 0.3% ,crossing that important \$80-per-barrel mark . At same time,US benchmark WTI crude also climbed 0.5% to \$76.28 during Asian trading hours.

But the weird part is this comes right after that big peace memorandum was signed . The Islamabad Memorandum of Understanding was signed by US President Donald Trump and Iranian President Masoud Pezeshkian on Wednesday only . It was supposed to end conflict that has been going on for more than 15 weeks .

And tbh,this is where the whole situation gets messy.

The main goal of this agreement was to reopen Strait of Hormuz,which is a huge deal for oil supply . We are talking about almost 20% of world's oil passing through that route . So,shipping has started to resume slowly,which is good news.

But the delay in Vance's trip is creating all new problems.

Few things standing out in this whole situation:

agreement,called Islamabad Memorandum of Understanding,is supposed to ensure safe passage through Strait of Hormuz .

There is a 60-day window for both US and Iran to negotiate a final peace deal.

But Israel is still continuing military operations against Hezbollah,which is making everything more complex.

And that last point is the big one . According to Al Jazeera reports,the Israeli military even admitted to strikes in southern Lebanon. They are saying it is a response to ceasefire violations by Hezbollah.

So on one hand,you have a peace deal trying to hold things together . On other hand,you have these regional conflicts still happening that could pull everything apart . It feels like one step forward,two steps back

Headline	Petrol, Diesel Price Today, June 20: Brent crude oil price surges again; Petrol selling at Rs..., Diesel Rs..., Check rates in Delhi, Mumbai, Noida, Gurugram, Bengaluru, Chennai		
Publication	News 24 Online	Edition	Online Coverage
Published Date	20 Jun 2026		

Petrol, Diesel Price Today, June 20: Brent crude oil price surges again; Petrol selling at Rs..., Diesel Rs..., Check rates in Delhi, Mumbai, Noida, Gurugram, Bengaluru, Chennai

<https://news24online.com/photos/business/petrol-diesel-price-today-brent-crude-prices-surge-again-check-latest-fuel-rates-in-delhi-noida-gurugram-kolkata-mumbai-hyderabad-bengaluru-other-cities-867428>

Petrol, Diesel Price Today, June 20: Petrol and diesel prices in India have remained unchanged since the May 25 hike. State-run oil marketing companies (OMCs) have kept fuel rates stable on Saturday, June 20.

Edited By : Sheetal Prasad

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Petrol, Diesel Price Today, June 20: Brent crude oil prices climbed back above \$80 per-barrel mark on Friday after negotiations between the United States and Iran, which were scheduled to take place in Switzerland, were abruptly called off. However, there is relief for Indian consumers as the state-run oil-marketing companies have not revised the fuel rates on Saturday, June 20.

Fuel rates in India increased 4 times in May

and diesel prices were hiked 4 times in May amid soaring international crude oil costs triggered by the US-Iran war and supply disruptions in the Strait of Hormuz. These revisions, implemented on May 15, 19, 23, and 25, led to a cumulative increase of approximately Rs 7.5 per litre across key cities in India.

City-wise petrol price in India today

New Delhi 102.12, Kolkata 113.47, Mumbai 111.18, Chennai 107.87, Gurgaon 102.80, Noida 102.12, Bangalore 110.89, Bhubaneswar 108.89, Chandigarh 101.54, Hyderabad 115.69, Jaipur 113.15, Lucknow 101.86, Patna 114.24, Thiruvananthapuram 115.49

City-wise diesel price in India today

New Delhi 95.20, Kolkata 99.82, Mumbai 97.83, Chennai 99.66, Gurgaon 95.47, Noida 95.56, Bangalore 98.80, Bhubaneswar 100.60, Chandigarh 89.47, Hyderabad 103.82, Jaipur 98.22, Lucknow 95.36, Patna 100.20, Thiruvananthapuram 104.42

Where are petrol and diesel the costliest?

prices remained the highest in Hyderabad, selling at Rs 115.69 per litre. Thiruvananthapuram followed closely, where rates stood at Rs 115.49 per litre.

Headline	Crude oil falls as shipping in Hormuz Strait begins		
Publication	News Point	Edition	Online Coverage
Published Date	19 Jun 2026		

Crude oil falls as shipping in Hormuz Strait begins

<https://www.newspointapp.com/english/business/crude-oil-falls-as-shipping-in-hormuz-strait-begins-et/articleshow/145048207284107a349321601a1e6b01d3fc1d8d>

oil prices extended their decline on Friday and are headed for a steep weekly loss as shipping through the Strait of Hormuz gradually returns to normal following the US-Iran peace agreement.

Crude oil price on June 19

Brent crude slipped toward \$79 a barrel and is down more than 9% for the week. West Texas Intermediate for August was trading near \$76 a barrel. This comes after tankers carrying previously stranded cargoes started moving through the waterway on Thursday, while Kuwait said it would begin increasing production.

The US Central Command said it had lifted restrictions on traffic to and from Iranian ports and coastal areas. Separately, the Joint Maritime Information Center advised vessels transiting the strait to follow a route closer to Oman's coastline to reduce the risk from mines.

US President Donald Trump welcomed the developments and dismissed criticism from Iran hawks, including some of his allies, who argued that the agreement gave away too much to Tehran. The Markets are loving what is happening with Oil Prices way down, and Stocks way up, Trump wrote on social media.

The latest decline in crude prices has erased nearly all of the gains sparked by the conflict that began in February, when the US and Israel launched attacks on Iran over its nuclear programme. The Strait of Hormuz, which links the Persian Gulf to global markets and typically handles about a fifth of the world's oil supply, had been affected by blockades imposed by both Tehran and Washington.

Vice President JD Vance sought to ease concerns that Iran could eventually charge tolls for vessels using the strait, a move that could generate revenue for Tehran. He also said the 60-day timeline for resolving key issues under the memorandum of understanding had formally begun.

Despite the recent slide in oil prices, a complete reopening of Hormuz is expected to be a complex process. It will require careful coordination of vessel movements, the restart of oil wells, repairs to infrastructure and agreement on de-mining operations. Some shipowners also remain wary of operating conditions in the strait and the wider Persian Gulf.

Analysts note that global oil inventories were depleted during the extended disruption of shipping through the Strait of Hormuz and will take time to rebuild. Stockpiles could continue falling before fresh Gulf supplies begin reaching international markets.

The focus now is on how quickly Middle Eastern producers can restore output and exports after wartime disruptions. Market participants are also tracking the pace at which shipping activity returns to the region.

Headline	India's Refiners May Be Required to Hold Larger Crude Oil Inventories: Insights from China's Approach		
Publication	Observer Voice	Edition	Online Coverage
Published Date	19 Jun 2026		

India's Refiners May Be Required to Hold Larger Crude Oil Inventories: Insights from China's Approach

<https://observervoice.com/indias-refiners-may-be-required-to-hold-larger-crude-oil-inventories-insights-from-chinas-approach-210689/>

India is considering a significant policy shift to bolster its energy security by requiring domestic oil refiners to increase their crude oil stockpiles.

This move is inspired by China's practices and comes in response to recent supply disruptions linked to the US-Iran conflict. Currently, Indian refiners maintain about 15 days' worth of crude oil for operational needs, but the proposed policy could mandate them to hold reserves sufficient for 30 days of national consumption.

Current Inventory Levels and Proposed Changes

As of the end of 2025, India held approximately 21 million barrels of strategic crude reserves, a stark contrast to China's 1,397 million barrels and the US's 413 million barrels. The proposed policy would require Indian refiners to collectively maintain around 150 million barrels of crude oil, based on the country's daily demand of about 5 million barrels. This increase would necessitate significant investment, with estimates suggesting that refiners could face costs nearing Rs 60,000 crore for additional crude purchases alone.

Industry stakeholders are likely to resist the proposal due to the substantial financial burden of expanding storage capacity and procuring the extra crude oil. Building new storage facilities is capital-intensive and could take several years to complete. Policymakers are urged to provide flexibility regarding the location of storage and the commercial use of the crude held in these facilities.

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Headline	India's Energy Security Gets a Reset: ONGC May Build New Strategic Oil Reserve		
Publication	Outlook Business	Edition	Online Coverage
Published Date	19 Jun 2026		

India's Energy Security Gets a Reset: ONGC May Build New Strategic Oil Reserve

<https://www.outlookbusiness.com/economy-and-policy/indias-energy-security-gets-a-reset-ongc-may-build-new-strategic-oil-reserve>

India is considering a major expansion of its strategic petroleum reserves, with ONGC reportedly tasked with developing a new 15,000 crore oil

storage facility as policymakers seek to strengthen energy security following disruptions caused by the Iran conflict

Outlook Business Desk

ONGC is reportedly set to develop a 1.75 MMT underground crude storage facility in Mangaluru, which would increase India's strategic petroleum reserve capacity by nearly one-third.

The project could require around 5,000 crore for construction and another 10,000 crore to procure crude oil and fill the reserve.

The proposal follows concerns over supply disruptions during the Iran conflict and highlights India's relatively modest strategic oil reserves compared with countries such as China, the US and Japan.

State-run Oil and Natural Gas Corporation (ONGC) is planning to develop and fill India's next strategic petroleum reserve (SPR) facility under a government-directed initiative aimed at strengthening the country's energy security, according to a report by The Economic Times

The proposed project comes in the aftermath of the Iran conflict, which highlighted India's vulnerability to global supply disruptions and underscored the limited size of its strategic crude reserves.

1 June 2026

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According to the report, ONGC has been asked to develop a 1.75 million metric tonne (MMT) underground crude storage cavern in Mangaluru, Karnataka. Once completed, the facility would increase India's existing strategic petroleum reserve capacity of 5.33 MMT by nearly one-third.

Sources cited in the report said ONGC may need to invest around 15,000 crore (\$1.6 billion) in the project. Of this, approximately 5,000 crore would be required for construction, while another 10,000 crore could be needed to procure crude oil and fill the storage facility at current prices.

The Mangaluru project would mark the first time a state-owned oil producer has been tasked with developing a strategic petroleum reserve . ONGC already owns the land earmarked for the facility, potentially accelerating the project's execution.

However, it remains unclear how the company would recover its investment or whether the facility would operate solely as a strategic reserve or include a commercial component.

India's Strategic Reserves Remain Limited

India currently maintains three strategic petroleum reserve facilities operated by Indian Strategic Petroleum Reserves Ltd (ISPRL), a government-owned special purpose vehicle.

The existing facilities are located at Visakhapatnam in Andhra Pradesh with a capacity of 1.33 MMT, and Mangaluru and Padur in Karnataka with capacities of 1.5 MMT and 2.5 MMT, respectively.

Despite being the world's third-largest oil consumer, India's strategic reserves remain modest compared with other major economies. The country consumes roughly 5 million barrels of crude oil per day, while its current SPR capacity of 5.33 million tonnes, equivalent to about 39 million barrels, is significantly lower than that of countries such as China, the United States and Japan.

According to data from the US Energy Information Administration, India held only 21 million barrels of strategic crude stocks at the end of 2025, compared with 1,397 million barrels in China, 413 million barrels in the United States, and 263 million barrels in Japan.

BY Outlook Business Desk

Shift Towards Commercialisation

India's strategic reserves were initially conceived as purely emergency stockpiles. However, the government revised its approach in 2021 by allowing ISPRIL to commercially utilise part of the storage capacity.

Under the policy, up to 30% of capacity can be leased to refiners and traders, while 20% of stored crude can be used for trading activities, helping improve the economic viability of the reserves.

The government has also adopted a public-private partnership model for the next phase of strategic reserve expansion, which includes planned facilities at Chandikhol in Odisha (4 MMT) and Padur in Karnataka (2.5 MMT).

The proposed ONGC-led project signals a broader reassessment of India's energy security strategy as policymakers seek to build larger buffers against future geopolitical disruptions and supply shocks.

Headline	Crude Oil Now Cheaper But Why's Your Fuel Bill Not Getting Cheaper: We Explain		
Publication	Tezzbuzz	Edition	Online Coverage
Published Date	19 Jun 2026		

Crude Oil Now Cheaper But Why's Your Fuel Bill Not Getting Cheaper: We Explain

<https://tezzbuzz.com/crude-oil-now-cheaper-but-whys-your-fuel-bill-not-getting-cheaper-we-explain/>

The US-Iran peace deal announced in mid-June 2026 has pushed global crude oil prices down from above US \$100 per barrel, where they had been sitting through much of the conflict period. Brent crude has eased to under US \$ 80 per barrel the cheapest in months. The expectation in most markets would be that cheaper crude means cheaper petrol at the pump. In this case, that logic is not straightforward, and the reasons are worth understanding.

Petrol in Delhi crossed Rs 100 per litre in May 2026, reaching Rs 102.12. Diesel climbed to Rs 95.20. These increases came after the state-run oil marketing companies, HPCL, BPCL, and Indian Oil, implemented cumulative hikes of Rs 7.38 per litre on petrol and Rs 7.52 per litre on diesel between May 15 and May 26. A domestic LPG cylinder price was also raised by Rs 29 on June 7, the second hike since the West Asia conflict began.

For weeks after global crude spiked above \$100, the OMCs absorbed the cost rather than pass it on immediately. That created under-recoveries: the gap between what it costs to produce and deliver fuel and what the OMCs were allowed to charge at the pump.

At the peak of the conflict, under-recoveries across petrol, diesel, and LPG reached approximately Rs 30,000 crore per month. That figure is not a profit gap. It is a monthly cash outflow the companies were absorbing. Eventually, the pressure became unsustainable and the hikes followed.

As of June 15, OMC under-recovery on petrol had fallen to Rs 3 per litre from Rs 6 per litre a week earlier, as crude prices eased post the peace deal. Diesel under-recovery fell to Rs 27 per litre from Rs 30 per litre. These are improvements, but the OMCs are still losing money on every litre sold, which means a price cut is not on the immediate agenda.

There are two structural reasons relief will take time. First, oil companies purchase crude under forward contracts and spot deals, and their inventory at any moment reflects prices paid weeks or months earlier.

Second, production infrastructure in the UAE, Kuwait, Oman, and Saudi Arabia was disrupted during the conflict. Even with peace, supply normalisation takes time, and actual import prices may not reflect headline Brent movements immediately.

The OMCs are expected to prioritise balance sheet recovery before passing any savings to consumers. They absorbed significant losses during the conflict period, and restoring financial stability is the more pressing internal objective than cutting pump prices.

Any reduction is more likely in the second half of 2026, contingent on crude prices stabilising below \$80 per barrel and the rupee-dollar exchange rate remaining steady. If either factor reverses, the timeline for consumer relief extends further.

Headline	Strait of Hormuz to be closed again? What is happening with strait that carries nearly a fifth of global crude oil and liquefied natural gas supplies		
Publication	The Economic Times	Edition	Online Coverage
Published Date	20 Jun 2026		

Strait of Hormuz to be closed again? What is happening with strait that carries nearly a fifth of global crude oil and liquefied natural gas supplies

<https://economictimes.indiatimes.com/news/international/us/strait-of-hormuz-to-be-closed-again-what-is-happening-with-strait-that-carries-nearly-a-fifth-of-global-crude-oil-and-liquefied-natural-gas-supplies/articleshow/131869075.cms>

Strait of Hormuz carried nearly a fifth of global crude oil and liquefied natural gas supplies before it was blockaded by Iran during the war.

Strait of Hormuz remained the most focal point during Iran war, which began on February 28 with U.S. and Israeli air attacks on Iran, has killed at least 7,000 people, mostly in Iran and Lebanon. It also pushed up energy prices, stoking inflation worldwide. Brent crude ticked higher on Friday, but stayed set for a weekly fall of around 8 per cent after the Lebanon ceasefire , and oil shipments through the Strait of Hormuz picked up after the signing of this week's deal.

The strait carried nearly a fifth of global crude oil and liquefied natural gas supplies before it was blockaded by Iran during the war. The body set up by Iran to manage the strait said on Friday it would waive planned fees during the interim deal's negotiation period.

Israel and Hezbollah agreed to a ceasefire in Lebanon on Friday after an escalation in fighting there jeopardised the chances of an interim agreement on ending the war in Iran turning into a lasting Middle East peace deal . U.S. President Donald Trump's special envoy, Steve Witkoff, is traveling to Switzerland for the first round of talks with Iran on a potential nuclear deal, Axios reported on Friday, citing a U.S. official.

The development comes a day after Vice President JD Vance canceled plans to attend the talks, which were called off amid the renewed fighting in Lebanon. That escalation has raised fresh uncertainty over the fate of negotiations critical to reopening the Strait of Hormuz to global shipping.

Trump told NBC News he had spoken with Israel and asked it to agree to the ceasefire.

A memorandum of understanding signed this week by the Iranian and U.S. presidents left discussion of Iran's nuclear programme and other tough issues until later, giving the sides 60 days to reach a lasting agreement or extend the interim deal.

Preparations for technical talks to start in the Swiss mountaintop resort of Buergerstock were far advanced when the White House said on Thursday that Vance would not attend.

The Swiss foreign ministry said the talks had been postponed and that Switzerland remained ready to facilitate them and the relevant preparatory work was continuing.

The broad interim deal requires the United States, Iran and their allies to declare an immediate and permanent termination of military operations on all fronts, including in Lebanon.

Israel, left out of the talks, says it is not party to the deal.

Iran's Foreign Minister Abbas Araqchi, in a phone call with his Pakistani counterpart on Friday, said the U.S. would be responsible for any violation of its commitments under the deal, including ending the fighting in Lebanon, his ministry said.

Headline	Iran Dispatches Oil Minister for BRICS Security Officials Meet in India		
Publication	The Wire	Edition	Online Coverage
Published Date	19 Jun 2026		

Iran Dispatches Oil Minister for BRICS Security Officials Meet in India

<https://thewire.in/diplomacy/iran-dispatches-oil-minister-for-brics-security-officials-meet-in-india>

Iran is sending Petroleum Minister Mohsen Paknejad to New Delhi for next weeks BRICS National Security Advisers meeting, a visit that comes days after a US-Iran agreement committed Washington to waiving sanctions on Iranian oil exports and as Iranian ambassador expressed hope of once again becoming one of Indias key oil suppliers.

Paknejad will represent Iran at the June 22-23 gathering of senior security officials from the 11-member BRICS grouping being hosted by India, as per diplomatic sources. The meeting will also be attended by Chinese Foreign Minister Wang Yi, who is expected to hold talks with National Security Adviser Ajit Doval on the sidelines.

The Iranian ministers visit comes after Iran and US signed the initial memorandum of understanding to end hostilities and open the Strait of Hormuz. The agreement includes a waiver for Iranian crude oil exports and associated services, according to details released by US officials, although broader sanctions remain subject to further negotiations.

In an interview with ANI on Thursday, Iranian Ambassador to India Mohammad Fathali said the lifting of sanctions could pave the way for the revival of a major energy partnership that once made Iran one of Indias largest crude suppliers.

India has historically been one of Irans most important oil customers, Fathali said, adding that if sanctions were lifted and banking channels restored, Iran can once again become one of Indias principal oil suppliers.

The ambassador noted that bilateral trade had exceeded \$17 billion annually before sanctions disrupted economic ties and argued that Indias need for reliable and affordable energy could be met by Iranian supplies if restrictions were removed.

India has cautiously welcomed the agreement. On June 15, Prime Minister Narendra Modi said he welcomed the understanding reached between the United States and Iran on ending the conflict in West Asia and expressed hope that its implementation would restore peace and stability while ensuring freedom of navigation and commerce.

The issue also came up during Modis bilateral meeting with US President Donald Trump on the sidelines of the G7 summit in Evian on Wednesday. In his public remarks, Modi praised Trumps efforts to end the conflict in West Asia.

At a media briefing in Paris on Thursday, Foreign Secretary Vikram Misri reiterated Indias support for the diplomatic breakthrough, stating that New Delhi welcomed the developments that have taken place through the understanding that has been reached between the United States and Iran and hoped to see a rapid return to peace and stability in this region.

India, which imports roughly 90% of its crude oil requirements, has been particularly vulnerable to disruptions in Gulf energy flows subsequent to US and Israel attacking Iran in February this year, triggering three months of clashes. While Russia has emerged as Indias largest supplier since 2022, accounting for around 35-38% of imports, Iraq, Saudi Arabia and the UAE together continue to provide a substantial share of Indias crude requirements.

The conflict led to concerns over traffic through the Strait of Hormuz, a critical maritime chokepoint through which a significant portion of global oil trade passes. Indian refiners responded by increasing purchases from alternative suppliers, including the UAE, Russia and Latin America, while freight and insurance costs rose amid heightened regional tensions.

According to Reuters, Indias crude imports rose to 5.27 million barrels per day in May, with Russia remaining the largest supplier and the UAE becoming the second-largest source after sharply increasing exports from Fujairah. Industry sources told Reuters that Indian refiners are now preparing to scale back some spot purchases from distant suppliers if normal traffic resumes through Hormuz and are also considering buying Iranian crude again if sanctions are eased and banking channels reopen.

Chief Economic Adviser V. Anantha Nageswaran said in an interview with Times Now that the US Iran agreement would ease crude prices that could reduce Indias import bill and ease pressure on the economy.

For a large oil-importing nation like India, its very good news, Nageswaran said, noting that Brent crude prices had already fallen from levels above \$100 a barrel. He also argued that lower energy costs would enable Indian industry to take fuller

advantage of the trade agreements India is concluding with major partners, while helping support the rupee alongside measures already taken by the Reserve Bank of India and the government.

Headline	ONGC to Build ₹15,000 Cr Oil Reserve: Key Investor Angles		
Publication	Whalesbook	Edition	Online Coverage
Published Date	19 Jun 2026		

ONGC to Build ₹15,000 Cr Oil Reserve: Key Investor Angles

<https://www.whalesbook.com/news/English/energy/ONGC-to-Build-indian-rupee15000-Cr-Oil-Reserve-Key-Investor-Angles/6a34c1ecd017fdb5099a3305>

India has tasked ONGC with developing a 1.75 million metric tonne strategic petroleum reserve in Mangaluru at an estimated cost of 15,000 crore.

As the company takes on this national infrastructure project, investors are focusing on how this heavy capital allocation will impact cash flow and returns, especially compared to its core oil and gas exploration business.

What Happened

State-run Oil and Natural Gas Corporation (ONGC) has been directed to build a new strategic petroleum reserve (SPR) in Mangaluru. This project aims to store 1.75 million metric tonnes of crude oil. The total estimated cost for the facility is 15,000 crore. This development is a response to the need for better energy security, particularly in light of recent global supply shocks caused by geopolitical tensions in the Middle East.

The Financial Breakup

The estimated 15,000 crore investment is split into two parts. Approximately 5,000 crore is earmarked for building the underground cavern and necessary infrastructure. The remaining 10,000 crore will be used to fill the reserve with crude oil. This distinction is important for investors because the cost of the crude oil effectively becomes an inventory asset, while the construction cost is a long-term infrastructure investment. The company has not yet provided full details on how it plans to recover this capital or whether it will operate the facility on a commercial lease model, as seen in other newer SPR projects.

Shift in Infrastructure Strategy

Historically, India's strategic oil reserves were developed and managed by Indian Strategic Petroleum Reserves Ltd (ISPRL), a special-purpose vehicle fully funded by the government. The decision to involve ONGC, a listed entity with its own public shareholders, marks a change in how the country funds and builds such energy infrastructure. While the company has the land and technical experience in the energy sector, taking on a project of this scale represents a significant commitment of funds that would otherwise be available for oil and gas exploration or dividends.

Capital Allocation Questions

For investors, the key monitorable is capital allocation. ONGC is primarily an exploration and production company. Its core business involves finding and extracting oil and gas, which typically offers different risk and return profiles compared to managing storage infrastructure. When a large company diverts significant cash to a government-mandated infrastructure project, investors often look for clarity on the expected return on capital. If this project is treated as a strategic asset with no clear path to commercial returns, it may impact the company's free cash flow and dividend-paying capacity.

Sector And Peer Context

Global energy consumers like the United States, China, and Japan maintain massive strategic reserves to insulate their economies from supply disruptions. India currently lags in this capacity. While the government has recently allowed private sector involvement in SPR development, such as the contract awarded to Megha Engineering & Infrastructures Ltd for the Padur facility, this is the first time a state-run oil major like ONGC has been tasked with the full development of a new site. This sets a precedent for how future energy security projects might be funded.

What Could Go Wrong

Large infrastructure projects, especially underground caverns for oil storage, carry execution risks. Geological challenges can lead to delays or cost overruns. Furthermore, because a large portion of the budget is for the crude oil itself, the value of the inventory will fluctuate with global oil prices. If the company is forced to fill the reserve when oil prices are high, it may face pressure if prices drop significantly later, depending on the accounting model used for the reserve.

What Investors Should Track

Investors should look for management commentary on the funding structure of this project in future quarterly filings. Specifically, it is worth tracking whether the government provides a direct subsidy, guarantees a return, or allows ONGC to lease the storage space to third parties to generate revenue. These details will determine whether the project is value-accretive for shareholders or a drag on the balance sheet. Tracking the project timeline and any potential updates on the operational model will be essential.

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Headline	Crude oil futures slip after improvements in Hormuz shipping traffic		
Publication	Yournews.co.in	Edition	Online Coverage
Published Date	19 Jun 2026		

Crude oil futures slip after improvements in Hormuz shipping traffic

<https://yournews.co.in/crude-oil-futures-slip-after-improvements-in-hormuz-shipping-traffic-403768.html>

6 hours ago July crude oil futures were trading at 7,120 on MCX during the initial hour of trading on Friday against the previous close of 7,054, up by 0.94%.

Crude oil futures traded lower on Friday morning as shipping traffic through the Strait of Hormuz improved following the signing of an interim peace deal between the US and Iran.

At 9.25 am on Friday, August Brent oil futures were at \$77.13, down by 0.90 per cent, and July crude oil futures on WTI (West Texas Intermediate) were at \$76.07, down by 0.69 per cent. July crude oil futures were trading at 7,120 on Multi Commodity Exchange (MCX) during the initial hour of trading on Friday against the previous close of 7,054, up by 0.94 per cent, and August futures were trading at 7,071 against the previous close of 7,003, up by 0.97 per cent.

In a post on X, US Central Command said that the US forces lifted the blockade on all maritime traffic entering and exiting Iranian ports and coastal areas, in accordance with the US President's direction. American forces are not impeding the transit of vessels to or from Iranian ports. All US military blockade enforcement efforts have ceased. Our great Naval Ships will remain in the general area to make sure that all aspects of the agreement are adhered to, obeyed and in full force and effect, it said.

In a post on the social media platform Truth Social, US President Donald Trump said: The United States is committed to PEACE, and we encourage everyone in the Middle East Region to maintain their commitment to allowing our negotiations to beautifully unfold. The Markets are loving what is happening with Oil Prices way down, and Stocks way up. We expect a complete Ceasefire on all fronts, including Lebanon, Hezbollah, and Israel.

Meanwhile, reports said that Israel continued its fight against the Iranian-supported Hezbollah militant group in Lebanon. Israel was not included in the interim peace talks between the US and Iran.

Published on June 19, 2026

Crude oil futures slip after improvements in Hormuz shipping traffic