



ONGC News as on 25 May 2026 (Print & Online)

Adequate fuel availability across West Bengal, supply chain operating normally

EOI CORRESPONDENT

KOLKATA, MAY 24: The Public Sector Oil Marketing Companies -

IndianOil, B P C L and HPCL - have assured the

public that the availability of Petrol, Diesel and Liquefied Petroleum Gas (LPG) remains adequate and uninterrupted across West Bengal. The overall supply position in the state is stable. The entire fuel supply chain comprising refineries, terminals, primary bulk

storage depots, bottling plants, retail outlets and LPG distributorships is state, notwithstanding



operating without disruption. Daily dispatches are proceeding on schedule to ensure that every district in the State remains adequately stocked.

The Oil Marketing Companies are maintaining close coordination on logistics, stock movement and

LPG product replenishment to ensure seamless fuel availability across the

prevailing global uncertainties affecting the oil and gas sector. They have requested consumers to continue with their normal purchasing pattern and refrain from panic buying or stockpiling. They have been advised to rely solely on official communications issued by the Oil Marketing Companies for authentic and verified information on fuel availability.

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Oil Industry Maintains Seamless Supply of Petroleum Products Despite Global Headwinds

MI News Service, Kolkata:

The Oil Industry assures all consumers that availability of essential petroleum products—Petrol, Diesel, and Liquefied Petroleum Gas (LPG)—remains normal and uninterrupted across all consumer touchpoints. The overall supply position continues to be stable and adequate, with no shortages reported in major cities or rural areas. This is despite the severe disruption globally due to crisis in West Asia.

IndianOil, BPCL and HPCL

are maintaining sufficient stock of fuel and are supplying customers without any issues. The stocks are being monitored on industry basis and are being replenished without any issue.

LPG supplies to domestic consumers are being prioritized and remain normal across the state. The situation is being closely monitored to ensure uninterrupted delivery to all consumers.

The Oil Industry is maintaining close coordination on logistics, stock movement, and

retail operations to ensure seamless availability of products. The public is requested to remain assured about consistent service and continue with normal consumption patterns.

We further reassure citizens that there is no cause for concern and sincerely appeals to consumers to avoid panic buying. The public is also advised to rely only on official communications from Oil Marketing Companies for accurate and verified information regarding fuel availability.

Fuel price hike inevitable if global oil disruptions continue: BPCL

Business Desk
MUMBAI

A further increase in retail fuel prices may become unavoidable if global energy disruptions continue for a prolonged period, according to **BPCL** Director HR Raj Kumar Dubey, who outlined the difficult choices facing policymakers amid persistent volatility in crude oil markets.

Speaking on the impact of rising global crude prices and geopolitical tensions, Dubey said authorities currently have only a few options. "One is the price hike, or the hike should be visible at the petrol pumps.

The second is that petroleum companies absorb the losses and continue making losses. The third is government support through deficit financing," he said. Dubey noted that global oil

Diversified crude sourcing and renewable energy push seen shielding India from prolonged geopolitical supply disruptions

prices had already risen sharply by 20% to 50%, initially believed to be a temporary spike. However, he warned that the situation now appears more prolonged due to damage to critical energy infrastructure.

"The way things are panning out, I think this is going to continue," he said, adding that rebuilding destroyed infrastructure would take considerable time. "If this scenario continues for a long time, then the hike is inevitable," Dubey said, though he did not indicate the likely extent of any increase in pet-

rol or diesel prices.

On India's energy security, Dubey credited diversification of crude sourcing and diplomatic efforts for helping the country avoid supply shortages despite disruptions around the Strait of Hormuz. He said India has expanded its crude sourcing network from 20 supply points earlier to nearly 40 now, including imports from Russia and Africa.

"Diversified supply lines are giving us enough security," he said, adding that India has managed rising fuel demand without shortages even after the conflict intensified.

Dubey also said the crisis could accelerate India's transition towards green energy, including solar power, ethanol blending, compressed biogas and hydrogen fuel, to reduce dependence on costly energy imports.

(With inputs from Agencies)

The U.S. ends Russia oil waiver, implications for India

The United States' decision to tighten restrictions again on Russian seaborne oil may seem like another chapter in the sanctions battle over the Ukraine war. But beneath the headlines lies a much larger story – one that directly affects India and much of the developing world.

The issue is no longer just Russia. It is whether the global energy system can withstand simultaneous geopolitical shocks without causing prolonged inflation, supply insecurity and economic instability across Asia. For over three years, the world has attempted an unprecedented balancing act: keeping one of the largest oil exporters under heavy sanctions while trying to maintain stable energy prices. That balancing act is becoming increasingly fragile. The latest restrictions come at a sensitive moment. Oil markets are already unsettled by conflict in West Asia, persistent disruptions in maritime trade routes and growing concerns over the Strait of Hormuz, the world's most critical oil transit chokepoint. In such conditions, even policy signals from Washington can alter freight rates, insurance premiums and crude price expectations almost overnight.

Why India cannot ignore this development

India imports nearly 90% of its crude oil and is the world's third-largest importer as well as one of the fastest-growing energy consumers. Unlike many developed economies, where energy demand has plateaued, India's energy needs will keep rising with industrialisation, urbanisation and expanding mobility. It is this reality that shapes India's energy choices.

When Russian crude began flowing into India in large volumes after 2022, many in the West viewed it through a geopolitical lens. India saw it



Shrikant Madhav Vaidya

Former Chairman of IndianOil Corporation Ltd. and an energy strategist

The world's emerging economies are increasingly being caught between geopolitics and energy survival

as an economic stabiliser during a period of extreme volatility. Russian oil helped moderate inflationary pressures, improved refinery economics and reduced dependence on any single region. It provided supply flexibility at a time of great turbulence in global energy markets. Critics often frame the debate as morality versus commerce. But energy-importing countries rarely have that luxury.

For countries such as India, energy affordability directly affects transport costs, food inflation, fertilizer subsidies, manufacturing competitiveness and household spending. A sustained rise in crude prices quickly spreads through the wider economy.

When sanctions meet market reality

Global oil markets are operating with little room for psychological comfort. The world has already seen disruptions in the Red Sea, attacks on shipping infrastructure, growing military tensions involving Iran, tighter tanker availability and sharply higher war-risk insurance premiums. In such conditions, constraining one of the world's largest oil suppliers inevitably unsettles markets, even if physical supply losses remain limited at first.

Oil markets react not only to shortages but also to the fear of shortages. That fear alone can drive prices sharply higher. Ironically, this exposes a contradiction at the heart of the western sanctions policy.

The U.S. and Europe want to reduce Russia's oil revenues. But they also want lower inflation, stable fuel prices and uninterrupted global energy flows. Increasingly, these objectives are colliding with each other. The harder sanctions become, the greater the risk of tightening global supply balances. Once oil prices rise sufficiently, Russia can continue earning substantial revenues despite lower export volumes. In some cases, higher global prices can partially offset the impact of sanctions themselves. This explains why the sanctions policy has repeatedly oscillated between aggressive rhetoric and tactical flexibility. Markets eventually force pragmatism.

The temporary waivers and carve-outs of recent years were not merely signs of policy inconsistency; they reflected energy-market realities. The uncomfortable truth is that the modern global economy still runs overwhelmingly on hydrocarbons. Despite the rapid growth of renewables, oil remains central to transport, aviation, petrochemicals, agriculture and global trade logistics. The world may speak of transition, but it still functions on molecules.

For India, the challenge is even more complex. The Strait of Hormuz remains a major strategic vulnerability, carrying nearly one-fifth of global

oil trade. A large share of India's crude oil and LPG imports transit through these waters. Any escalation in the region could disrupt supplies, raise shipping costs and delay deliveries. This is why Russian crude evolved into something larger than a discounted barrel for Asia. It emerged as a diversification mechanism during a period of growing uncertainty in West Asia.

The larger lesson from these developments is that energy security itself is changing shape. In earlier decades, countries were concerned mainly with access to physical supply. Today, vulnerabilities are far more complex. Energy flows can now be disrupted by shipping restrictions, insurance controls, financial sanctions, tanker blacklisting, payment barriers and maritime security risks. In effect, global energy has become deeply entangled with financial and geopolitical architecture.

India's long-term energy strategy

This changing landscape has major implications for India's long-term strategy. India cannot rely indefinitely on opportunistic crude sourcing during crises. The country needs a broader and more resilient energy framework. That means expanding strategic petroleum reserves, diversifying crude sourcing regions, strengthening domestic exploration, improving refining flexibility, accelerating gas infrastructure, expanding alternative energy pathways and reducing dependence on vulnerable maritime chokepoints. At the same time, India will need to preserve strategic autonomy in energy decision-making.

The emerging global order is becoming increasingly fragmented. Energy trade is no longer governed purely by economics; it is increasingly shaped by sanctions regimes, strategic rivalries and competing geopolitical blocs. For major importing countries, excessive dependence on any single geopolitical camp carries long-term risks. India's approach therefore reflects not neutrality, but realism.

The years ahead are likely to witness repeated tensions between geopolitical objectives and energy-market stability. The world is entering an era in which sanctions, wars, maritime insecurity and supply-chain disruptions may become recurring features rather than temporary exceptions. That makes resilience more important than ideology. In the end, energy systems obey physical realities, not political slogans. Tankers must still move. Refineries must still operate. Economies must still function. Nations that fail to build diversified and resilient energy systems may discover that, in the 21st century, economic sovereignty increasingly depends on the ability to navigate a fragmented and unstable energy world.

How energy shocks travel into India's economy

The implications for India extend far beyond crude prices alone. Modern energy disruptions now transmit through multiple interconnected channels

Energy shock	Immediate impact	Secondary impact on India
Higher crude oil prices	Costlier imports	Inflation and rupee pressure
Strait of Hormuz disruption	Supply uncertainty	LPG and fuel logistics stress
Shipping insurance surge	Higher landed crude cost	Refining margin pressure
Russian crude restrictions	Reduced supply flexibility	Higher sourcing costs
Freight disruptions	Delayed cargoes	Inventory and stock management strain

Sources: IEA, Energy Institute Statistical Review, industry and shipping estimates

IndianOil's Sprint saves ₹2,200 crore in FY26 as West Asia conflict squeezes margins

Rishi Ranjan Kala
New Delhi

Even as the West Asia conflict impacted profitability of PSU oil marketing companies (OMCs), Indian Oil Corporation (IOCL) saved ₹2,200 crore in FY26, leveraging Project Sprint — the refiner's latest strategy to become future ready.

Also, the company expects to save ₹2,500 crore this fiscal ending March 2027 by leveraging this new strategy. IOCL is expected to be severely hit by the closure of the Strait of Hormuz (SoH) and reconstruction of damaged oil and gas infrastructure.

US SANCTIONS

Although the West Asia conflict began only on February 28, 2026, the entire FY26 has been marked by sanctions imposed by the US, the UK and the EU, which kept refiners busy managing car-



goes and logistics amid shifting geopolitical narratives.

April-June FY27 will be the first quarter when the full impact of the latest tensions in the Middle East Gulf (MEG) region will begin to show.

During the FY26 results' analyst call last week, the company's management indicated that IOCL saved around ₹2,200 crore in FY26 through the project and has targeted a saving of ₹2,500 crore in FY27.

"These savings were due

to initiatives such as optimum repairs & maintenance expenditure, better energy efficiency parameters, and supply chain optimisation. We are targeting savings of ₹2,500 crore from this initiative as far as capital is concerned," it added.

Launched on April 1, 2025, the first major strategic initiative of IOCL Chairman & Managing Director AS Sahney focuses on ramping up core capabilities and unlocking new horizons of operational efficiency, hi-tech innovation, sustainable growth and talent development.

SIX PILLARS

The project a confluence of six pillars — S (strengthen core business), P (propel cost optimisation), R (reinforce customer centricity), I (integrate technology and innovation), N (nature leadership and talent) and T (transition ready).

These pillars are anchored

on 3Cs (core, cost and customer) as well as 3Ts (technology, talent and transition). It underlines the OMC's investment in innovation, digitisation and sustainable practices that will shape India's energy future.

For instance, IndianOil said its targeted revenue expenses rose by a modest 2.5 per cent over FY25, from ₹18,187 crore to ₹18,646 crore in FY26, in spite of increase in scale of business and rising costs due to geopolitical conflict.

Similarly, the refinery's throughput for FY26 is 75.451 mt with 107.4 per cent capacity utilisation against 71.564 mt in FY25, up by 5 per cent. IndianOil's cross country pipelines also achieved a combined throughput of 105.556 mt in FY26 against 100.477 mt in FY25, an increase of 5 per cent.

Project Sprint is also an effort by the OMC to claw back its market share.

OMCs seek sops for green aviation fuel, see no rollout delay

Aneesh Phadnis
Mumbai

State oil marketing companies don't foresee a delay in adoption of sustainable aviation fuel (SAF) on account of ongoing West Asia tensions and have called upon the government to provide fiscal incentives to make it affordable for airlines.

Globally, SAF is priced three-five times more than conventional aviation turbine fuel (ATF). Incentives like viability gap funding or tax rebates could help lower the cost of production and help oil companies to pass on the benefits to airlines.

This would also make it easier for airlines to enter into off-take agreements for SAF, executives of oil market-

ing companies said on Saturday. The government has set an indicative target of blending one per cent SAF in jet fuel used for international flights from January 2027. This would increase to 2 per cent and 5 per cent by 2028 and 2030.

In April, the government expanded the definition of ATF to include SAF. According to Shailesh Dhar, Executive Director and Country Head (Aviation), Indian Oil Corporation, the April notification sets the ball in motion for introducing SAF in India.

FORMULATING PLANS

"This will help companies in formulating plans as considerable investments are required," he said at a panel discussion organised by



Aeronautical Society of India.

"The government is now in the process of formulating an SAF policy and as a part of that actual mandates will be brought in for airlines and oil companies," he said.

IOC expects to start producing SAF from its Panipat refinery from September. It has already signed an MoU with Air India and a letter of intent with Akasa Air for SAF off-takes. Discussions are also on with foreign airlines,

he said. Bharat Petroleum Corporation Ltd and Hindustan Petroleum Corporation Ltd too are moving ahead with their SAF initiatives.

BPCL's Business Head (Aviation) Sanjeev Kumar said the co-processing facility at its Mumbai refinery will be commissioned by year end.

The Mumbai facility will have a capacity of 60 kilotonnes per annum and it would be able to meet the initial 1-2 per cent blending requirements, he added.

ONGOING PROJECT

HPCL expects a certification for its production process by the fourth quarter of 2026.

"We have carried out a demonstration where we have used cooking oil and co-

processed it with normal ATF. The project is ongoing," said HPCL's Executive Director (Aviation) Sibi Mathew T.

Airlines in Europe already charge a surcharge to cover the additional cost of SAF that is mandated in the continent from 2025. The Singapore government too will be charging SGD 1-42 SAF levy for all tickets from next January.

Saleem Farooqui, Senior Principal Scientist at CSIR-Indian Institute of Petroleum, said initial blending targets will not translate to high fares.

He estimates fares could rise by ₹100-200 after introduction of SAF mandates. "While the SAF price is high we will be blending only small quantities," he said.

India plans 1% SAF blending in ATF, may add to airfare burden

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Mumbai: India is preparing to mandate a 1% blending of Sustainable Aviation Fuel (SAF) in aviation turbine fuel (ATF) from Jan 2027, senior officials from state-run oil marketing companies said at a conference on Saturday. The impact on airfares would be roughly Rs 100-200 per ticket, said a scientist.

In April, govt recognised SAF as a fuel for aircraft operations through a gazette notification. It outlined phase-wise indicative targets such as 1% blending by 2027, 2% by 2028, and 5% by 2030. These were not mandates.

"Govt is in the process of formulating an SAF policy... We're expecting a 1% blending mandate from Jan 1,

SAF is a renewable fuel derived from alternative feedstocks such as used cooking oil, crops, biogenic residues, and waste materials

2027," said Shailesh Dhar, executive director and country head (aviation), Indian Oil Corporation (IOCL), at a conference organised by Aeronautical Society of India.

"Since targets are small, it will add about Rs 100-200 to the cost of the ticket," said Saleem Farooqui, senior principal scientist, CSIR-Indian Institute of Petroleum.

IOCL is set to begin SAF production from used cooking oil at its Panipat refinery

by Sept. Bharat Petroleum is commissioning a co-processing unit at its Mumbai refinery with a capacity of 60,000 tonnes per annum by the end of 2026, said Sanjeev Kumar, executive director.

"In 2027, India will need 62,000 tonnes of SAF and by 2028, it will be 1.3 lakh tonnes and by 2030, it will be about 3.8 lakh tonnes," Dhar said, adding PSUs were on track to meet this requirement.

Mathew Sibi T, executive director (aviation) of Hindustan Petroleum Corporation Ltd, said India had some advantages when it comes to SAF production. "Firstly, we have diverse feedstock, secondly, we have good refineries where we can co-process SAF and also have technically good capabilities."

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GAIL Q4 net profit falls 38 pc on West Asia conflict-related disruption

(Agency) New Delhi: State-owned gas utility GAIL (India) Ltd on Thursday reported a 38 per cent fall in its March quarter profit, hit hard by energy supply disruptions related to the war in West Asia.

Net profit stood at Rs 1,262.18 crore in January-March, the fourth quarter of the 2025-26 fiscal year, compared with Rs 2,049.03 crore earning a year ago and Rs 1,602.57 crore in the preceding three months, according to a stock exchange filing and company statement.

The Iran war disrupted India's liquefied natural gas (LNG) imports from its largest supplier Qatar, since early March.

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Need to protect legal mobility: Jaishankar in talks with Rubio

In a meeting with US Secretary of State Marco Rubio, External Affairs Minister S Jaishankar on Sunday flagged India's concerns over the Trump administration's changes to visa and immigration policies, saying legal mobility should not be adversely impacted by the new approach. Rubio said the current reform process is not targeted at India at all, but a larger effort at addressing the challenge of migration facing the US, ARCHIS MOHAN REPORTS



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India-US relations have not lost momentum: Rubio

On maiden India visit, US Secretary of State discusses energy, trade and immigration with foreign minister. Archis Mohan reports

India increasing the sourcing of its energy supplies from the United States was a key issue that External Affairs Minister S Jaishankar and US Secretary of State Marco Rubio discussed at their meeting in New Delhi on Sunday morning.

Rubio is on his maiden visit to India, which comes amid frayed ties between the strategic partners.

The Jaishankar-Rubio meeting also covered India-US civil nuclear cooperation, critical minerals, defence and trade ties and the Iranian chokehold on the Strait of Hormuz. They further discussed the safety and security of maritime routes, such as in the Indo-Pacific, which is essential for energy and trade flows. Rubio said a mutually beneficial deal is imminent and asserted that the changes in the US immigration policies were not targeted at India.

At their joint media briefing, Rubio sought to allay concerns over the dip in India-US relations by terming the ties between the two as "one of the most important" globally. He said: "India-US relations haven't lost momentum. They will come out much stronger in the coming years." He added that both sides are "strategically aligned" on almost all key global issues.

He also said that there is a possibility of "good news" regarding the West Asia conflict coming soon, and that he would leave it to US President Donald Trump to "make further announcements."

"I remind everybody that the ultimate goal is that Iran can never have a nuclear weapon," Rubio said. "The Strait of Hormuz is an international waterway, and what they are doing now is basically threatening to destroy commercial vessels using an international waterway that is illegal under any concept of international law," he added.

Rubio's four-day visit comes amid a widening trust deficit between Washington and New Delhi over the past year. In 2025, the White House imposed stiff tariffs on India; embraced Pakistan's military leadership with Trump claiming that he brokered the ceasefire between the neighbours in May; and Washington announced a new immigration policy with increased H1B visa fees.

Jaishankar described the US as a "significant and reliable" partner and said that there has been a "significant uptick" in energy supplies from the US to India. He added that India is in an "era of de-risking" and it is important to secure large, dependable and affordable sources of energy, suggesting that the US has emerged as one such source. India is set to import sig-

nificant amounts of LPG and LNG from the US in May, according to predictive data from Kpler.

At the joint briefing, Rubio said India and the US are "strategically aligned on energy". The two sides want "a world that can, not just produce, but deliver the energy resources that are necessary to power a modern economy," he said. After his meeting with Prime Minister Narendra Modi on Saturday, Rubio said the US was ready to help India diversify its energy supplies.

This discussion on energy comes amid the US push for India to purchase more oil from Venezuela. The South American country, where US oil giants are close to securing deals to pump oil, has emerged as one of top three suppliers of crude to India in recent weeks. On Thursday, Rubio told reporters in Miami that the US is ready to sell as much energy as India is willing to buy. "We want to be a bigger part of their portfolio. We also think there are opportunities with Venezuelan oil," Rubio said.

Jaishankar and Rubio also discussed the need to conclude the trade deal soon. The US Secretary of State said the two sides have "tremendous progress" on the negotiations. "I think we're going to wind up with a trade agreement between the US and



External Affairs Minister S Jaishankar (right) raised India's concerns with Secretary of State Marco Rubio over the changes to US visa and immigration policies, saying legal mobility should not be adversely impacted

PHOTO: X/ @GORDJAJSHANKAR

India that is going to be enduring and is going to be beneficial to both sides and sustainable in a way that addresses national interests that we have," Rubio said. He asserted that the Trump administration's policy on trade is driven by a greater aim to recalibrate Washington's overall approach on global trade and is not directed against any specific country. "This is about the US in terms of trade. The President did not say: Let's

figure out a way to create friction with India over trade." The President came in and said: "We have a trade situation involving the US economy that doesn't work moving forward," he said. "There's a huge imbalance that's built up, and it needs to be addressed. He pursued it from a global perspective," Rubio said. He further said there is no country in the world that he has travelled to where the trade issue was not flagged. "The President said we

have to rebalance US trade. This is not about India," Rubio said. He added that a US trade delegation will visit India "very soon" to take forward the talks on the trade deal.

Rubio pointed to the US' problems on trade with its allies, including the EU. "The difference is that India is a massive economy. This is a big economy where you're the leading trade partner. We do a lot of trade with India, and so obviously, there's a big difference between rebalancing trade with a country of this size and magnitude," he said.

Jaishankar flagged to Rubio India's concerns over the Trump administration's changes to visa and immigration policies, saying legal mobility should not be adversely impacted by the new approach. Rubio said the current process to reform the existing system is not targeted at India at all, but a larger effort at addressing the challenge of migration facing the US.

On behalf of Trump, Rubio invited Modi to visit the US later this year. He also repeated the invite at Sunday's joint media briefing. The readout of the meeting from the Prime Minister's Office was, however, silent on Trump's invite. This year is India's turn to host the Quad Summit after it was postponed last year, and

New Delhi is all set to host Trump. Modi and Trump's last meeting was in February 2025, when the PM had visited Washington.

Responding to a question about alleged racist comments against Indians, Rubio said: "I will take that very seriously... I am sure there are stupid people here; there are stupid people in the US who make dumb comments all the time." In April, Trump had shared right-wing television anchor Michael Savage's social media post, which had described India and China as "hellholes" and criticised US immigration laws. The Ministry of External Affairs had termed the views as "uninformed, inappropriate and in poor taste."

Rubio landed in Kolkata on Saturday morning, where he visited the US Consulate General. America's second-oldest consulate in the world; and the Missionaries of Charity, which comes amid concerns in the US about the Indian government's proposed amendments to the Foreign Contribution Regulation Act. With Jaishankar as the host, Rubio will attend the meeting of the Quadrilateral Security Dialogue's foreign ministers, along with Australia's Foreign Minister Penny Wong, and her Japanese counterpart Toshiimitsu Motegi on Tuesday.

Goyal's Canada visit may accelerate Ceta negotiations, deepen energy ties

KRITY AMBEY

As Commerce and Industry Minister Piyush Goyal begins his three-day visit to Canada on Sunday to expedite negotiations for the proposed Comprehensive Economic Partnership Agreement (Ceta), energy security and clean energy transition are expected to figure prominently in the talks, given the strong complementarities between Canada's vast natural resource base and India's growing energy needs. Civil nuclear cooperation is also likely to remain a key pillar of the bilateral energy partnership.

A free-trade agreement with Canada could help India diversify import sources for strategic products such as energy products (\$341.36 million) and fertilisers (\$263.17 million), whose supplies are currently under disruption amid the West Asia conflict.

India's top imports from Canada in FY26 were yellow peas (\$311.24 million)

and lentils (\$306.56 million).

On the other hand, Indian industries anticipate export opportunities in sectors such as pharmaceutical products (\$548.27 million), gem & jewellery (\$380.46 million), iron and steel items (\$292.47 million), organic chemicals (\$234.41 million) and electrical equipment (\$226.01 million).

India and Canada have, so far, held two rounds of negotiations and aim to conclude the free-trade agreement by December. The third round is scheduled for July in Ottawa.

India, which had a merchandise trade surplus of \$1.39 billion with Canada in FY26, is also likely to gain market access in services such as telecommunications, computer, and information services, and other business services.

The two nations, which had a bilateral trade of \$7.96 billion in FY26, aim to raise it to \$50 billion by 2030.

Trade basket



Top 5 imports from Canada	FY26*	Y-o-Ydng (%)
Yellow peas, lentils	618.20	-34.86
Mineral fuels, mineral oils & products of their distillation; bituminous substances; mineral waxes	341.36	-46.69
Aircraft, spacecraft, and parts thereof	321.91	98.09
Fertilisers	263.17	-29.93
Pulp of wood or of other fibrous cellulosic material; waste and scrap of paper or paperboard	240.76	-32.21
**Total imports from Canada	3,285.32	-26.12
Top 5 exports to Canada	FY26	Y-o-Ydng (%)
Pharmaceutical products	548.27	1.50
Gem & jewellery	380.46	81.66
Nuclear reactors, boilers, machinery	379.44	24.77
Articles of iron or steel	292.47	0.95
Organic chemicals	234.41	-2.71
***Total exports to Canada	4,671.11	10.63

*(5 mn); ** Includes other items; Source: Department of Commerce

THIRD RETAIL FUEL PRICE HIKE IN 10 DAYS

Losses of OMCs narrow further

SHUBHANGI MATHUR
New Delhi, 24 May

Amid soaring energy prices, India's oil marketing companies (OMCs) raised prices of petrol and diesel in the country for the third time in nine days. Post the hike, non-branded petrol is priced at ₹99.51 per litre in Delhi as compared to ₹98.64 a litre earlier, while diesel costs ₹92.49 per litre.

In the last nine days, OMCs have raised fuel prices in a staggered way by ₹3 per litre on May 15, and then by 90 paise per litre on May 19. Petrol and diesel prices were hiked again by 87 paise per litre and 91 paise a litre, respectively, on May 23.

Experts said the recent back-to-back price hikes will offer partial relief to the oil



marketing companies, but not a full cushion. Even if the West Asia situation stabilises, it will take time for risks to fully ease around the Strait of Hormuz, keeping crude prices elevated—likely above \$90 per barrel, they added. "Combined with a weakening rupee, this continues to pressure

OMC margins, and they could still face under-recoveries. Going forward, some calibrated price revisions may be required. The government will need to balance OMC financial health against the impact on consumers," said Sourav Mitra, partner, Oil and Gas, at accounting and consultancy firm Grant Thornton Bharat.

The latest and the third round of petrol-diesel price hike was accompanied by an increase in compressed natural gas (CNG)

rates too. Indraprastha Gas (IGL) increased the prices of CNG by ₹1 per kilogram on Saturday, the third hike in 10 days. With this, CNG is now priced at ₹81.09 per kg in Delhi. Prices in Noida, Greater Noida and Ghaziabad have risen to ₹89.70 per kg.

With Administered Price mechanism gas supplies dwindling and demand for CNG and residential piped natural gas rising, the system is becoming more reliant on imported LNG, according to experts.

"This will eventually have to be passed on to end users with increased CNG prices in the near term. Over time, similar input cost pressures are also likely to be reflected in residential PNG prices, although the pass-through will be relatively gradual given the sensitive nature of the sector," Mitra said.

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Revenue channels

RBI's surplus transfer will not ease fiscal pressure

The Reserve Bank of India's (RBI's) Central Board last week decided to transfer a surplus of ₹2.87 trillion for 2025-26 to the Government of India. The RBI also decided to reduce the provisioning under the contingent risk buffer to 6.5 per cent of its balance sheet, compared to 7.5 per cent in the previous year. Although the RBI's economic capital framework allows it to keep the contingent risk buffer between 4.5 and 7.5 per cent of its balance sheet, it is unclear why the central bank decided to reduce the buffer. Although the amount transferred is about 7 per cent higher than that of the previous year and is a new record, it is unlikely to ease fiscal pressures significantly for the government. The surplus transfer is in line with expectations, and the government had already budgeted for it. This year's Budget estimate for dividend/surplus from the RBI and nationalised financial institutions is ₹3.16 trillion. However, the government's total dividend receipts could be substantially lower this year. Oil companies are usually major contributors, but they may not be able to contribute much.

The crisis in West Asia and the resultant surge in prices of crude oil have significantly complicated the overall Budget arithmetic. The state-run oil-marketing companies (OMCs) were reported to be facing underrecoveries worth ₹1,000 crore per day until recently. Three increases in the pump prices of petrol and diesel have helped reduce those, but more needs to be done. At this stage, it is difficult to gauge the extent of the damage high oil prices may have caused to the finances of OMCs. Only the June-quarter results will provide a clear picture because the March quarter will reflect only a partial impact. But dividends are not the only factor that will affect government finances. The government may have to substantially increase expenditure in certain areas, such as fuel and fertiliser subsidies, while also facing pressure on the revenue front.

The government has reduced special additional excise duty on petrol and diesel, which could lead to an annual revenue loss of about ₹1.5 trillion. Besides, tax collection would suffer due to the supply-chain disruption and lower production. It is also worth noting that the monsoon is expected to be below normal this year, which could have implications not only for food production but for overall demand. A consumption slowdown could again increase demands on the Budget while affecting revenue collection. The government has budgeted to contain the fiscal deficit at 4.3 per cent of gross domestic product, which now looks difficult. Much will depend on how long the West Asia crisis persists and how the government approaches its plan for capital expenditure.

While the RBI has done its bit in supporting the government through surplus transfers, it faces its own challenges. The rupee has been under pressure and is inching towards the 100 mark against the dollar. As economists have rightly argued, the RBI should not aim to defend the currency to prevent it from crossing a psychological mark. The other big challenge will be responding to the inevitable increase in the inflation rate. Since the monetary policy needs to be forward-looking, projecting the inflation rate over the next four to six quarters and adjusting the policy accordingly will be enormously complicated in the current environment. Bond yields have been rising in anticipation of tighter monetary policy and possible fiscal slippage.



Publication : Financial Express	Editions : New Delhi
Date :25 May 2026	Page : 2

Fuel austerity clouds demand outlook: Analysts

INDIA'S TRANSPORTATION
FUEL demand growth is
expected to slow sharply in
the second half of 2026 as
government-led fuel conser-
vation steps, elevated crude
oil prices and a weakening
rupee weigh on mobility and
consumption trends,
according to analysts. Petrol
and diesel prices have been
hiked by about ₹5 per litre
each since May 15.

Publication : Financial Express	Editions : New Delhi
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Coal India plans syngas units amid gas supply issues



STATE-OWNED COAL India plans to set up coal-to-syngas production units either at pithead locations or adjacent to user industries such as fertiliser units.

—AGENCIES

West Asia, oil, FPI activity to dictate market mood

PRESS TRUST OF INDIA
New Delhi, May 24

DEVELOPMENTS RELATED TO negotiations between the US and Iran to resolve the West Asia conflict, oil prices and foreign investors' trading activity will largely influence stock markets in a holiday-shortened week, analysts said. The rupee-dollar trend and global market sentiment would also be tracked by investors, said analysts.

"This week is expected to remain highly sensitive to global macroeconomic developments and currency movements. Investors will also monitor crude oil prices, developments in US-Iran negotiations, and the trajectory of the US dollar and bond yields," Ajit Mishra, senior vice president, research, Religare Broking, said.

Participants will closely



AT A GLANCE

- Impact of RBI's dividend transfer on liquidity expectations to be closely assessed
- Markets are expected to remain volatile and heavily headline-driven in the coming week
- Investors may monitor rupee movement and equity market trends for directional cues

assess the impact of the RBI's record dividend transfer on liquidity expectations, fiscal flexibility, and government spending prospects, he added.

"Markets are expected to remain volatile and heavily headline-driven in the coming week, with investor attention firmly focused on developments surrounding the West Asia situation, broader diplomatic negotia-

tions and movements in crude oil prices," Ponmudi R, chief executive at Enrich Money, said.

Vinod Nair, head of research, Geojit Investments, said a more constructive market set-up would require crude to ease more meaningfully, FII flows to stabilise, and Q1FY27 earnings expectations to be managed without significant downgrades.

Jaishankar says India to diversify oil imports amid Hormuz tensions

SAURAV ANAND
New Delhi, May 24

INDIA WILL CONTINUE to pursue diversified, dependable and affordable energy supplies to safeguard its energy security from geopolitical disruptions, External Affairs Minister S. Jaishankar said on Sunday, as tensions around the Strait of Hormuz raised fresh concerns over global crude oil, LNG and shipping flows.

"For our energy security, it's important we have multiple sources, large sources, dependable sources, cheap sources," Jaishankar said after bilateral talks with US Secretary of State Marco Rubio in New Delhi, describing the United States as a "very significant and reliable source of energy" for India.

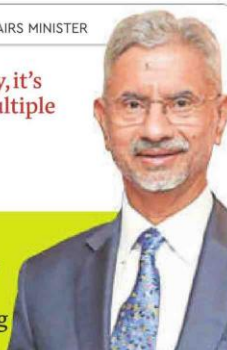
The remarks come amid escalating tensions involving Iran and the Strait of Hormuz, which has triggered volatility in global energy and freight markets.

Jaishankar said ensuring accessible and affordable energy for India's 1.4 billion people remained the government's "prime objective", and noted that diversified supplies were "at the heart of energy

S. JAISHANKAR, EXTERNAL AFFAIRS MINISTER

For our energy security, it's important we have multiple sources, large sources, dependable sources, cheap sources

This is an era of de-risking, and energy more than anything else requires de-risking



security for India".

He also stressed India's support for "safe and unimpeded maritime commerce" and cautioned against the weaponisation of markets and resources, amid concerns over threats to commercial shipping routes in the Gulf region.

Rubio described India as "one of our most important strategic partners in the world" and said both countries were aligned on energy security, critical minerals and resilient supply chains.

"We share as a strategic value the fact that no international

waterway, no international airspace should ever be used or nationalized by any country in the world," Rubio said, referring to growing tensions around the Strait of Hormuz.

He added that uninterrupted energy supplies were critical for powering emerging sectors such as artificial intelligence, data centres and advanced manufacturing.

"The ability to generate power is the key behind all the great industries out there," Rubio said.

The two sides also discussed cooperation in nuclear

energy, critical minerals, semi-conductors and artificial intelligence as part of the broader India-US strategic partnership.

On the Gulf crisis, Rubio said diplomatic efforts were underway to ensure open maritime trade routes and prevent further escalation.

He reiterated Washington's position that Iran must not be allowed to possess nuclear weapons, and accused Tehran of threatening international shipping lanes.

Jaishankar said India would continue focusing on de-risking its energy imports through diversified sourcing strategies.

"This is an era of de-risking, and energy more than anything else requires de-risking," he said, adding that India would continue sourcing energy from multiple suppliers at "the most reasonable cost". He also said India had conveyed its position that energy markets should not be distorted or constrained, stressing that affordable energy prices were essential for global economic growth.

India currently imports crude oil, LNG and LPG from the US, alongside supplies from the Middle East, Russia and other oil producing regions.

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India-bound LNG ship exits Hormuz for 1st time since war

BLOOMBERG
May24

A LIQUEFIED NATURAL gas tanker carrying a shipment for India has exited the Strait of Hormuz, the first for the country from the Persian Gulf since the Iran war began months ago as the region's exporters discreetly supply key buyers. Adnoc Logistics & Services's Al Hamra tanker was spotted in the last day, loaded with a cargo and heading to western India, according to ship-tracking data compiled by Bloomberg. The vessel stopped sending a signal around April 19—but at that time it was empty and idling near the eastern entrance of Hormuz.

The tanker loaded a cargo at Abu Dhabi National Oil Co's Das Island export plant, which is in the Persian Gulf, during the period it wasn't sending a signal, as per Kpler. Satellite images show that LNG tankers have been docking at Das Island, even though no tankers are broadcasting their positions.

April fuel demand declines 4.6%; LNG imports dip 29.6%

FE BUREAU
New Delhi, May 24

INDIA'S PETROLEUM PRODUCT consumption declined 4.6% year-on-year (y-o-y) in April 2026, while natural gas consumption fell sharply and LNG imports plunged nearly 30%, signalling growing stress in the country's energy demand amid elevated global fuel prices and disruptions linked to the West Asia crisis.

Official data released by the Petroleum Planning and Analysis Cell (PPAC) showed total petroleum product consumption stood at 19.3 million metric tonnes (MMT) in April 2026, compared with 20.2 MMT in the corresponding month last year.

The sharpest pressure was visible in the gas segment. Total natural gas consumption in

April fell 16.7% y-o-y to 4,703 MMT, while LNG imports plunged 29.6% to 1,954 MMT amid elevated spot LNG prices and supply disruptions in international markets.

The slowdown in fuel demand comes even as India's crude oil import bill surged sharply during the month.

PPAC data showed India imported around 21 MMT of crude oil in April 2026 for \$16.3 billion, compared with 20.98 MMT worth \$10.66 billion in April 2025.

While import volumes remained broadly unchanged, the country paid nearly \$5.7 billion more within a year due to soaring crude prices and rupee depreciation. Brent crude averaged \$120.55 per barrel in April 2026, compared with \$67.79 per barrel in April last year.



● FROM PLATE TO PLOUGH

THE ONLY RATIONAL WAY TO AVOID LOOMING ECONOMIC CRISIS WILL BE MAJOR REFORMS, A LA 1991

India needs reforms, not sermons

THE INDIAN RUPEE is tumbling against the US dollar. If Reserve Bank of India (RBI) does not intervene, it won't be a surprise to see the rupee hit 100 to a dollar. RBI needs a minimum of \$50-60 billion war chest to arrest the fall, that too for a short while. The underlying reasons are not within RBI's control. The Middle East crisis is finally hitting India pretty hard. Energy and fertiliser costs have almost doubled. The gradual increase of petrol prices by roughly ₹3-4/litre is not sufficient. So is the case with liquefied petroleum gas (LPG), or liquefied natural gas (LNG), or fertilisers, especially urea. All this will blow up the fiscal deficit, which may cross 5% of GDP.

Foreign portfolio investors (FPIs) are withdrawing their investments; domestic investors are equally worried and not investing significantly. The Indian Meteorological Department (IMD) is forecasting a strong El Nino. As a result, the Indian economy is losing momentum. Our calculations based on present conditions indicate that in the current financial year, India will be lucky if it clocks 6% GDP growth and contain Consumer Price Index (CPI) inflation below 6%. If the Strait of Hormuz remains closed for another three months, the GDP growth will fall below 6%, and CPI inflation will shoot above 6%, which is the upper band of RBI for inflation control. RBI will not have much options but raise the repo rates, resulting in the increase of all interest rates. The economy seems to be on the brink of a major economic crisis. The only rational way to avoid this it will be to carry out major reforms, a la 1991.

**ASHOK GULATI
RITIKA JUNEJA**

Respectively distinguished professor and senior fellow, ICRIER



Prime Minister Narendra Modi had called for austerity measures, and some Chief Ministers did photo-ops of them travelling on motorcycles, metros, electric vehicles (EVs), etc. This tokenism does not last for long. Upon his return from a five-country visit, PM Modi held a meeting with his cabinet colleagues and asked them to carry out reforms that can save resources, especially energy; narrow down the twin deficits of trade and current account; and restore confidence in India's growth story. The technical blueprint of economic reforms is not difficult to prepare, but the political will to undertake such reforms is the need of the hour. The tendency to distribute freebies in India—at the central and state level—is now deeply entrenched. That's the biggest hurdle in carrying out structural reforms. Let us demonstrate with the examples of fertiliser and food subsidies.

Take the case of fertilisers. India imports anywhere from 20-25% of its urea requirements. The last tender to import showed that the minimum price of urea's landed cost on the west coast would be \$935/tonne, but it is being sold at less than \$70/tonne to farmers. Is this wisdom or stupidity? Let the readers judge. But what we know is that it creates such a significant arbitrage that a large amount is being diverted from agriculture to other industrial uses in India and also smuggled out to neighbouring countries. To cite an interesting example, take Bihar. There is a difference of 50% between figures for urea, di-ammonium phosphate (DAP), and muriate of potash (MOP) supplied and those on fertilisers actually utilised (cost of cultivation data, used for determining Minimum Support Prices of major crops). Where does the remaining go?

Anyone familiar with the ground realities will tell you that Bihar is an easy route to Nepal. Ground reports also suggest that our fertilisers are smuggled to even Bangladesh from neighbouring districts. It is all because of the huge urea subsidy (almost 90%).

The fertiliser subsidy bill, budgeted at ₹1.71 lakh crores for FY27, is surely going to cross ₹2.25 lakh crore, and it won't be a surprise if it touches ₹2.5

When the government takes credit for reducing poverty to 5.3% as per the World Bank's definition of extreme poverty, why does it give free food to more than 800 million people?

lakh crore. The ultimate solution (*Brahmastra*) for this is to reform the entire chemical fertiliser subsidy regime, move towards direct benefit transfer (DBT) on a per acre basis, and club it with PM-Kisan amount. The issue of tenants can be solved by triangulating different types of data, provided the PM prioritises it like the Jan Dhan accounts, and linking them to mobile and Aadhaar. Further, fertiliser prices should be determined by market forces. Doing so will plug the urea leakage and correct the nitrogen (N), potassium (P), and phosphorus (K) imbalances in use will be corrected, raising Nutrient Use Efficiency (NUE). This will save the government at least ₹40,000-50,000 crore annually. The second best solution will be to put quantitative restrictions on sales, linking them with holding size and crops grown. The third alternative is to put urea under the Nutrient Based Subsidy (NBS) Scheme and raise its prices while reducing those for P and K, keeping the overall subsidy bill at ₹2 lakh crore.

The food subsidy, budgeted at ₹2.28 lakh crore in FY27 must be observed too. When the government takes credit for reducing poverty to 5.3% as per the World Bank's definition of extreme poverty or 11% as per NITI's Multi-Dimensional Index, why does it give free food to more than 800 million people? It needs to either trim the coverage or increase the issue price for those above the poverty line. It has the potential to save another ₹50,000 crore per year.

Not undertaking any of these reforms will only show the government's timidity.

Views are personal

Fuel austerity clouds demand outlook, India's annual product growth forecast cut 40%

The price hikes came just as Prime Minister Narendra Modi urged citizens and government departments to conserve fuel, encourage remote working

NEW DELHI: India's transportation fuel demand growth is expected to slow sharply in the second half of 2026 as government-led fuel conservation measures, elevated crude oil prices and a weakening rupee weigh on mobility and consumption trends, according to energy analysts.

Petrol and diesel prices have been hiked by about Rs 5 per litre each in three instalments since May 15 as oil companies passed on a part of soaring international oil prices to consumers. The price hikes came just as Prime Minister Narendra Modi urged citizens and gov-

ernment departments to conserve fuel, encourage remote working and reduce non-essential travel as elevated energy prices pressure foreign exchange reserves and threaten to widen the current account deficit.

This together with higher prices is likely to have a sobering impact on fuel demand growth.

A report by Elif Binici, Lead Analyst (Modeling) at Kpler, revised down India's 2026 refined products demand growth forecast by about 77,000 barrels per day (kbd), or 39 per cent, to around 78 kbd from an earlier estimate of 128 kbd, citing weaker expected

growth in gasoline and diesel consumption. Petrol demand faces the steepest downside risk, with growth projected to undershoot the earlier growth estimate by 25 kbd (from 63 kbd to 38 kbd).

Petrol consumption is now estimated at 1010 kbd, down from 1035 kbd amid weaker commuting activity, slower discretionary travel and government fuel-saving campaigns.

Annual diesel demand growth was cut by around 20 kbd, while jet fuel demand growth was revised down nearly 50 per cent to about 6 kbd from 11 kbd previously, reflecting

CLOSER LOOK

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- » Petrol demand faces steepest downside risk, with growth projected to undershoot earlier estimate by 25 kbd
- » Petrol consumption is now projected at 1010 kbd against 1035 kbd amid weaker commuting activity, slower discretionary travel, govt fuel-saving campaigns

expectations of reduced air travel and tighter spending patterns.

"The revisions primarily reflect weaker expected growth in gasoline and diesel demand as higher costs, weaker mobil-

ity trends, and recent government-led fuel conservation efforts increasingly feed into domestic transportation activity," according to the report.

The report said India's macroeconomic backdrop had dete-

riorated since the escalation of the US-Iran conflict, with higher crude import costs, refinery expenses and rupee depreciation increasing pressure on inflation and state-run oil marketing companies (OMCs).

The rupee has weakened roughly 6 per cent since the start of the conflict and 10 per cent over the past year. At the same time, FX reserves have reportedly fallen approximately 4.3 per cent since late February as authorities attempt to stabilise the currency, contain imported inflation, and limit volatility in domestic fuel prices.

Retail petrol and diesel

prices, largely frozen since 2022 despite higher global crude prices, were raised by about Rs 5 per litre in three instalments during the last 10 days.

However, the increases remain well below estimated breakeven levels for state-run retailers.

The current national average petrol price of Rs 103 per litre remains far below estimated breakeven levels of nearly Rs 125 per litre, while diesel prices near Rs 94 per litre compare with estimated breakeven levels of Rs 115-120 per litre.

Before the start of the price revision cycle, state-run fuel

retailers were losing roughly Rs 1,000 crore per day as elevated crude procurement costs and currency weakness continued to outpace retail prices.

"The key issue is the inability of state-run retailers to pass through rising import costs quickly enough to restore profitability," the report said.

India's dependence on discounted Russian crude imports, currently estimated at around 1.9-2 million barrels per day, continues to provide a key stabilising force for the domestic fuel market amid ongoing geopolitical uncertainty in the Middle East, it added.

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LNG tanker exits Hormuz for India for first time since war began

A liquefied natural gas (LNG) tanker carrying a shipment for India has exited the Strait of Hormuz, the first for the country from the Persian Gulf since the Iran war began months ago as the region's exporters discreetly supply key buyers.

Adnoc Logistics & Services's *Al Hamra* tanker was spotted in the last day, loaded with a cargo and heading to India, according to ship-tracking data compiled by *Bloomberg*. The vessel stopped sending a signal around 19 April, but at that time it was empty and idling near the eastern entrance of Hormuz.

The tanker loaded a cargo at Abu Dhabi National Oil Co.'s (Adnoc) Das Island export plant, which is in the Persian Gulf behind Hormuz, during the period it wasn't sending a signal, according to Kpler. Satellite images show that LNG tankers have been docking at Das Island, even though no tankers are broadcasting their positions near the plant.

Hormuz has remained virtually shut as the US and Iran struggle to reach a peace agreement, with both sides enforcing a de facto blockade. **BLOOMBERG**



The Strait of Hormuz has been virtually shut since the war began. **REUTERS**

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GATCs will now be allowed to verify hydrogen, LPG, LNG and CNG fuel dispensers. HT

Govt expands fuel dispenser testing

The consumer affairs ministry has amended legal metrology rules to allow government-approved testing centres (GATCs) to verify hydrogen, LPG, LNG and CNG fuel dispensers, expanding the country's measurement oversight framework as cleaner fuel adoption grows.

The amended rules brings the total number of instrument categories verifiable through GATCs to 23 from 18. Verification fees for petrol and diesel dispensers have been set at ₹5,000 per nozzle, while CNG, LPG, LNG and hydrogen dispensers will attract a fee of ₹10,000.

GATCs are approved private facilities with the technical expertise to carry out verification and re-verification of specified weights and measures under the Legal Metrology Act. The framework allows qualified private laboratories to expand national verification capacity beyond state government resources. PTI

The Middle East grapples with the downsides of a Trump deal with Iran

For Israel and the Gulf, the risk is an emboldened Iran after U.S. forces leave

Summer Sid, Georgia Katchev & Anat Chelco

The Middle East was racing Sunday as the Trump administration worked to finalise an agreement that would head off further conflict with Iran, but could come with significant downsides for the region.

There was widespread concern in Israel that the deal—a memorandum of understanding that would get oil tankers and other traffic flowing through the Strait of Hormuz but put off the question of Iran's nuclear program until later—would ease the economic and military pressure on Tehran when a regime Israel considers an existential threat is at a weak point.

Gulf Arab states, meanwhile, were eager to avoid further attacks on their energy facilities and get their oil sales moving again, but were grappling with the prospect that a deal would leave Iran with an overt role managing the strait and emboldened to use military threats to get its way in future disputes with its neighbors after the U.S. armada moves on.

Even in markets, where there is certain to be a reduced risk that fighting could further crimp energy supplies, analysts were hungry for details of how quickly traffic would be let through the Strait of Hormuz and whether a deal could leave the strategic waterway more vulnerable to future disruptions.

"It feels like a breakthrough, but we've seen some of these points before and they always break down once it got to competing interpretations of the details," said Rory Johnston, founder of oil research firm Commodity Context.

Mediators said they had hammered out a memorandum with Iran that would maintain the pause in fighting for at least 60 days and have passed it along to the U.S. for consideration. In essence, it would extend the current cease-fire while the two sides reopen the Strait of Hormuz and begin talks on Iran's nuclear program.

The framework would begin with an agreement to end the war and the U.S. blockade of Iranian ports, while Iran would temporarily reopen the strait and waive transit fees for as long as negotiations toward a nuclear deal and a new arrangement for the governance of the waterway continue, mediators said.

Iran also demanded that the U.S. release some of its estimated \$800 billion in frozen assets and lift some sanctions to allow Iran to sell its oil, they said.

The current draft of the memorandum of understanding lacks binding clauses on Iran's nuclear file, the mediators and Iranian state media said. Iranian negotiators, however, have indicated they would be willing to agree to not develop nuclear weapons.

For the next phase, Iranian negotiators indicated they could discuss a shorter suspension of uranium enrichment than the 20 years sought



A mural of the late leader of Iran Ali Khamenei in Tehran.

by the U.S. and that stockpiles of uranium enriched above 20% could be diluted inside Iran under regional supervision, the mediators said.

Mediators said the U.S. was insisting on a comprehensive deal that addresses Iran's stockpiles of enriched uranium. The talks could be extended with both sides' agreement, they said.

"We've made some progress over the last 48 hours," U.S. Secretary of State Marco Rubio said Sunday in India. The outlined deal would completely open the strait and address some of the key issues with Iran's nuclear program, he said.

Iran hawks in the U.S., including Sen. Lindsey Graham (R, S.C.) and Sen. Ted Cruz (R, Texas) criticized the idea of a deal that would just reopen the strait and potentially leave Iran emboldened. Rubio said Iran would need to accept U.S. terms and comply with them.

"The idea that somehow this president, given everything he's already proven he's willing to do, is going to somehow agree to a deal that ultimately winds up putting Iran in a stronger position when it comes to nuclear ambitions is absurd," he said.

Regional leaders encouraged Trump on a call Saturday to accept a deal with Iran to head off serious damage to regional energy facilities, Gulf officials said. While Gulf leaders are pushing for a diplomatic off-ramp, they were still deeply concerned that the current offer would leave them exposed, the officials said.

Iran had yet to discuss its missile program or provide guarantees that Gulf countries wouldn't be targeted by Tehran or allied militias in the region, the officials said.

"Iran enters the postwar period with leverage it didn't have before,

because Hormuz is now an established bargaining chip," said H.A. Helver, senior associate fellow at the Royal United Services Institute. "The major risk for Gulf Arab states is that this leaves Tehran feeling emboldened and thus interested in making itself more, not less, of a nuisance to regional order."

Israeli Prime Minister Benjamin Netanyahu is set to convene his security cabinet Sunday night to discuss Iran, a person familiar with the matter said. Officials are worried about the lack of clarity around the second stage of the negotiations, when the U.S. and Iran would talk about nuclear issues.

The Trump administration took a similar multistage approach to thorny issues in the war in Gaza, pressuring Israel and Hamas to reach an initial deal to stop the fighting and pushing off questions of Hamas's disarmament and Gaza's future governance to a later stage. Seven months later, those issues have yet to be resolved.

Israel also worries the initial agreement could tie its hands in Lebanon, where it continues to fight with the Iran-backed militia Hezbollah. Netanyahu told Trump in a call Saturday night that Israel will maintain its freedom of action there, according to an Israeli official.

While Trump and Netanyahu continue to speak regularly, Israel isn't a party to the negotiations and has found itself frustrated by a lack of consultation and updates about the talks, the person familiar with the matter said.

Iran has been a core issue for the Israeli prime minister throughout his political career. A deal that is per-

ceived as weak could hurt him with his hawkish electorate in tight national elections set to take place later this year. The war in Iran hasn't boosted Netanyahu's popularity, with his coalition projected to fail to secure a majority, according to polls.

An initial agreement to open the Strait of Hormuz could reduce some of the pressure on Trump. The war is unpopular in the U.S., and the restriction of energy supplies is pushing up the cost of gasoline and travel and threatening to create shortages as inventories are drawn down.

An agreement could knock down oil prices and ease the upward pressure on costs for transport, manufacturing, food and consumer fuels across the world. That could give central banks more room to hold rates steady or revive rate-cut plans, especially in oil-importing economies, while also supporting household spending and corporate margins.

Seafarers said some ships stuck in the Persian Gulf already have started moving toward the strait in anticipation of a deal that opens the waterway.

But the benefits of a deal would be uneven and take time to filter through. Fuel prices and shipping costs could take longer to decline than oil prices given depleted inventories and damage to production facilities, keeping an energy premium embedded in the global economy.

It also will take time to clear out the bottleneck in the Strait of Hormuz, typically the conduit for about 20% of the world's petroleum supply.

A framework deal "reduces the risk of escalation and increases the chance the conflict would be over,

which could start the path to rebuilding, repositioning and reopening of key supply chains," said Rachel Ziemba, an adjunct senior fellow at the Center for a New American Security, a Washington-based think tank.

But, she said, that depends on whether the deal is merely another cease-fire extension or the start of a more lasting settlement. "A lot depends on the terms," she said.

Shippers will need to see an extended period of calm before they are confident enough to sail normally through the strait.

Assuming shipping traffic through Hormuz picks up in June, the U.S. Energy Information Administration recently forecast that the price of international benchmark Brent crude will average \$89 a barrel at the end of this year and \$79 in 2027. On Friday, front-month Brent closed at \$80.54 a barrel. The price started this year around \$60.

The conflict has already disrupted more than a billion barrels of supply. Shipping, insurance and freight costs are likely to normalize more slowly than crude prices.

The chief executive of Adnoc, the state-owned energy corporation of the United Arab Emirates, said recently that even if the conflict ended immediately, flows through Hormuz would take at least four months to reach 80% of prewar levels. Full flows, he said, wouldn't return before the first or second quarter of next year.

The conflict has also left a hefty repair bill. Rystad Energy estimates that war-related repair and restoration costs for energy-linked assets in the region would carry a price tag of as much as \$58 billion.

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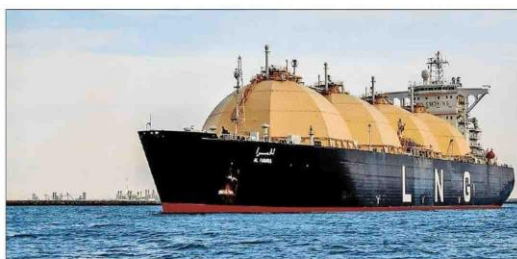
First LNG Tanker Exits Hormuz for India Since Iran War Began

Bloomberg

A liquefied natural gas tanker carrying a shipment for India has exited the Strait of Hormuz, the first for the country from the Persian Gulf since the Iran war began months ago as the region's exporters discreetly supply key buyers.

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show that LNG tankers have been docking at Das Island, even though no tankers are broadcasting their positions near the plant.

Adnoc has exported two other shipments from the Persian Gulf on tankers that went dark when traversing the waterway — one to Japan and the other to China.

Hormuz has remained virtually

shut as the US and Iran struggle to reach a peace agreement, with both sides enforcing a de facto blockade on a waterway that normally handles about a fifth of global LNG supply. Vessels continue to face security threats, and most of the transits through Hormuz take place with transponders turned off to avoid detection.

Last year, India received more than half of its LNG from Qatar and the UAE, but those flows have essentially halted over the last few months, ship data shows. The decline in deliveries has forced India to procure more shipments from the expensive spot market, as well as curb supplies to some industries.

LNG tankers linked to Adnoc have stopped transmitting signals around Hormuz and within the Persian Gulf, ship data shows, as a safety measure to protect the vessels and their crew. Adnoc didn't immediately respond to a request for comment outside of regular business hours.

While the move suggests Persian Gulf LNG exporters are finding ways to deliver fuel to customers, it still represents only a fraction of pre-war volumes, when roughly three tankers carrying the super-chilled fuel exited Hormuz on a daily basis.

India's green transition still runs on coal

The recent rise in global energy prices following the escalation of the conflict in West Asia has once again exposed India's continuing vulnerability to external energy shocks. Despite years of policy emphasis on renewable energy, nearly half of India's fossil fuel imports still transit through the Strait of Hormuz, including crude shipments from Saudi Arabia and Liquefied Natural Gas (LNG) imports from Qatar.

This vulnerability sits uneasily alongside the dominant narrative around India's clean energy transition. Over the past decade, India has emerged as one of the world's fastest-growing renewable energy markets. Since 2017, renewables have consistently accounted for the largest share of new power capacity additions in the country. In numbers, renewable energy sources accounted for 42.4% of India's installed power capacity by March 2026, up dramatically from just 0.72% in March 2005. Over the same period, coal's share in installed capacity fell from 58.7% to 42.2%.

By conventional metrics, India appears well into an energy transition. Yet, the persistence of energy price shocks reveals a more complicated reality. Installed capacity is not the same as actual electricity generation. While renewables now account for over two-fifths of installed capacity, they generated only 15.8% of electricity in April 2026. Coal, by contrast, still accounted for 71.8% of electricity generation, only marginally lower than its 76.2% share in March 2019.

Capacity and generation gap

This gap between capacity and generation is central to understanding India's energy system. The country has succeeded in building renewable infrastructure, but not yet in replacing coal in the actual electricity mix. In effect, renewable energy is being added on top of coal rather than



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Rising renewable capacity has yet to substantially displace coal generation

displacing it. The data clearly show India's continued dependence on coal. Despite strong renewable growth since 2017, India has added almost no new fossil fuel capacity since 2018, retired very few old coal plants, and seen gas-based capacity decline. As a result, coal remains the main backup and balancing source in the power system.

The reasons are structural. Solar and wind power remain intermittent sources of electricity. Their output fluctuates with weather conditions and the time of day, while electricity demand remains continuous. In the absence of large-scale battery storage, flexible grids and adequate balancing capacity, coal continues to provide the baseload reliability required to keep the system functioning.

This also explains why domestic electricity prices remain closely tied to global fossil fuel markets. Historical trends show Indian electricity prices moving alongside Brent crude in the last few years. Even sectors that appear domestically anchored remain indirectly exposed to external commodity cycles because fossil fuels continue to determine marginal cost of power.

Ground reality

As a result, current geopolitical tensions in West Asia affect India more severely. A spike in crude prices not only raises transportation and industrial costs directly, but also pushes up coal prices, electricity tariffs, inflation, and fiscal pressures.

India's energy transition discourse is increasingly centred around the wrong benchmark. The focus remains on installed renewable capacity because it offers an attractive measure of progress. Yet, power systems are not sustained by headline capacity additions. They depend on actual electricity generation and the

ability to supply power consistently when it is needed most.

The distinction matters because it shapes perceptions of vulnerability. China remains less exposed, with oil and gas accounting for only 4% of its power mix and electric vehicles and hybrids, now over half of new car sales, reducing oil demand by over a million barrels a day. Spain shows the alternative, having broken the gas-electricity link through renewables. India's transition is real, but incomplete.

Work towards system transformation

This does not diminish the importance of the renewable push. On the contrary, India's decision to aggressively scale solar and wind capacity since the late 2010s now appears prescient given growing geopolitical instability and fossil fuel volatility. But the next phase of transition will require moving beyond capacity creation towards system transformation itself.

That means investing in storage infrastructure, grid modernisation, transmission connectivity and market mechanisms capable of integrating intermittent renewables at scale. It also requires recognising that coal's persistence is not simply a policy failure or institutional inertia. Coal currently performs a stabilising function within the grid that renewable energy, in its present form, cannot yet fully replicate.

India's energy challenge today is therefore not merely about producing more green power. It is about building an electricity system in which renewables can reliably substitute for fossil fuels in actual generation. Until that happens, every geopolitical crisis and every spike in global energy prices will continue to remind India that its green transition still runs on coal.

The views expressed are personal

● POWER DILEMMA

Electrifying energy consumption

POLICY SHOCK. What prevents India from reducing power supply losses by raising the share of electricity in the overall energy mix?

M Ramesh

In 2024-25, India's energy supply stood at 9,32,816 kilotonnes of oil equivalent (domestic production and imports); the energy consumed was 6,08,578 KToe, according to Energy Statistics India. This means 35 per cent of total primary energy supply (TPES) was taken away by conversion and system losses.

The number, which was the same the previous year too, is indeed high but not shocking. It is comparable to most countries. The main reason for the loss in India is thermal power, where a good 60-65 per cent of energy contained in coal is lost during conversion into electricity.

Energy lost is money lost.

There is, however, considerable scope for loss reduction.

The first option is to use higher efficiency boiler-turbine systems for thermal power plants. The second is to reduce dependence on coal-based electricity, which is happening. Today, 28 per cent of the electricity that flows in India's grid comes from non-fossil fuels. Indeed, the country would need to build around 80 GW of new coal power plants, but the share of thermal power in the electricity mix can be expected to fall.

All of this will help reduce the gap between the primary energy supply and final energy consumption, but only a little — unless the share of electricity in the total final consumption (TFC) of energy increases substantially. Today it is just 23 per cent. This means 77 per cent of energy is consumed as molecules and not electrons. Increasing the share of renewable energy and nuclear can improve energy security, while dependence on imported molecules leaves the country vulnerable — as the current Strait of Hormuz experience illustrates.

Vinay Pabba, CEO, Vibrant En-



PLUG AND PLAY. Adequate charging infrastructure can hasten the electrification of the transport sector. BLOOMBERG

ergy, notes in his LinkedIn post that “until we change that, no amount of solar and other RE capacity will buy us security”.

So, the task before energy planners is to first increase the share of electricity in TFC while reducing the share of coal and oil in TPES.

BOOSTING ELECTRICITY

Much of India's industrial energy demand is still met through direct combustion of coal, furnace oil and diesel for process heat.

In 2024-25, industry used 1,72,369 Ktoe of energy directly from coal. A substantial part of it can be used more efficiently if electricity is used instead of coal for applications such as industrial heating. Many electric end-use technologies are significantly more energy-efficient than direct fuel combustion. Take heat pumps, for

example. A coal boiler may convert 100 units of energy in coal into roughly 80 units of useful heat. But if the same coal is first converted into electricity to run a heat pump, the system can deliver even more useful heat because heat pumps move ambient heat rather than generate all heat directly. Burning coal that holds, say, 100 kWhr of energy can produce 80 kWhr of heat energy (conversion into heat energy is more efficient than conversion into electricity); comparatively, the same coal when converted into electricity to run a heat pump can give 120 kWhr of heat, because of the high coefficient of performance (CoP) of heat pumps.

Experts, therefore, argue that policy must focus explicitly on industrial electrification. This would initially shift energy demand toward the power sector but, over

time, allows cleaner generation sources to decarbonise a much larger share of the economy.

Pabba suggests mandating electric boilers for low-temperature (below 150 degrees C) industrial heating applications — a segment that accounts for a significant share of industrial heat demand. He also calls for phased replacement schedules for diesel and fuel-oil boilers, restrictions on new coal-fired industrial boilers in metros, and a redesign of India's 'Perform, Achieve and Trade' (PAT) scheme to push industries toward fuel switching rather than merely incremental efficiency gains.

The transport sector offers another pathway to electrification — one that is perhaps easier than industry. Oil products account for 49 per cent of TCS (2,42,386 Ktoe out of 6,08,578 Ktoe). If the charging in-

frastructure can be quickly built, then a substantial share of vehicles can move from oil to electricity. Here, Pabba argues that direct bans and mandates catalyse the process faster than India's current approach of subsidies.

THE HURDLES

Raising electricity in the overall energy mix will face political headwinds. Increasing the share of electricity necessarily means keeping its cost low. But in a country where industry is asked to pay for free or low-cost supply to underprivileged communities, lowering industrial tariffs is politically fraught.

The draft New Electricity Policy 2026, developed by the Ministry of Power in January, speaks against “relentless cross-subsidy”. Therein lies some hope for the electrification of energy.

Publication : The Hindu Business Line	Editions : New Delhi
Date :25 May 2026	Page : 3

Centre amends rules to include five types of fuel dispensers for verification

Our Bureau
New Delhi

The Centre has amended the Legal Metrology (GATC) Rules, 2013, raising the total number of instrument categories verifiable through government-approved test centres (GATCs) to 23 from 18.

This will allow these testing agencies to also verify petrol/diesel, hydrogen, LPG, LNG and CNG fuel dispensers amid India moving towards cleaner fuel.

Verification fees for petrol

and diesel dispensers have been set at ₹5,000/nozzle, while CNG, LPG, LNG and hydrogen dispensers will attract a higher fee of ₹10,000/nozzle, the government said in a statement.

The amendment will enhance the availability of verification services, improve efficiency and support the growing adoption of cleaner fuels across the country, the Department of Consumer Affairs said. Under the amended rules, state governments will be empowered to notify additional categories of instruments for GATC verification

based on local requirements. Officers of the rank of Joint Secretary and above have also been authorised to approve related matters, aimed at cutting processing delays.

The department also said the reforms would free up State legal metrology departments to focus on inspection and consumer grievance redressal.

Real estate dividends from clean energy transition

India's accelerated renewable energy push is expected to create a \$10-15 billion opportunity in land aggregation and



acquisition by 2030, opening up a major new business avenue for the real estate sector, according to a report by Colliers.

In the report titled 'The green shift:

Renewable prioritisation reshaping Indian real estate', the property consultancy said an estimated \$110-120 billion investment is likely to flow into solar and wind energy projects in the next few years.

Land acquisition and aggregation alone typically account for 10-12 per cent of the total project cost in renewable energy development. The report noted that in solar projects, most land is acquired either directly by private developers or through State and central nodal agencies for large solar parks. In wind projects, land is mainly needed for substations and associated infrastructure, while turbine sites are often secured through lease arrangements.

Beyond land transactions, the report said, the renewable energy expansion could generate wider opportunities for the real estate ecosystem, including industrial and warehousing demand from original equipment manufacturers, as well as services such as site surveys, feasibility assessments, engineering procurement and construction, and operations and maintenance facilities.

India has set ambitious renewable energy capacity targets as part of its broader energy transition and decarbonisation strategy, leading to a rising demand for large contiguous land parcels across states with high solar irradiation and wind potential.

According to Colliers, the growing scale of renewable deployment is increasingly positioning real estate and infrastructure players as key enablers of clean energy transition.

DATA BANK

West Asia crisis: Credit guarantee scheme eases near-term pressure

While the Emergency Credit Line Guarantee Scheme (ECLGS 5.0) is a limited-term scheme, it eases the companies impacted by the West Asia conflict, most of whom are engaged in infrastructure, through drawing power and accepting stressed coverage. To raise incremental working capital, according to an assessment by the India Ratings and Research (Ind-Ra).

Overall, the near-term pressure is manageable, though subsector impact remains to the persistence of cost pressures and the extent of foreign uncertainties.

ECLGS 5.0 provides 200 per cent credit guarantee coverage for SMEs and 50 per cent for non-SMEs as well as the entire credit, through the National Credit Guarantee Trustee Company Ltd, to its member lending institutions, including scheduled commercial banks, scheduled urban cooperative banks, non-banking financial companies, and state financial corporations to provide additional credit support to eligible borrowers in view of the West Asia crisis.

The scheme targets a total credit limit of Rs 55 lakh crore, including Rs 600 crore for non-SMEs, high businesses and over Rs 100 crore for liquidity management in view of the West Asia crisis.

Ind-Ra, in a report, notes that ECLGS 5.0 provides a strong liquidity backup for sectors impacted by commodity shocks and geopolitical uncertainties.

India's companies 30 per cent of the total credit, mostly in chemicals and petrochemicals (22 per cent) and industrial products (15 per cent), are directly impacted, reflecting a high credit linkage, as per the credit rating agency's evaluation.

"Cost inflation, supply chain issues, and logistics pressures, among others, in India's industrial sectors across industries, a worsening sector-specific confidence gap and differentiated recovery paths," it said.

The agency expects ECLGS 5.0 to significantly address the near-term working capital needs arising from a 10 to 20 per cent rise in requirement and 5 per cent LBR (loss before interest, taxes, depreciation, and amortisation) compression. However, about 20 per cent of the affected companies may still require additional funding beyond the scheme.

"Unsurprisingly, nearly 87 per cent of those issuers retain sufficient drawing power, limiting reliance on external equity support. The scheme backdrop also acts as a bridge until a complete solution," the rating agency said.

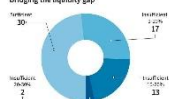
Lender flexibility

Ind-Ra underscored that despite commercial debt, equity is required and will a stressed credit coverage ratio above 10, supporting continued lender confidence.

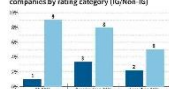
Over whom ECLGS 5.0 is not "closed," other management leverage and credit status. "The lender flexibility will remain a critical need for the liquidity sustainability."

The agency observed that certain sectors for example, IT, ITES, telecom, and IT services, continue to remain resilient, drawing credit. However, coverage across 14 industries are both weak and over-stated, suggesting an increasing systemic risk exposure. The targeted design will address the most vulnerable, commercial sensitive sectors.

Bridging the liquidity gap



Fund-based utilisation analysis of impacted companies by rating category (IG/Non-IG)



Profile of liquidity parameter



Crude shockwaves rattle chemical firms

Chemical companies brace for margin pressure as crude-linked costs surge amid geopolitical tensions.

by Sameer Bhardwaj

High crude oil prices are beginning to weigh on the chemicals sector amid rising feedstock and energy costs. With input costs moving up, concerns around margin pressure have come to the forefront, affecting near-term sentiment. However, the impact is not uniform as segments like commodity chemicals, specialty players, agrochemicals, and intermediates are likely to feel the pinch differently, depending on their ability to pass on costs and their reliance on raw materials.

Despite pressures, the sector has shown resilience. The Nifty Chemicals index is up a modest 0.8% so far in 2026, but it continues to comfortably outperform the broader Nifty 50 index, which lost 9.6%. Nearly 16 out of 20 constituent stocks of the index outperformed the Nifty 50 index suggesting selective optimism in the space despite the challenging cost environment. The analysis is based on 15 May 2026 closing values.

Margin pressure

The prices of key raw materials such as benzene, phenol, propylene, styrene and ethylene which form the backbone of several downstream chemical products have risen 16-80% from the pre-war (US-Israel and Iran) levels. Besides, the disruption in production and trade flow of energy sources, increase in freight and insurance charges, and packaging materials are also headwinds for the chemical sector.

Analysts believe not all companies will be able to fully pass on rising operating costs, putting pressure on margins. An HDFC Securities report estimates EBITDA (earnings before interest, taxes, depreciation and amortisation) margins for its chemicals coverage universe may decline by 100-600 basis points in 2026-27 versus 2025-26. Segment-wise, commodity chemicals remain under pressure due to



Input costs climb

Increase in feedstock prices is creating pressure on operating margins of chemical companies.

% change in feedstock prices
■ 1-year change
■ Change from pre-war level

Source: Equinox Securities weekly tracker report 18 May 2026

high crude-linked input costs and persistent Chinese oversupply, limiting pricing recovery. Specialty chemicals, however, are relatively better placed because of stronger customer stickiness and value-based pricing.

Earnings outlook

For the March 2026 quarter, the earnings picture remains mixed. Companies with differentiated products and long-term customer contracts have performed relatively better, particularly those in fluorochemicals and CDMO (contract development and manufacturing organisation) segments. Additionally, the presence of low-cost raw material inventories has provided a buffer during the quarter, as most chemical companies typically maintain around three months of inventory.

A recent report by 360 One Capital notes that this inventory advantage is likely to partially cushion companies even in the June 2026 quarter. However, the full impact of rising raw material costs, higher domestic logistics expenses, and demand-side pressures is expected to start reflecting from the September 2026 quarter onward.

Anil R., Senior Research Analyst at Geojit Investments, echoes a similar view. He notes that the complete effect of elevated crude prices and freight costs is likely to be visible from the first quarter of 2026-27, with earnings volatility expected to persist in the near term until crude prices stabilise and freight costs ease. Despite near-term challenges, analysts remain constructive on the long-term outlook for the chemicals sector. Structural drivers such as increasing global interest in sourcing from India to diversify supply chains, a rising share of specialty

chemicals in product portfolios, operating leverage benefits, and significant capacity expansions undertaken by companies are expected to support future growth.

Karan Kamdar, Research Analyst - Small & Midcaps at Choice Institutional Equities, believes the sector is well-positioned for structural growth. He maintains a positive stance on segments such as fertilisers, insecticides, fluorochemicals, and textile specialty chemicals. Key tailwinds, according to him, include the China plus one strategy, global strategic stockpiling, emerging demand for battery chemicals, and the potential easing of US tariffs.

Investor approach

Analysts are increasingly favouring companies with relatively lower exposure to volatile feedstocks (for example, fluorine remains relatively less linked to the crude oil cycle, whereas rising prices of crude-linked feedstocks such as ethylene and propylene can pressure margins for companies manufacturing downstream chemicals, plastics and polymers), and stronger underlying fundamentals.

Firms with robust balance sheets, clear revenue visibility, and a higher share of domestic business are seen as better placed to navigate the current environment. In addition, companies moving up the value chain—enhancing scale, complexity, and product mix—are expected to be better positioned for long-term growth.

Against this backdrop, Anil advocates a selective approach rather than a broad-based sector allocation, with a clear preference for specialty chemicals over commodity-oriented plays. He recommends a gradual

accumulation strategy, suggesting that investors build exposure through smaller, staggered investments.

At the same time, several risks remain on the radar. A sustained rise in crude oil prices, weak demand across downstream industries, persistent supply constraints in petrochemicals and natural gas, high logistics costs, and potential rupee depreciation could weigh on sector performance. Here is how the three companies of the Nifty Chemicals Index with highest buy ratings on Bloomberg are placed:

Navin Fluorine International

● Reported robust results in the March 2026 quarter, with adjusted earnings per share beating Bloomberg consensus by 22%

● Healthy growth across all segments, supported by margin expansion

● Earnings visibility remains strong due to improved execution, and ongoing capacity additions

● Continued efforts to expand product portfolio and global partnerships

● High-Performance Products (HPP) segments' growth led by ramp-up of R-32 (refrigerant gas)

● Specialty chemicals & CDMO segments' improvement driven by debottlenecking of multipurpose plants

SRF

● Delivered solid results in the March 2026 quarter

● Healthy performance across key segments—Chemicals, Performance Films & Foils, and Technical Textiles

● Fluorochemicals' growth supported by high domestic and export volumes

● Performance films & foils' growth aided by volume expansion

● Specialty chemicals segment continues to face pricing pressure due to competition from China, but market share has been defended through cost control and process improvements

● Future growth levers are backed by diversification and a strong capex pipeline

● Tailwinds include ramp-up of newly commissioned plants

Aarti Industries

● Strong operating performance in the March 2026 quarter

● Focus on product portfolio expansion and higher capacity utilisation, supported by selective backward integration initiatives

● Risk management measures include redirecting volumes to the US, EU, and other markets

● Well-placed to benefit from operating leverage, improved utilisation, and progress in high-value chemistries.

sameer.bhardwaj@timesofindia.com

Navin Fluorine International		PRICE ₹7,076
ANALYSTS' RECOMMENDATIONS		
BUY	HOLD	SELL
24	2	4

SRF		PRICE ₹2,637
ANALYSTS' RECOMMENDATIONS		
BUY	HOLD	SELL
22	5	9

Aarti Industries		PRICE ₹469
ANALYSTS' RECOMMENDATIONS		
BUY	HOLD	SELL
16	2	5

Source: Bloomberg. Price as on 19 May 2026.

Online

Headline	Recent fuel price hike a form of belt tightening amid rise in crude prices: Experts		
Publication	ANI News	Edition	Online Coverage
Published Date	25 May 2026		

Recent fuel price hike a form of belt tightening amid rise in crude prices: Experts

<https://www.aninews.in/news/business/recent-fuel-price-hike-a-form-of-belt-tightening-amid-rise-in-crude-prices-experts20260525015939>

Senior executives from state-run oil companies ONGC and BPCL have said the recent increase in petrol and diesel prices reflect the impact of prolonged geopolitical tensions in West Asia, rising global crude oil prices and mounting pressure on oil marketing companies due to under-recoveries. Speaking on the impact of the West Asia conflict, ONGC Director (Exploration) Sushma Rawat said crude oil prices have remained highly volatile amid uncertainty over the conflict. "Whenever there is a declaration that there is a peace accord, the crude prices start to dip. And when you realise that there is no solution, the prices go up again," Rawat said. She said India had so far shielded consumers from the full impact of the surge in global energy prices. "The government has given relief to the people for 76 days, during which the price has not increased. The price has increased, because the OMCs were taking a hit of almost Rs 1,000 crore a day. How long do you sustain that?" she asked. Former Marketing Director, Bharat Petroleum Corporation Ltd, Sukhmal Kumar Jain also said public sector oil companies had been under severe financial pressure due to rising crude prices and a weakening rupee. "The public sector oil companies are still in heavy under-recoveries," Jain said, adding that crude prices had risen from around USD 65-70 per barrel to USD 110-115 per barrel during the conflict period. He said India's dependence on imported crude oil had amplified the impact on the economy. Jain said India is dependent on imports to meet about 85 per cent of its crude requirements. He said depreciation of the rupee against the US dollar has further increased the burden on oil companies. "The situation for the oil companies is that the cost is more and the recovery is less," he said.

The two oil sector executives said the government had tried to protect consumers for as long as possible by absorbing a large part of the increase in global energy costs. Rawat described the recent fuel price hike as a form of "belt tightening" during a difficult period. "If there is a crisis in the family, belt tightening... this price increase, I am looking at it as a belt tightening," she said. She also stressed the need for energy conservation and said India's energy security was closely linked to its economic stability. "Energy security is our economic security. We have to maintain economic security," Rawat said. The ONGC Director said India's strategy of diversifying crude oil sourcing beyond the Middle East had helped the country manage supply disruptions better. "We have diversified our sources... India's diplomatic scenario is very good. India has very good relations with other countries," she said. Jain also said India's diversified sourcing strategy after the Ukraine crisis had helped ensure uninterrupted refinery operations despite disruptions around the Strait of Hormuz. "I have not heard that any refineries have gone for a throughput cut. They are getting good crude," he said. The two oil sector executives also said the ongoing crisis could accelerate India's push toward cleaner and alternative energy sources. "We should increase renewables and non-fossil fuels. So I think this will be a catalyst... to speed up those processes," Rawat said. Jain highlighted India's progress in renewable energy, biofuels and diversification of energy sources, saying the country had strengthened its energy security significantly over the past few years.

Headline	Recent fuel price hike a form of belt tightening amid rise in crude prices: Experts		
Publication	Andhra Pradesh Mirror	Edition	Online Coverage
Published Date	25 May 2026		

Recent fuel price hike a form of belt tightening amid rise in crude prices: Experts

<https://www.andhrapradeshmirror.com/news/recent-fuel-price-hike-a-form-of-belt-tightening-amid-rise-in-crude-prices-experts20260525015923/>

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"Energy security is our economic security. We have to maintain economic security," Rawat said.

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Headline	Geopolitical tensions, rising crude behind fuel price hike: Oil execs		
Publication	Asianet Newsable	Edition	Online Coverage
Published Date	25 May 2026		

Geopolitical tensions, rising crude behind fuel price hike: Oil execs

<https://newsable.asianetnews.com/business/geopolitical-tensions-rising-crude-behind-fuel-price-hike-oil-execs-articleshow-9fl80ga>

ONGC and BPCL executives said the fuel price hike reflects West Asia tensions, rising crude prices, and huge daily losses for oil companies. They noted the government had shielded consumers for 76 days before the "belt tightening" was necessary.

Reasons for Fuel Price Hike

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India's Strategy to Manage Supply Disruptions

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Push Towards Cleaner Energy

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(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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Headline	ONGC to Build India's First Geothermal Plant in Ladakh		
Publication	Bharat Horizon	Edition	Online Coverage
Published Date	24 May 2026		

ONGC to Build India's First Geothermal Plant in Ladakh

<https://bharathorizon.com/world/climate-change/ongc-to-build-indias-first-geothermal-plant-in-ladakh.html>

Oil and Natural Gas Corporation (ONGC) has announced plans to develop India's first geothermal power plant in the Union Territory of Ladakh.

This project marks a significant milestone in India's renewable energy journey, as it will harness the earth's internal heat to generate electricity.

Project Details

The proposed plant will be located in the Puga Valley, a region known for its geothermal activity. ONGC has already initiated preliminary surveys and feasibility studies in the area. The project is expected to have a capacity of 1-5 megawatts initially, with potential for expansion based on resource availability.

Significance of Geothermal Energy

Geothermal energy is a clean, reliable, and sustainable source of power. Unlike solar or wind energy, it is not dependent on weather conditions and can provide baseload power. The development of this plant will not only contribute to India's energy mix but also reduce dependence on fossil fuels.

The Ladakh region, with its harsh climate and remote location, faces unique energy challenges. Currently, it relies heavily on diesel generators for electricity, which are both expensive and environmentally damaging. The geothermal plant will provide a cost-effective and eco-friendly alternative.

Challenges and Opportunities

Developing geothermal energy in Ladakh comes with its own set of challenges. The high altitude and extreme weather conditions make construction and maintenance difficult. However, ONGC's experience in oil and gas exploration in similar terrains gives it an edge.

The project is also expected to boost local employment and infrastructure development. It aligns with the government's vision of making Ladakh a carbon-neutral region. The successful implementation of this plant could pave the way for more geothermal projects in other parts of the country.

Future Plans

ONGC plans to complete the project within the next three to four years. The company is also exploring the possibility of setting up additional geothermal plants in other geothermally active regions of India, such as the Himalayas and the Western Ghats.

The government has extended its support to the project, recognizing its potential to transform the energy landscape of the region. With this initiative, India joins a select group of countries that have successfully harnessed geothermal energy for power generation.

Headline	Recent fuel price hike a form of belt tightening amid rise in crude prices: Experts		
Publication	Bihar 24x7	Edition	Online Coverage
Published Date	25 May 2026		

Recent fuel price hike a form of belt tightening amid rise in crude prices: Experts

<https://www.bihar24x7.com/news/recent-fuel-price-hike-a-form-of-belt-tightening-amid-rise-in-crude-prices-experts20260525015923/>

New Delhi [India, May 25 : Senior executives from state-run oil companies ONGC and BPCL have said the recent increase in petrol and diesel prices

reflect the impact of prolonged geopolitical tensions in West Asia, rising global crude oil prices and mounting pressure on oil marketing companies due to under-recoveries.

Speaking on the impact of the West Asia conflict, ONGC Director (Exploration) Sushma Rawat said crude oil prices have remained highly volatile amid uncertainty over the conflict.

"Whenever there is a declaration that there is a peace accord, the crude prices start to dip. And when you realise that there is no solution, the prices go up again," Rawat said.

She said India had so far shielded consumers from the full impact of the surge in global energy prices.

"The government has given relief to the people for 76 days, during which the price has not increased. The price has increased, because the OMCs were taking a hit of almost Rs 1,000 crore a day. How long do you sustain that?" she asked.

Former Marketing Director, Bharat Petroleum Corporation Ltd, Sukhmal Kumar Jain also said public sector oil companies had been under severe financial pressure due to rising crude prices and a weakening rupee.

"The public sector oil companies are still in heavy under-recoveries," Jain said, adding that crude prices had risen from around USD 65-70 per barrel to USD 110-115 per barrel during the conflict period.

He said India's dependence on imported crude oil had amplified the impact on the economy.

Jain said India is dependent on imports to meet about 85 per cent of its crude requirements.

He said depreciation of the rupee against the US dollar has further increased the burden on oil companies.

"The situation for the oil companies is that the cost is more and the recovery is less," he said.

The two oil sector executives said the government had tried to protect consumers for as long as possible by absorbing a large part of the increase in global energy costs.

Rawat described the recent fuel price hike as a form of "belt tightening" during a difficult period.

"If there is a crisis in the family, belt tightening... this price increase, I am looking at it as a belt tightening," she said.

She also stressed the need for energy conservation and said India's energy security was closely linked to its economic stability.

"Energy security is our economic security. We have to maintain economic security," Rawat said.

The ONGC Director said India's strategy of diversifying crude oil sourcing beyond the Middle East had helped the country manage supply disruptions better.

"We have diversified our sources... India's diplomatic scenario is very good. India has very good relations with other countries," she said.

Jain also said India's diversified sourcing strategy after the Ukraine crisis had helped ensure uninterrupted refinery operations despite disruptions around the Strait of Hormuz.

"I have not heard that any refineries have gone for a throughput cut. They are getting good crude," he said.

The two oil sector executives also said the ongoing crisis could accelerate India's push toward cleaner and alternative energy sources.

"We should increase renewables and non-fossil fuels. So I think this will be a catalyst... to speed up those processes," Rawat said.

Jain highlighted India's progress in renewable energy, biofuels and diversification of energy sources, saying the country had strengthened its energy security significantly over the past few years.

Headline	Ladakh set for clean energy boost		
Publication	Bizz Buzz	Edition	Online Coverage
Published Date	25 May 2026		

Ladakh set for clean energy boost

<https://www.bizzbuzz.news/industry/energy/ladakh-set-for-clean-energy-boost-1391878>

Ladakh is set to take a significant step towards clean energy generation with Lt Governor Vinai Kumar Saxena approving the setting up of India's .

Leh/Jammu: Ladakh is set to take a significant step towards clean energy generation with Lt Governor Vinai Kumar Saxena approving the setting up of India's first geothermal power project by the Oil and Natural Gas Corporation at Puga valley in Ladakh, at an altitude of over 14,000 feet. LG approved a five-year extension of the memorandum of understanding (MoU) with the Oil and Natural Gas Corporation for the construction of the country's first geothermal power project, officials said. The project, to be developed at an altitude of over 14,000 feet in eastern Ladakh, aims to commercially harness geothermal energy as a sustainable alternative source of power, they said.

Headline	Petrol, diesel prices hiked again for the 4th time! Petrol up ₹2.61, rates in Delhi now cross ₹100		
Publication	Business Today	Edition	Online Coverage
Published Date	25 May 2026		

Petrol, diesel prices hiked again for the 4th time! Petrol up ₹2.61, rates in Delhi now cross ₹100

<https://www.besinesstoday.in/india/story/petrol-diesel-prices-hiked-again-for-the-4th-time-petrol-up-rs-2-61-rates-in-delhi-now-cross-rs-100-533051-2026-05-25>

Petrol has gone up by Rs 2.61 per litre and diesel by Rs 2.71, the latest in a series of revisions as oil marketing companies work to recover losses that had been building for months

India's state-run oil companies have raised fuel prices for the fourth time in two weeks. Petrol has gone up by Rs 2.61 per litre and diesel by Rs 2.71, the latest in a series of revisions as oil marketing companies work to recover losses that had been building for months, even as global crude crossed \$100 per barrel.

The primary driver is the ongoing US-Iran conflict and the closure of the Strait of Hormuz, which has kept global energy markets volatile and crude prices elevated.

In New Delhi, petrol now costs Rs 102.12 per litre and diesel Rs 95.20 per litre following the latest increase.

Check latest petrol prices here

Why the freeze had to end

Sushma Rawat, ONGC Director (Exploration), explained the dynamic that has made price revisions unavoidable. "Whenever there is an announcement of a peace accord, crude prices begin to fall. But when it becomes clear that there is no immediate resolution, prices rise again," she told ANI.

She acknowledged that the government had absorbed the impact of rising global prices for an extended period before passing it on to consumers. "The government has given relief to the people for 76 days, during which the price has not increased. The price has increased because the OMCs were taking a hit of almost Rs 1,000 crore a day. How long do you sustain that?" she said.

Check latest diesel prices here

City-wise rates after the latest revision

With global crude remaining above \$100 per barrel and no clear resolution in sight in West Asia, further revisions cannot be ruled out if international prices hold at current levels.

Headline	Recent fuel price hike a form of belt tightening amid rise in crude prices: Experts		
Publication	Delhi Live News	Edition	Online Coverage
Published Date	25 May 2026		

Recent fuel price hike a form of belt tightening amid rise in crude prices: Experts

<https://www.delhilivenews.in/news/recent-fuel-price-hike-a-form-of-belt-tightening-amid-rise-in-crude-prices-experts20260525015923/>

Senior executives from state-run oil companies ONGC and BPCL have said the recent increase in petrol and diesel prices reflect the impact of prolonged geopolitical tensions in West Asia, rising global crude oil prices and mounting pressure on oil marketing companies due to under-recoveries.

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Headline	Ladakh's Geothermal Leap: ONGC Pact Extension Pushes India's First Hot-Rock Power Project Forward		
Publication	Dharmakshethra	Edition	Online Coverage
Published Date	24 May 2026		

Ladakh's Geothermal Leap: ONGC Pact Extension Pushes India's First Hot-Rock Power Project Forward

<https://dharmakshethra.com/ladakhs-geothermal-leap-ongc-pact-extension-pushes-indias-first-hot-rock-power-project-forward/>

The project is located in Puga Valley, a high-altitude geothermal field in Ladakh's Changthang region, at over 14,000 feet. Unlike solar or wind power, geothermal energy does not depend on sunlight, cloud cover or wind speed. It taps heat stored beneath the Earth's surface and converts it into usable energy through hot fluids and steam. For Ladakh, where winter conditions are severe and energy logistics are difficult, this makes geothermal power especially valuable. It can provide a steadier renewable-energy source while reducing dependence on transported fossil fuels.

Ladakh's clean-energy story has received a major boost with the extension of the memorandum of understanding between the Union Territory administration, the Ladakh Autonomous Hill Development Council Leh, and ONGC Energy Centre for India's first geothermal power project at Puga Valley. The renewed agreement gives the project another five-year runway, allowing ONGC to continue drilling, testing and preparing the ground for commercial-scale geothermal development in one of India's most promising underground heat zones. Reports say Lieutenant Governor Vinai Kumar Saxena approved the extension after the earlier tripartite MoU, signed on 6 February 2021, expired on 5 February 2026.

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Under the extended MoU, ONGC Energy Centre will deepen the existing geothermal well up to 1,000 metres during the 2026 working season and drill another 1,000-metre geothermal well in the next phase. The pilot geothermal plant is expected to have a targeted generation capacity of 1 MWe, with testing, evaluation and commissioning expected in FY 2026/27. ONGC will also prepare a detailed project report for larger commercial exploitation of Ladakh's geothermal resources.

The scientific promise of Puga is significant. The area lies along the Himalayan geothermal belt, where tectonic activity has created unusually high underground heat. Reports based on the official release say the test well at Puga tapped high-pressure steam and hot fluids, with temperatures of more than 200C at a depth of around 400 metres. Geothermometric studies and sample analysis have indicated subsurface temperatures exceeding 240C, which are considered adequate for geothermal power generation.

This is why Puga Valley is not just another renewable-energy project. It could become a national template. A technical paper on the Puga geothermal field notes that the area has high-temperature conditions at shallow depths and is favourable for power production as well as other industrial uses of geothermal energy. The same study observed that Puga has perhaps the greatest geothermal potential in the Indian subcontinent, with independent studies indicating a strong probability that the field could sustain a 1020 MWe power plant in the future.

The project has already passed through difficult terrain and engineering challenges. The official Ladakh administration had earlier stated that the 1 MW geothermal project at Puga was being implemented by ONGC and that drilling of 450 metres had been completed, with further drilling planned. That update also noted that two thermal wells were being constructed to tap geothermal energy and that the generated power would be integrated into the grid for domestic consumption in nearby villages.

For Ladakh, the benefits go beyond electricity. Remote villages in the Changthang region face harsh winters, difficult road access and high energy costs. A successful geothermal plant can support local power supply, reduce diesel dependence, and create a model for clean-energy development suited to cold desert conditions. The project also fits into

Ladakh's larger renewable-energy ambition, which includes major solar initiatives such as the proposed 11 GW solar project at Pang.

The Phase-II plan is equally important. After the Puga pilot, surveys and geothermal investigations are expected in the Chumathang area, followed by drilling and preparation of a DPR for commercial-scale geothermal development in Ladakh. Chumathang and Puga are both known for hot springs and geothermal manifestations, making them logical candidates for further scientific exploration.

The project also has a strategic dimension. Ladakh is a sensitive border region where reliable infrastructure matters. Clean, localised power generation can strengthen civilian resilience, support local livelihoods, and reduce the energy burden in remote high-altitude areas. If the pilot succeeds, India could finally move geothermal energy from academic potential to operating infrastructure.

There are challenges too. Geothermal drilling in Ladakh has to deal with short working seasons, freezing conditions, remote logistics and complex subsurface geology. Earlier technical studies on Puga noted difficulties such as limited fair-weather windows, restrictions on rig size, travel time, availability of raw material and the need for specialised pressure-control equipment. These are real engineering hurdles, but they also make the project more valuable if ONGC can prove the model.

The extended MoU therefore marks more than an administrative renewal. It gives India's first geothermal power project the continuity it needs to move from exploration to commissioning. If Puga Valley delivers, Ladakh could become the birthplace of India's geothermal power sector, adding a new pillar to the country's renewable-energy mix alongside solar, wind, hydro and green hydrogen.

Headline	Diesel, petrol price hike: Fuel rates increased for fourth time since Iran war began		
Publication	ET Energyworld	Edition	Online Coverage
Published Date	25 May 2026		

Diesel, petrol price hike: Fuel rates increased for fourth time since Iran war began

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/diesel-petrol-price-hike-fuel-rates-increased-for-fourth-time-since-iran-war-began/131299660>

This rise reflects global crude oil price surges and ongoing geopolitical tensions. Oil companies have been facing significant daily losses.

The Oil Marketing Companies (OMCs) increased the petrol prices by 2.61 per litre and diesel prices by 2.71 per litre on Monday, marking the fourth hike in less than two weeks.

With the latest revision, cumulative increases in petrol and diesel prices are almost 7.5 per litre since fuel rate revision resumed on May 15 after a prolonged freeze.

Petrol price was increased by 2.61 a litre to 102.12 per litre in Delhi from 99.51, while diesel rates have been increased by 2.71 to 95.20 per litre from 92.49.

The hikes come amid elevated global crude oil prices and a weakening rupee, which have increased pressure on oil marketing companies' import costs.

Earlier on Sunday, senior executives from state-run oil companies ONGC and Bharat Petroleum Corporation Ltd said that the recent increase in petrol and diesel prices reflect the impact of prolonged geopolitical tensions in West Asia, rising global crude oil prices and mounting pressure on oil marketing companies due to under-recoveries.

Months of blockade and disruptions in the Strait of Hormuz have caused high stress in energy shipments across the world, causing rippling effects on economies which are dependant on the West Asia for their oil and gas supplies.

Speaking about the impact of the West Asia conflict, ONGC Director (Exploration) Sushma Rawat noted that the crude oil prices have remained highly volatile amid uncertainty over the conflict.

"Whenever there is a declaration that there is a peace accord, the crude prices start to dip. And when you realise that there is no solution, the prices go up again," Rawat told ANI.

She added that India had so far shielded consumers from the full impact of the surge in global energy prices.

"The government has given relief to the people for 76 days, during which the price has not increased. The price has increased, because the OMCs were taking a hit of almost 1,000 crore a day. How long do you sustain that?" she asked.

Meanwhile, former Marketing Director, BPCL, Sukhmal Kumar Jain also said public sector oil companies had been under severe financial pressure due to rising crude prices and a weakening rupee.

"The public sector oil companies are still in heavy under-recoveries," Jain told ANI, adding that crude prices had risen from around USD 65-70 per barrel to USD 110-115 per barrel during the conflict period. He further noted that India's dependence on imported crude oil had amplified the impact on the economy.

Jain also highlighted the India is dependent on imports to meet about 85 per cent of its crude requirements. He said depreciation of the rupee against the US dollar has further increased the burden on oil companies.

"The situation for the oil companies is that the cost is more and the recovery is less," he added.

The recent hike in fuel prices Petrol and diesel prices were hiked recently on May 23, with OMCs increasing the rates petrol by 0.87 per litre, while diesel prices were raised by 0.91 per litre.

Prior to the revisions in fuel rates, state-run OMCs had claimed they were bearing losses of nearly 1,000 crore per month.

In the global market, oil prices plunged over five percent on hopes of a peace deal to end to the war between the United States and Iran, despite US President Donald Trump downplaying its imminence.

As of around 2300 GMT Sunday, the price of North Sea Brent crude slipped 5.1 percent to \$98.22 per barrel, while West Texas Intermediate fell 5.2 percent to \$91.57 a barrel before recovering slightly, according to AFP.

Trump has tempered expectations of a ceasefire agreement to end the war, saying in Truth Social post that he had "informed my representatives not to rush into a deal in that time is on our side".

Washington and Tehran have observed a ceasefire since April 8 while mediators push for a negotiated settlement, although Iran has imposed controls on Gulf shipping and US has blockaded Iran's ports.

Headline	Recent fuel price hike a form of belt tightening amid rise in crude prices: Experts		
Publication	Gujarat Samachar News	Edition	Online Coverage
Published Date	25 May 2026		

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<https://www.gujaratsamachar.news/news/recent-fuel-price-hike-a-form-of-belt-tightening-amid-rise-in-crude-prices-experts20260525015923/>

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Rawat described the recent fuel price hike as a form of "belt tightening" during a difficult period.

"If there is a crisis in the family, belt tightening... this price increase, I am looking at it as a belt tightening," she said.

She also stressed the need for energy conservation and said India's energy security was closely linked to its economic stability.

"Energy security is our economic security. We have to maintain economic security," Rawat said.

The ONGC Director said India's strategy of diversifying crude oil sourcing beyond the Middle East had helped the country manage supply disruptions better.

"We have diversified our sources... India's diplomatic scenario is very good. India has very good relations with other countries," she said.

Jain also said India's diversified sourcing strategy after the Ukraine crisis had helped ensure uninterrupted refinery operations despite disruptions around the Strait of Hormuz.

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The two oil sector executives also said the ongoing crisis could accelerate India's push toward cleaner and alternative energy sources.

"We should increase renewables and non-fossil fuels. So I think this will be a catalyst... to speed up those processes," Rawat said.

Jain highlighted India's progress in renewable energy, biofuels and diversification of energy sources, saying the country had strengthened its energy security significantly over the past few years.

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Publication	Gujarat Varta	Edition	Online Coverage
Published Date	25 May 2026		

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<https://www.gujaratvarta.com/news/recent-fuel-price-hike-a-form-of-belt-tightening-amid-rise-in-crude-prices-experts20260525015923/>

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Publication	Mumbai News	Edition	Online Coverage
Published Date	25 May 2026		

Recent fuel price hike a form of belt tightening amid rise in crude prices: Experts

<https://www.mumbainews.net/news/279073295/recent-fuel-price-hike-a-form-of-belt-tightening-amid-rise-in-crude-prices-experts>

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Headline	Fuel prices hiked by ₹2.7, fourth increase in 10 days		
Publication	News Point	Edition	Online Coverage
Published Date	25 May 2026		

Fuel prices hiked by ₹2.7, fourth increase in 10 days

<https://www.newspointapp.com/english/business/fuel-prices-hiked-by-27-fourth-increase-in-10-days-newsbytes/articleshow/145048205d2a538da6934c1bba04fc0cc810515a>

India's Oil Marketing Companies (OMCs) have increased the prices of petrol and diesel for the fourth time in 10 days.

The latest hike is by 2.61 per liter for petrol and 2.71 per liter for diesel, respectively.

The increase comes as a result of rising global crude oil prices and geopolitical tensions in West Asia.

The latest revision has pushed the total increase in petrol and diesel prices to nearly 7.5 per liter since fuel rate revisions resumed on May 15.

The new rates now stand at 102.12 per liter for petrol and 95.2 per liter for diesel in Delhi.

The hike comes after a long period of price stability, during which OMCs were reportedly losing up to 1,000 crore every day due to rising crude oil costs and a weakening rupee.

Geopolitical tensions in West Asia affecting fuel prices

The recent price hikes have been attributed to prolonged geopolitical tensions in West Asia and rising global crude oil prices.

ONGC Director (Exploration) Sushma Rawat said that crude oil prices have been extremely volatile due to uncertainty over the conflict.

She also noted that India had largely shielded consumers from the full impact of rising global energy prices until now.

India relies on imports for nearly 85% of crude requirements

Former BPCL Marketing Director Sukhmal Kumar Jain said public sector oil companies are still facing huge under-recoveries due to rising crude prices and a weakening rupee.

He noted that crude prices have shot up from around \$65-70 per barrel to \$110-115 per barrel during the conflict period.

Jain also emphasized India's reliance on imports for nearly 85% of its crude requirements, which has further exacerbated the economic impact of these price hikes.

Headline	Recent fuel price hike a form of belt tightening amid rise in crude prices: Experts		
Publication	Telangana Journal	Edition	Online Coverage
Published Date	25 May 2026		

Recent fuel price hike a form of belt tightening amid rise in crude prices: Experts

<https://www.telanganajournal.in/news/recent-fuel-price-hike-a-form-of-belt-tightening-amid-rise-in-crude-prices-experts20260525015923/>

New Delhi [India, May 25 : Senior executives from state-run oil companies ONGC and BPCL have said the recent increase in petrol and diesel prices

reflect the impact of prolonged geopolitical tensions in West Asia, rising global crude oil prices and mounting pressure on oil marketing companies due to under-recoveries.

Speaking on the impact of the West Asia conflict, ONGC Director (Exploration) Sushma Rawat said crude oil prices have remained highly volatile amid uncertainty over the conflict.

"Whenever there is a declaration that there is a peace accord, the crude prices start to dip. And when you realise that there is no solution, the prices go up again," Rawat said.

She said India had so far shielded consumers from the full impact of the surge in global energy prices.

"The government has given relief to the people for 76 days, during which the price has not increased. The price has increased, because the OMCs were taking a hit of almost Rs 1,000 crore a day. How long do you sustain that?" she asked.

Former Marketing Director, Bharat Petroleum Corporation Ltd, Sukhmal Kumar Jain also said public sector oil companies had been under severe financial pressure due to rising crude prices and a weakening rupee.

"The public sector oil companies are still in heavy under-recoveries," Jain said, adding that crude prices had risen from around USD 65-70 per barrel to USD 110-115 per barrel during the conflict period.

He said India's dependence on imported crude oil had amplified the impact on the economy.

Jain said India is dependent on imports to meet about 85 per cent of its crude requirements.

He said depreciation of the rupee against the US dollar has further increased the burden on oil companies.

"The situation for the oil companies is that the cost is more and the recovery is less," he said.

The two oil sector executives said the government had tried to protect consumers for as long as possible by absorbing a large part of the increase in global energy costs.

Rawat described the recent fuel price hike as a form of "belt tightening" during a difficult period.

"If there is a crisis in the family, belt tightening... this price increase, I am looking at it as a belt tightening," she said.

She also stressed the need for energy conservation and said India's energy security was closely linked to its economic stability.

"Energy security is our economic security. We have to maintain economic security," Rawat said.

The ONGC Director said India's strategy of diversifying crude oil sourcing beyond the Middle East had helped the country manage supply disruptions better.

"We have diversified our sources... India's diplomatic scenario is very good. India has very good relations with other countries," she said.

Jain also said India's diversified sourcing strategy after the Ukraine crisis had helped ensure uninterrupted refinery operations despite disruptions around the Strait of Hormuz.

"I have not heard that any refineries have gone for a throughput cut. They are getting good crude," he said.

The two oil sector executives also said the ongoing crisis could accelerate India's push toward cleaner and alternative energy sources.

"We should increase renewables and non-fossil fuels. So I think this will be a catalyst... to speed up those processes," Rawat said.

Jain highlighted India's progress in renewable energy, biofuels and diversification of energy sources, saying the country had strengthened its energy security significantly over the past few years.

Headline	Govt launches offshore energy bid round today		
Publication	The Financial Express Bangladesh	Edition	Online Coverage
Published Date	24 May 2026		

Govt launches offshore energy bid round today

<https://thefinancialexpress.com.bd/trade/govt-launches-offshore-energy-bid-round-today>

Bangladesh is set to formally launch its long-awaited offshore bidding round today (Sunday), offering 26 hydrocarbon-exploration blocks to international oil companies (IOCs) under significantly improved contractual terms.

The move marks one of the government's most ambitious efforts in recent years to attract foreign investment into the country's energy sector amid growing concerns over long-term energy security.

The fresh bid round comes as Bangladesh seeks to reduce its vulnerability to global fuel market disruptions caused by the prolonged Middle East crisis and restrictions on vessel movements through the Strait of Hormuz.

Capital Market Insights

Officials say the revised production-sharing framework includes major incentives aimed at reviving international interest after previous offshore tenders failed to secure participation from global energy firms.

The Energy and Mineral Resources Division (EMRD) under the Ministry of Power, Energy and Mineral Resources is expected to announce the bid round at a press briefing at the Bangladesh Secretariat, a senior EMRD official told the FE on Saturday.

Eleven of the offshore blocks to be on offer are located in shallow waters and 15 in deep sea areas, he said.

The shallow-sea blocks on offer are SS-01, SS-02, SS-03, SS-04, SS-05, SS-06, SS-07, SS-08, SS-09, SS-10 and SS-11.

The deep-sea blocks on offer are DS-08, DS-09, DS-10, DS-11, DS-12, DS-13, DS-14, DS-15, DS-16, DS-17, DS-18, DS-19, DS-20, DS-21 and DS-22.

Global oil and gas majors including ExxonMobil, Chevron, Shell and BP have already made inquiries about the forthcoming bid round, the official added.

The cabinet committee on economic affairs has already approved the "Bangladesh Offshore Model PSC 2026", paving the way for state-run Petrobangla to announce the 2026 bidding round.

The deadline for bid submissions has been fixed for November 30, 2026.

The newly elected BNP-led government has moved quickly to launch the bid round and strengthen the country's future energy security by identifying new hydrocarbon reserves against the backdrop of the persistent Middle East crisis and restrictions on vessels passing through the Strait of Hormuz.

Petrobangla has further sweetened the draft production-sharing contract (PSC) to attract IOCs in the forthcoming bidding round, a senior Petrobangla official said.

He said the mandatory contribution to the workers' profit participation fund (WPPF) had been reduced to 1.5 per cent from the previous 5.0 per cent.

Besides, a decision has been taken to ease obligations relating to the construction of hydrocarbon pipelines following discoveries and subsequent operations, he added.

Full repatriation of profits, no signature bonus or royalty, and attractive wellhead gas prices linked to international benchmark Brent crude - with floor and ceiling prices determined on the basis of the lowest and highest average Brent prices over the previous five years - are among the key contract features.

Contractors will also be entitled to mutually agreed pipeline tariffs, to be paid by the buyer, to support pipeline investments for both shallow and deep-sea blocks.

The contracts also include exemptions from duties on equipment and machinery imported for petroleum operations during exploration and production phases, while contractors' corporate income tax liabilities will be borne by Petrobangla.

Sources said not a single IOC participated in the latest offshore bidding round launched under the previous Awami League government, although several companies had purchased bid documents.

Market insiders said lack of confidence among IOCs, coupled with inadequate data on offshore blocks, contributed to the poor response.

Petrobangla had kept the offer open for nine months after floating the international tender on March 10, 2024.

At that time, 24 offshore blocks - 15 deep-sea and nine shallow-water blocks - were offered for exploration leases.

Before the latest bid round, Bangladesh had launched only one offshore bidding round over the past decade, in 2017, and that was limited to three deep-water blocks, according to Petrobangla.

Although Posco-Daewoo was awarded deep-water block DS-12 following the bidding, the company withdrew from the block in 2020 after conducting a 2D seismic survey.

Previously, Petrobangla floated another bidding round in 2012, through which three shallow-water blocks and one deep-water block were awarded to contractors.

Currently, four IOCs hold active PSCs, either individually or through joint ventures, for exploration in three shallow-water blocks in Bangladesh.

US oil major Chevron is actively exploring and producing natural gas in three gas fields under onshore blocks 12, 13 and 14. Singapore-based KrisEnergy is producing natural gas from the Bangura field under Block 9. ONGC Videsh and Oil India are jointly exploring shallow-water blocks SS-04 and SS-09.

Headline	ONGC to develop India's first geothermal power plant in Ladakh		
Publication	The Tribune	Edition	Online Coverage
Published Date	24 May 2026		

ONGC to develop India's first geothermal power plant in Ladakh

<https://www.tribuneindia.com/news/j-k/ongc-to-develop-indias-first-geothermal-power-plant-in-ladakh/>

L-G VK Saxena approves a five-year extension of the MoU with the ONGC

Ladakh is set to take a major step towards clean energy generation after Lieutenant Governor Vinai Kumar Saxena approved a five-year extension of the memorandum of understanding (MoU) with the Oil and Natural Gas Corporation (ONGC) for the construction of India's first geothermal power project in the Puga Valley.

The project, to be developed at an altitude of over 14,000 feet in eastern Ladakh, aims to commercially harness geothermal energy as a sustainable and low-carbon source of power, officials said.

The earlier tripartite MoU, signed on February 6, 2021, between the Ladakh administration, the Ladakh Autonomous Hill Development Council (LAHDC), Leh, and the ONGC Energy Centre, expired on February 5, 2026.

Officials said ONGC had sought an extension citing delays caused by harsh weather conditions and the difficult terrain of the region. Considering the strategic importance of the project, Saxena approved the extension of the agreement for another five years.

Under the revised MoU, ONGC will establish a 1-MWe pilot geothermal power plant in the Puga Valley and prepare a detailed project report (DPR) for large-scale commercial exploitation of geothermal resources in Ladakh.

Geothermal energy is derived from heat stored beneath the Earth's surface and is considered a renewable and environmentally sustainable source of electricity. India currently does not have any large-scale commercial geothermal power plant, making the proposed facility in Ladakh the first of its kind in the country.

Officials said the ONGC Energy Centre will deepen the existing geothermal well to 1,000 metres during the 2026 working season and subsequently drill another well of similar depth in the next phase of the project. Testing, evaluation and commissioning of the pilot plant are expected during the 2026-27 financial year.

The second phase of the project will involve geothermal surveys and investigations in the Chumathang area, followed by drilling activities and preparation of a DPR for commercial-scale geothermal development.

The Puga Valley and Chumathang regions fall within the Himalayan geothermal belt, known for intense underground heat generated by tectonic activity. Officials said a test well drilled in the Puga Valley had already tapped high-pressure steam and hot fluids, recording temperatures exceeding 200 degrees Celsius at a depth of around 400 metres.

The geothermal initiative, alongside Ladakh's expanding solar energy programme, is expected to reduce dependence on conventional fuels, lower carbon emissions and strengthen the Union Territory's position as a renewable energy hub.

The geothermal energy project in Puga Valley has the potential to become a game changer for Ladakh and a landmark initiative in India's clean energy journey. Harnessing geothermal energy sustainably will strengthen Ladakh's energy security and contribute significantly to the vision of making the region carbon-neutral and environmentally sustainable, Saxena said.

Officials said ONGC successfully drilled the first geothermal well to a depth of 405 metres in 2025 despite challenging terrain and weather conditions, making it the deepest geothermal well drilled in Ladakh so far.

Geothermometric studies and analysis of geothermal samples have indicated subsurface temperatures exceeding 240 degrees Celsius, considered suitable for power generation. The proposed pilot plant is expected to operate at a turbine inlet temperature of around 200 degrees Celsius and generate nearly 1 MW of electricity, they added.

Headline	Oil India Finds New Gas Field in Rajasthan, Boosting Domestic Supply		
Publication	Whalesbook	Edition	Online Coverage
Published Date	24 May 2026		

Oil India Finds New Gas Field in Rajasthan, Boosting Domestic Supply

<https://www.whalesbook.com/news/English/energy/Oil-India-Finds-New-Gas-Field-in-Rajasthan-Boosting-Domestic-Supply/6a122fe1b979113840c9136b>

Oil India has discovered a new gas zone in Rajasthan's Dandewala field, adding an estimated 75 million standard cubic meters (MMSCM) of gas to its reserves.

This find, at a shallower depth, validates the company's strategy of re-evaluating mature onshore assets and contributes to India's energy security goals.

Oil India has successfully tapped a new natural gas reserve in the Sanu Formation of its Dandewala field in Rajasthan. The discovery, made at a relatively shallow depth of 950 meters, yielded 25,000 standard cubic meters per day (SCMD) of gas. This achievement validates the company's 'missed opportunities' strategy, which focuses on detailed subsurface re-evaluation to unlock value in mature onshore fields rather than solely pursuing expensive, frontier exploration.

Potential and Context for the Find

The estimated 75 MMSCM of gas-in-place from this discovery serves as a significant tactical win for India's domestic energy security, especially as import costs rise. Unlike the larger, oil-rich Barmer-Sanchore basin nearby, the Jaisalmer basin where Dandewala is located is gaining recognition for its gas potential. This success demonstrates how targeted technical expertise can revitalize older fields.

Financial and Sectoral Considerations

While the market often favors large deepwater projects, this Dandewala success underscores the efficiency possible in India's existing basins. Oil India's stock trades at a price-to-earnings ratio of about 12.4x, which is slightly above its 10-year median but supported by its focus on domestic production growth. The company also maintains strong returns on equity and capital employed compared to peers like ONGC, reflecting disciplined portfolio management.

However, the exploration sector carries inherent risks, including potential blowouts and environmental issues. Oil India's reliance on domestic production also makes it subject to government pricing and royalty policies. Financially, while its balance sheet is solid, its debt-to-equity ratio is higher than the industry average, which could affect capital flexibility. Recent downward revisions to consensus estimates for 2026 also suggest market expectations for rapid growth might be optimistic.

Path Forward

The Dandewala discovery is expected to trigger further appraisal drilling to maximize resource recovery. Oil India is increasing its exploration capital expenditure for fiscal year 2027, aiming to boost production and support national energy self-sufficiency. Navigating the geological and regulatory challenges of Indian onshore basins will be key to realizing the full potential of these successes.

Headline	Oil India discovers new gas-bearing sand in Jaisalmer		
Publication	Bharat Horizon	Edition	Online Coverage
Published Date	24 May 2026		

Oil India discovers new gas-bearing sand in Jaisalmer

<https://bharathorizon.com/business/industry/oil-india-discovers-new-gas-bearing-sand-in-jaisalmer.html>

Amid the ongoing global energy crisis, India's drive towards energy self-sufficiency has received a major boost from Rajasthan, as state-owned energy major Oil India Limited has successfully discovered a new gas-bearing sand in the Dandewala Field of Jaisalmer district.

Breakthrough in Gas Production

Oil India Limited achieved natural gas flow for the first time from the shallower Sanu Formation in the Dandewala Gas Field, with production estimated at nearly 25,000 standard cubic metres per day. The gas is of better quality as it does not contain much carbon dioxide.

Government Confirmation

On Saturday, Union Petroleum Minister Hardeep Singh Puri confirmed the development through a tweet, stating that the breakthrough marks a significant milestone in India's efforts to strengthen domestic energy production and reduce dependence on imported fuel resources. He said, 'Oil India Limited achieved natural gas flow for the first time from the shallower Sanu Formation in the Dandewala Field in Jaisalmer district, with production estimated at nearly 25,000 standard cubic metres per day.'

Strategic Importance for Rajasthan

The discovery is being viewed as an important development for the hydrocarbon sector in western Rajasthan, a region that has increasingly emerged as a strategic energy hub over the past several years. Energy experts believe the successful unlocking of this new pay zone will further accelerate exploration and production activities in the desert state.

Alignment with National Goals

The achievement also aligns with Prime Minister Narendra Modi's vision of achieving energy security and self-reliance under the broader framework of 'Atmanirbhar Bharat.' Officials said enhanced domestic gas production would contribute towards meeting the country's rising energy demands while supporting cleaner fuel initiatives.

Technical Excellence

The company's engineers and geoscientists worked extensively to evaluate the hydrocarbon potential of the region before achieving the successful gas flow. Industry observers say the latest success could open new opportunities for further exploration in adjoining areas of the Jaisalmer Basin.

Future Prospects

Rajasthan already plays a crucial role in India's oil and gas sector, with several major hydrocarbon projects operating across the desert districts. The development has been welcomed by the energy sector as a positive step toward strengthening India's domestic production capabilities. Officials praised the perseverance, technological excellence and commitment of Team Oil India in achieving the breakthrough, describing it as another important chapter in the country's ongoing energy transformation journey.

Headline	Fuel prices hiked for third time in 10 days; OMC losses narrow further		
Publication	Business Standard	Edition	Online Coverage
Published Date	24 May 2026		

Fuel prices hiked for third time in 10 days; OMC losses narrow further

https://www.business-standard.com/industry/news/fuel-prices-hiked-for-third-time-in-10-days-omc-losses-narrow-further-126052400566_1.html

Oil marketing companies have raised fuel prices again amid elevated crude prices, while under-recoveries narrow as West Asia tensions keep energy costs high

Experts say the recent back-to-back price hikes will offer partial relief to oil marketing companies but not a full cushion

Amid soaring energy prices, India's oil marketing companies (OMCs) raised prices of petrol and diesel in the country for the third time in nine days. Post the hike, non-branded petrol is priced at 99.51 per litre in Delhi compared to 98.64 a litre earlier, while diesel costs 92.49 per litre. In the last nine days, OMCs have raised fuel prices in a staggered manner by 3 per litre on May 15 and then by 90 paise per litre on May 19. Petrol and diesel prices were hiked again by 87 paise per litre and 91 paise a litre, respectively, on May 23. Experts say the recent back-to-back price hikes will offer partial relief to oil marketing companies but not a full cushion. Even if the West Asia situation stabilises, it will take time for risks around the Strait of Hormuz to fully ease, keeping crude prices elevated likely above \$90 per barrel, they say. Combined with a weakening rupee, this continues to pressure OMC margins, and they could still face under-recoveries. Going forward, some calibrated price revisions may be required. The government will need to balance OMC financial health against the impact on consumers, said Sourav Mitra, partner, oil and gas, at accounting and consultancy firm Grant Thornton Bharat. The latest and third round of petrol and diesel price hikes was accompanied by an increase in compressed natural gas (CNG) rates too. Indraprastha Gas (IGL) increased the prices of CNG by Re 1 per kilogram on Saturday, the third hike in 10 days. With this, CNG is now priced at 81.09 per kg in Delhi. Prices in Noida, Greater Noida and Ghaziabad have risen to 89.70 per kg.

With administered price mechanism (APM) gas supplies dwindling and demand for CNG and residential piped natural gas (PNG) rising, the system is becoming more reliant on imported LNG. Also, as higher-cost LNG is blended into the supply mix, upward pressure on input costs of city gas distribution (CGD) entities will increase, according to experts.

This will eventually have to be passed on to end-users with increased CNG prices in the near term. Over time, similar input cost pressures are also likely to be reflected in residential PNG prices, although the pass-through will be relatively gradual given the sensitive nature of the sector, Mitra said.

The price hikes across fuel categories come against the backdrop of severe financial stress being faced by the state-run oil firms as a result of selling fuel at comparatively lower prices, even as crude oil has hovered above \$100 a barrel since the beginning of the West Asia crisis, compared to around \$80 a barrel prior to the conflict.

Rising petrol and diesel prices have sharply increased transportation costs, directly impacting the prices of essential goods across the country. Higher fuel costs will trigger a fresh wave of inflation in everyday items such as fruits, vegetables, milk and other household essentials, the opposition Congress party said in a press note.

Following the 3-per-litre hike, OMCs' under-recovery on the sale of petrol, diesel and LPG cylinders reduced by 25 per cent to 750 crore per day from 1,000 crore per day, a senior government official had said earlier.

Petroleum Minister Hardeep Singh Puri had said on May 12 that OMCs' under-recoveries in the first quarter of FY27 could rise to 2 trillion, while losses may touch 1 trillion, as they sell fuel at comparatively lower prices in the country.

The government had reduced excise duty on petrol and diesel by 10 per litre in late March in a bid to provide relief to consumers and support OMCs. The excise duty cut, however, was not enough to significantly reduce OMCs' losses.

The government does not plan to extend financial support to the oil companies as of now for the losses incurred, said Sujata Sharma, joint secretary at the Ministry of Petroleum and Natural Gas (MoPNG).

Headline	Oil India discovers new natural gas reserve in Rajasthan		
Publication	MSN India	Edition	Online Coverage
Published Date	24 May 2026		

Oil India discovers new natural gas reserve in Rajasthan

<https://www.msn.com/en-in/news/india/oil-india-discovers-new-natural-gas-reserve-in-rajasthan/ar-AA23UCFg>

Amid the ongoing global energy crisis these days, India's drive towards energy self-sufficiency has received a major boost from Rajasthan, as state-owned energy major Oil India Limited has successfully discovered a new gas-bearing sand in the Dandewala Field of Jaisalmer district. Oil India Limited achieved natural gas flow for the first time from the shallower Sanu Formation in the Dandewala Gas Field with production estimated at nearly 25,000 standard cubic metres per day. The gas is of better quality as it does not contain much carbon dioxide. On Saturday Union Petroleum Minister Hardeep Singh Puri confirmed the development through a tweet, stating that the breakthrough marks a significant milestone in India's efforts to strengthen domestic energy production and reduce dependence on imported fuel resources. He said, Oil India Limited achieved natural gas flow for the first time from the shallower Sanu Formation in the Dandewala Field in Jaisalmer district, with production estimated at nearly 25,000 standard cubic metres per day. The discovery is being viewed as an important development for the hydrocarbon sector in western Rajasthan, a region that has increasingly emerged as a strategic energy hub over the past several years. Energy experts believe the successful unlocking of this new pay zone will further accelerate exploration and production activities in the desert state. The achievement also aligns with Prime Minister Narendra Modi's vision of achieving energy security and self-reliance under the broader framework of Atmanirbhar Bharat. Officials said enhanced domestic gas production would contribute towards meeting the country's rising energy demands while supporting cleaner fuel initiatives. The company's engineers and geoscientists worked extensively to evaluate the hydrocarbon potential of the region before achieving the successful gas flow. Industry observers say the latest success could open new opportunities for further exploration in adjoining areas of the Jaisalmer Basin. Rajasthan already plays a crucial role in India's oil and gas sector, with several major hydrocarbon projects operating across the desert districts. The development has been welcomed by the energy sector as a positive step toward strengthening India's domestic production capabilities. Officials praised the perseverance, technological excellence and commitment of Team Oil India in achieving the breakthrough, describing it as another important chapter in the country's ongoing energy transformation journey.

Headline	Fuel Price Hike: BPCL, HPCL And IOC Now Able To Cut Back On Almost Half The Losses		
Publication	NDTV Profit	Edition	Online Coverage
Published Date	25 May 2026		

Fuel Price Hike: BPCL, HPCL And IOC Now Able To Cut Back On Almost Half The Losses

<https://www.ndtvprofit.com/markets/bpcl-hpcl-and-ioc-will-be-able-to-cut-back-on-half-the-losses-through-recent-price-hike-11542630#pfrom=home-business>

According to various analysts, every 50 paise per litre increase in fuel marketing margins is estimated to lift EBITDA by 7% for IOCL, 8% for BPCL and 11% for HPCL.

Petrol and diesel prices have been hiked for the fourth time in just 11 days, as Indian oil marketing companies announcing an average hike of Rs 2.7 per litre on Monday morning.

This comes on the back of a Rs 3 per litre hike on May 15, and a 90 paise hike each on May 19 and May 23, taking the cumulative hike to Rs 7.5 per litre.

Why the hike?

The price hikes for petrol and diesel prices across India is a desperate measure to help OMCs such as Hindustan Petroleum (HPCL), Bharat Petroleum (BPCL) and Indian Oil Corporation (IOC) to cut back on heavy losses they have been bearing since the start of the Iran War.

Due to the closure of the Strait of Hormuz, a key oil supply chokepoint especially a import-dependent country like India, crude prices have skyrocketed. This has directly impacted these OMCs, who had been keeping prices steady for the longest time, bearing heavy losses in the process.

This is a modal window.

Impact of fuel price hike on OMCs

Petroleum Minister Hardeep Singh Puri had earlier revealed that OMCs have been bearing losses of around Rs 1,000 crore daily and were staring at a loss of Rs 1-1.2 lakh crore in the first quarter of FY27.

These price cuts, therefore, have gone a long way in helping these OMCs recoup some of the losses, with the first hike of Rs 3 per litre helping them cut back on 25% of the daily losses.

Up until the third hike, OMCs have already been able to cut back on Rs 330 crore of daily losses.

According to various analysts, every 50 paise per litre increase in fuel marketing margins is estimated to lift EBITDA by 7% for IOCL, 8% for BPCL and 11% for HPCL.

Keeping that in mind, the recent average hike of Rs 2.7 per litre would help these companies save on an additional Rs 113 crore daily. In total, therefore, OMCs, through the four price hikes in 11 days, would be able to cut back on 44% of losses.

Headline	Why are Petrol and Diesel prices rising so fast, Will Fuel Prices Rise Further?		
Publication	Tezzbuzz	Edition	Online Coverage
Published Date	24 May 2026		

Why are Petrol and Diesel prices rising so fast, Will Fuel Prices Rise Further?

<https://tezzbuzz.com/why-are-petrol-and-diesel-prices-rising-so-fast-will-fuel-prices-rise-further/>

New Delhi: Petrol and diesel prices were increased once again on Saturday, marking the third revision in fuel rates this month as global crude oil prices continue to fluctuate amid geopolitical tensions in the Middle East. Oil marketing companies raised petrol prices by 87 paise per liter and diesel prices by 91 paise per litre, adding further pressure on household budgets and transportation costs.

The latest hike follows another increase earlier this week when fuel prices were raised by nearly 90 paise per litre. Before that, the Center had announced a sharp increase of almost Rs 3 per liter on May 16, ending a long period during which domestic fuel rates had largely remained stable despite rising international crude prices.

Revised Fuel Rates in Metro Cities

Following the latest revision, petrol prices in Delhi climbed to Rs 99.51 per litre, while diesel reached Rs 92.49 per litre. In Mumbai, petrol is now priced at Rs 108.49 per liter and diesel at Rs 95.02 per litre.

Kolkata recorded petrol prices at Rs 110.64 per liter and diesel at Rs 97.02 per litre, making it one of the costliest metro cities for fuel. In Chennai, petrol prices rose to Rs 105.31 per liter while diesel touched Rs 96.98 per liter.

Global Crude Prices Driving Increase

The recent hikes come amid continuing uncertainty in global oil markets due to tensions involving Iran and concerns over international crude supply. Brent crude futures crossed USD 104 per barrel on Friday, while US West Texas Intermediate crude traded near USD 97 per barrel.

Industry experts said rising geopolitical risks and supply concerns have forced oil companies to pass on part of the burden to consumers after reportedly absorbing significant losses for several months.

Government Defends Fuel Policy

Union Petroleum and Natural Gas Minister Hardeep Singh Puri recently stated that India managed to maintain stable fuel supplies and avoid shortages despite global disruptions and sharp fluctuations in crude oil prices.

Addressing the CII Annual Business Summit 2026, the minister said strong policy coordination and effective supply management helped India handle global energy shocks while ensuring uninterrupted availability of petrol, diesel and LPG across the country.

Headline	Oil India discovers new natural gas reserve in Rajasthan		
Publication	The Times of India	Edition	Online Coverage
Published Date	24 May 2026		

Oil India discovers new natural gas reserve in Rajasthan

<https://timesofindia.indiatimes.com/city/jaipur/oil-india-discovers-new-natural-gas-reserve-in-rajasthan/articleshow/131288983.cms>

Amid the ongoing global energy crisis these days, India's drive towards energy self-sufficiency has received a major boost from Rajasthan, as state-owned energy major Oil India Limited has successfully discovered a new gas-bearing sand in the Dandewala Field of Jaisalmer district. Oil India Limited achieved natural gas flow for the first time from the shallower Sanu Formation in the Dandewala Gas Field with production estimated at nearly 25,000 standard cubic metres per day. The gas is of better quality as it does not contain much carbon dioxide. On Saturday Union Petroleum Minister Hardeep Singh Puri confirmed the development through a tweet, stating that the breakthrough marks a significant milestone in India's efforts to strengthen domestic energy production and reduce dependence on imported fuel resources. He said, Oil India Limited achieved natural gas flow for the first time from the shallower Sanu Formation in the Dandewala Field in Jaisalmer district, with production estimated at nearly 25,000 standard cubic metres per day. The discovery is being viewed as an important development for the hydrocarbon sector in western Rajasthan, a region that has increasingly emerged as a strategic energy hub over the past several years. Energy experts believe the successful unlocking of this new pay zone will further accelerate exploration and production activities in the desert state. The achievement also aligns with Prime Minister Narendra Modi's vision of achieving energy security and self-reliance under the broader framework of Atmanirbhar Bharat. Officials said enhanced domestic gas production would contribute towards meeting the country's rising energy demands while supporting cleaner fuel initiatives. The company's engineers and geoscientists worked extensively to evaluate the hydrocarbon potential of the region before achieving the successful gas flow. Industry observers say the latest success could open new opportunities for further exploration in adjoining areas of the Jaisalmer Basin. Rajasthan already plays a crucial role in India's oil and gas sector, with several major hydrocarbon projects operating across the desert districts. The development has been welcomed by the energy sector as a positive step toward strengthening India's domestic production capabilities. Officials praised the perseverance, technological excellence and commitment of Team Oil India in achieving the breakthrough, describing it as another important chapter in the country's ongoing energy transformation journey.

Headline	Petrol rates raised by 87 paise, diesel 91 paise in third hike in 10 days		
Publication	The Tribune	Edition	Online Coverage
Published Date	24 May 2026		

Petrol rates raised by 87 paise, diesel 91 paise in third hike in 10 days

<https://www.tribuneindia.com/news/top-headlines/petrol-rates-raised-by-87-paise-diesel-91-paise-in-third-hike-in-10-days/>

CNG prices too increase by Re 1 per kg This is the third hike in this month so far.

On May 15, the petrol and diesel prices were raised by Rs 3 per litre, then they were further increased by about 90 paise per litre on May 19.

Earlier, Petroleum Minister Hardeep Singh Puri had acknowledged that maintaining the current level of retail petrol prices was burdening the state-run oil marketing companies. "My oil companies are losing Rs 1,000 crore every day," he had said.

In addition, the rates of compressed natural gas (CNG) have been increased by Re 1 per kg, which is also the third increase in recent days and brings the total hike to Rs 4 per kg.

After an extended freeze on retail fuel prices, the back-to-back rises are linked with high global crude oil prices, narrowing refining margins and a declining rupee, all of which have significantly increased import expenses.

Delhi's petrol prices went from Rs 98.64 to Rs 99.51 per litre, an increase of 87 paise. In a similar way, diesel prices increased from Rs 91.58 to Rs 92.49 per litre, a hike of 91 paise.

The recent hikes have come following India maintaining controlled fuel prices till the initial increase on May 15, while the rest of the world panicked and pushed the higher costs to consumers amid the ongoing crisis in West Asia, which has resulted in a surge in crude oil prices.

According to the government data, India was the only country in the world that managed to maintain stable fuel prices during the first 76 days of the Hormuz disruption.

The data highlighted that the three hikes on May 15, 19, and 23 resulted in a total adjustment of slightly less than Rs 5 per litre, making it the lowest increase of any major country outside the directly subsidising Gulf producers.

"Every other major importing economy has passed on the cost to its consumers, in several cases doubling pump prices. India has not," it said.

However, the impact of the fuel price hike is far-reaching. It results in increased transportation and logistics expenses, which can eventually result in higher pricing for groceries, taxi rides, food delivery and other daily necessities.

Furthermore, the recurring costs like fuel can gradually reduce disposable income and monthly savings capacity for salaried households who are already managing rising energy bills, school fees and EMIs.