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Fiscal Prudence

AJIT RANADE

India's Solar Moment: From vulnerability to victory

In a world where oil routes can be disrupted overnight by wars India did not start, energy independence becomes a sovereign necessity

When missiles fill the skies over West Asia, the tremors reach every household electricity and petrol bill. The ongoing crisis in the region has exposed the vulnerability of India, which is the world's third-largest consumer of crude oil and imports nearly 89 per cent of its requirement, i.e., roughly 1.75 billion barrels a year, or about 4.8 million barrels every single day. Over 60 per cent of that flows through the geopolitically sensitive Strait of Hormuz.

In 2024-25, India's crude oil import bill was \$137 billion. If prices stay at the March average of \$113.57, then the import bill would balloon to nearly \$200 billion. Every ten-dollar rise in the price of a barrel of crude adds \$14 to \$16 billion to India's import bill. That is money drained from our precious foreign exchange reserves.

That refined oil goes into trucks that move goods, tractors that farm fields, and fishing boats that feed coastal communities. It also powers diesel generators that keep telecom towers humming across rural India.

There is a way to reduce this vulnerability. We are a nation bathed in light!

India is gifted by geography, which gives it a blazing sun for more than 300 days a year. Unfortunately, sometimes summer heat can also be a curse. We just witnessed a scorching April week.

Nineteen of the twenty hottest places on earth were in India, and 92 of the 100 hottest cities globally. But what is a climate burden is simultaneously an energy opportunity of historic proportions.

India leads the International Solar Alliance, a coalition of over 120 sunshine-rich nations. In 2025, India added 38 gigawatts of new solar capacity, surpassing the United States, which added 35 gigawatts. The total installed solar capacity now stands at over 150 gigawatts, and annual solar generation has rocketed from 3.4 terawatt-hours in 2013-14 to 144 terawatt-hours in 2024-25.

As the brutal heatwave of April pushed temperatures into the mid-forties and air conditioners across north India ran at full blast, the electricity grid faced its highest ever demand: 256 gigawatts. Solar power alone was generating 81 gigawatts on that critical day. This was one-third of the total national generation. The grid did not collapse. It passed the stress test.

Solar's potential is not just as clean energy but also as securing our foreign exchange.

Even a ten per cent reduction in oil import dependence would save between \$13 and \$20 billion annually, depending on oil prices. A displacement of 100 million barrels through solar-powered electricity substituting diesel gensets, electric pumps replacing diesel pumps, and electric vehicles reducing petrol

and diesel demand would still save \$7.5 to \$11 billion a year in foreign exchange.

But there is also an intriguing possibility that India could become an energy exporter. India's refining capacity of 258 million metric tonnes already exceeds its domestic consumption of 239 million metric tonnes. In 2025, India exported 64.7 million metric tonnes of refined petroleum products—petrol, diesel, and aviation fuel—worth over \$52 billion, a record high.

The refining capacity is set to expand further to 309 million metric tonnes by 2028. If solar and electrification progressively reduce domestic fuel consumption, more and more of what India refines goes abroad, earning precious dollars. India would be importing crude, refining it far more efficiently, and exporting value-added fuel—functioning as an energy hub for the region.

The trajectory, if pursued with determination, could see India shifting from an energy importer to a net energy value exporter. This is in the realm of the thinkable.

Challenges Are Real, Not Insurmountable: There are hurdles in the solar journey. Panels need large tracts of land. This is a genuine constraint in a country where farmland is scarce and contested. The answer lies in deploying solar panels on fallow wasteland, rooftops, highway corridors, and canal banks. India already has programmes for all of

these.

Solar panels also need water to wash off the thick dust that settles on them, especially in Rajasthan and Gujarat, where solar potential is greatest, but water is scarce. Waterless robotic panel cleaners are an emerging solution. India should produce these at scale domestically.

Most critically, the sun sets every evening, but demand does not. Without storage, solar power has a structural limitation. India urgently needs massive deployment of storage systems. In 2025, India curtailed 2.3 terawatt-hours of clean solar power simply because the grid could not absorb it. That is both an engineering failure and an economic one.

Then there is the China problem. India imports most of its solar panels and components from China, which deepens trade asymmetry. However, domestic solar module manufacturing capacity has grown to 172 gigawatts. The government has set a target of domestically produced solar cells and wafers by 2028. An India that makes its own solar equipment is truly energy sovereign.

Here are five action points.

One: treat solar energy as a national security infrastructure, equal in priority to defence. Funding should be at least doubled. Two: invest urgently and massively in battery storage. Or else every evening the grid falls back on coal and die-

sel. Three: upgrade the national transmission grid. Solar-rich states like Rajasthan and Gujarat need to be able to evacuate to demand centres in Maharashtra and Tamil Nadu. Four: accelerate electric vehicle adoption across two-wheelers, three-wheelers, and buses since transport is the single largest consumer of petroleum. Five: scale rooftop solar energy through PM Surya Ghar and allied schemes.

India's peak power demand is projected to rise further to 271 gigawatts, driven partly by rising incomes and the spread of air conditioning. The opportunity and the urgency are both enormous.

The current crisis in West Asia offers us a window. In a world where oil routes can be disrupted overnight by wars India did not start, energy independence becomes a sovereign necessity. Every gigawatt of solar power installed is one step away from the Strait of Hormuz. Every electric vehicle on the road is a barrel of oil India does not have to import. Every rooftop panel is a small act of national self-reliance.

The sun rises over India every morning without negotiation, without geopolitics, and without a price tag. The only question is how India can harvest it at the scale and speed the moment demands.

Dr Ajit Ranade is a noted Pune-based economist. Syndicate: The Billion Press (email: editor@thebillionpress.org)



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Crude imports in 2025-26 up nearly 1%

New Delhi: Driven by higher consumption of petroleum products, India's crude imports in 2025-26 increased nearly 1%, despite a 17% fall in purchases in March due to disruption of trade routes amid the West Asia crisis, **reports Atul Mathur.**

According to provisional oil and gas data released by govt, India purchased 245.3 million tonnes (MT) of crude

in FY26, compared with 243.2 MT in the previous year. Imports in March fell to 18.9 MT from 22.8 MT.

India's net oil and gas import bill, however, reduced by over 10% in FY26, from \$131.2 billion in 2024-25 to \$117.5 billion last year, due to subdued Indian oil basket prices, according to provisional data compiled by the Petroleum Planning and Analysis Cell.

Harness the sun, reduce oil vulnerability



AJIT RANADE
NOTED ECONOMIST

WHEN missiles fill the skies over West Asia, the tremors reach every household through electricity and petrol bills. The ongoing crisis in the region has exposed the vulnerability of India, which is the world's third largest consumer of crude oil. It imports nearly 89% of its requirement, ie, roughly 1.75 billion barrels a year or about 4.8 million barrels every day. Over 60% of that flows through the geopolitically sensitive Strait of Hormuz.

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SHIFT: Solar potential lies not just in clean energy, but also in securing our foreign exchange. REUTERS

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Credit: The Biltion Press

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Govt releases draft E100 testing norms

The Ministry of Road Transport and Highways (MoRTH) plans to widen emission testing standards for flex-fuel vehicles that can run on 100 per cent ethanol (E100), in a bid to boost their production. In a draft notification issued on Tuesday night, the ministry proposed including E100 in testing and certification standards.

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Centre widens flex-fuel push with draft E100 testing norms

DHRUVAKSH SAHA & DEEPAK PATEL
New Delhi, 29 April

The Ministry of Road Transport and Highways (MoRTH) plans to widen emission testing standards for flexible-fuel (flex-fuel) vehicles that can run on 100 per cent ethanol (E100), in a bid to boost production of such vehicles.

In a draft notification issued on Tuesday night, the ministry proposed including E100 in testing and certification standards, replacing the current provision that only covers E85, a fuel blend containing 85 per cent ethanol and 15 per cent gasoline.

The West Asia crisis has spurred the push for faster adoption of flex-fuel vehicles, as critical energy supplies, including crude oil, remain vulnerable in the Strait of Hormuz off the Iranian coast.

"This draft notification by MoRTH marks a progressive and forward-looking step for India's biofuel ecosystem," said the Grain Ethanol Manufacturers Association, adding that it is a strong policy signal the country is ready to move beyond E20, which contains 20 per cent ethanol blended with petrol, and embrace higher ethanol blends in a regulated manner.

For the grain-based ethanol industry, this development opens up opportunities to scale production, drive investments, and contribute more to India's energy security and decarbonisation goals, it said.



Driving the change

- The ministry of road transport and highways has proposed amendments to emission rules to include vehicles that can run on 100 per cent ethanol (E100)
- Current provisions only include E85 vehicles
- The move will open up opportunities for the grain-based ethanol industry to scale production, drive investments
- Also aimed at increasing the share of flex-fuel vehicles in the Indian automotive market

"Higher ethanol blends such as E85 and E100 will significantly enhance demand for surplus grains, thereby strengthening farm incomes and creating a more resilient agri-value chain," it added.

Meanwhile, the move — which will see further action after a 30-day stakeholder consultation period — is aimed at increasing the share of flex-fuel vehicles in the Indian automotive (auto) market.

A February meeting, held before the escalation of the West Asia conflict, saw oil-marketing companies (OMCs) raise several concerns, including weak demand for flex fuels. Auto industry executives echoed these concerns in conversations with *Business Standard* on Wednesday, saying the absence of a meaningful price advantage remains a fundamental hurdle, as con-

sumers are unlikely to shift to higher ethanol blends without clear savings at the pump.

At the February 28 meeting, OMCs also raised concerns over the absence of flex-fuel vehicle models in India and the lack of a clear launch timeline. The meeting was convened by the Ministries of Petroleum and Natural Gas and Heavy Industries against the backdrop of the West Asia conflict, which has disrupted global oil and gas supplies and pushed up fuel prices. The Society of Indian Automobile Manufacturers and select automakers were also present.

Auto executives said on Wednesday that unless vehicle availability and fuel infrastructure are scaled up in tandem, there is a risk of underutilised capacity and inefficient capital deployment, similar to what was seen in earlier pilot programmes.

Energy crisis opportunity for households to cook before evening: MNRE minister

NANDINI KESHARI
New Delhi, 29 April

The energy shock created by the Iran war is an opportunity for Indian households to consider if they can cook before evening and use solar induction hobs, said Union Minister Pralhad Joshi on Wednesday.

His statement comes amid the blockade of the Strait of Hormuz, which has triggered a global energy disruption and created a shortage of cooking gas cylinders in India. In many parts of the country, people have shifted to induction hobs.

"If cooking can be shifted before 5 pm, thereby shifting the use of energy before sunset, gas import can be reduced to the maximum," said Joshi, the new and renew-



able energy minister, at The Economist Resilient Futures Summit in New Delhi.

Additional power demand from induction cooking is broadly expected to be in the range of 13 gigawatts (Gw) to 27 GW under low and high adoption scenarios respectively, said a government official at an inter-ministerial briefing earlier this month.

"The transition towards

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Minister of new and renewable energy

induction cooking is expected to add an additional layer of demand at the distribution level, potentially influencing overall load patterns," Krishna Chandra Panigrahy, director general at the Bureau of Energy Efficiency, had said earlier this month.

Renewable power in the country is oversupplied during solar hours, as demand peaks after sunset. Shifting part of

electricity consumption to day-time hours can help bridge this.

Joshi also said that the government is focusing on increasing renewable energy consumption. "Although we need gas, we can use renewable energy for many purposes. The government is promoting households to install rooftop solar [units] and charge electric vehicles during the daytime, which will add to our energy security."

He added that the government is working to boost domestic manufacturing capacity in the upstream solar value chain, including ingots, wafers and polysilicon, and noted that a battery storage manufacturing production-linked incentive scheme is also in place to increase capacity.

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Declining influence

UAE's exit from Opec will help bring down oil prices

The United Arab Emirates (UAE) has decided to leave the 12-member Organization of the Petroleum Exporting Countries (Opec), a cartel of crude oil-producing countries that has influenced the market for decades. The UAE, which is the third-largest oil producer among the Opec members, has also decided to pull out of the 22-member Opec-plus alliance. Reasons, economic and political, have been cited for the UAE's decision to leave the cartel. On the economic front, it will give the UAE more freedom to build capacity and increase production over time. Clearly, the focus is more on volumes than on price. According to estimates, the UAE has the capacity to produce about five million barrels a day but was allowed to pump out only about 3.4 million barrels a day under the current Opec quota, which it believes is unfair. Thus, it could quickly add to global supply, which will help bring down prices. On the political front, the UAE is reportedly dissatisfied with how the countries in the region handled Iran. It also faced a significantly higher number of attacks during the recent war. Higher revenue owing to higher oil volumes will help cover the damage suffered over the past two months.

The UAE's exit has raised questions about the future of Opec and its ability to influence global oil prices. In any case, its influence in the global crude-oil market has declined in recent years, partly due to increasing oil production in the United States (US). There have been occasions when cartel members have pumped out more oil to keep prices at relatively low levels, aiming to make investment in US shale-oil production unviable. Nevertheless, oil production in the US has continued to increase. Now with the departure of the UAE, it is possible that some other Opec members will also want to leave to gain greater freedom in decision-making regarding investment and production. This could lead to a substantial reduction in prices of crude oil in the medium term. In any case, in the past, there have been instances where Opec members have not adhered to their given quota, which has affected the cartel's ability to control prices.

However, the impact of the UAE's departure from the cartel will be visible once the double blockade in the Strait of Hormuz is lifted. As things stand, there is no clarity on how long the impasse between the US and Iran will continue, which is significantly affecting the global economy. Reports suggest that the offers made by Iran are not acceptable to US President Donald Trump. With the US blockade of the strait, Mr Trump is trying to put economic pressure on Iran, which doesn't seem to be working as of now. While the resumption of oil supplies from the region remains uncertain in the short term, Opec's weakening should help bring down oil prices over the medium term in a sustainable manner.

Since India depends on imports for over 85 per cent of its crude-oil consumption, it will benefit from lower prices. The UAE is one of the top suppliers to India. Both countries can enter into longer-term contracts for higher volumes of oil, which would provide greater stability and predictability. The UAE is also expected to improve its pipeline capacity, which will help it avoid the Strait of Hormuz. However, in the near term, benefits will flow only after the crisis in West Asia is resolved. A lot will also depend on the terms of the resolution. If Iran is also allowed to sell oil freely, it would further improve availability with a favourable impact on prices for importers.

OPINION

Economic security in an insecure world

What's needed is a revamped economic architecture predicated on proactive risk management and improved shock absorption



SAURABH CHINNOR

Over the last decade, the world has witnessed a period of unprecedented challenges marked by geopolitical conflicts, trade wars, technological disruptions, and more recently, global health crises. The global economic landscape has been transformed, with the impact of these challenges being felt across all sectors and regions.

The challenges we face today are not just external shocks but also internal vulnerabilities. Our economic architecture, built on a foundation of free trade and globalisation, has proven to be fragile in the face of these challenges. We need to rethink our economic architecture, moving from a reactive to a proactive approach, one that is resilient to shocks and capable of absorbing them.

First, the architecture of our economy needs to be robust. This means having a strong financial system, a sound regulatory framework, and a resilient infrastructure. We need to invest in these areas to ensure that our economy is capable of withstanding shocks and recovering quickly.

Second, we need to diversify our economy. Over-reliance on a few sectors or markets makes us vulnerable. We need to invest in new industries, promote innovation, and create jobs in the informal sector to ensure that our economy is resilient to shocks.

Third, we need to improve our risk management capabilities. This means having a system in place to identify, assess, and mitigate risks. We need to invest in risk management tools and techniques to ensure that we are prepared for any eventuality.

Fourth, we need to strengthen our international relations. In a world of increasing geopolitical tensions, it is essential to build strong relationships with other countries. We need to promote trade, investment, and cooperation to ensure that our economy is resilient to shocks.

Fifth, we need to invest in human capital. A skilled and healthy workforce is essential for economic growth and resilience. We need to invest in education, healthcare, and social security to ensure that our workforce is capable of withstanding shocks and recovering quickly.

Sixth, we need to improve our shock absorption capabilities. This means having a system in place to absorb shocks and prevent them from spreading. We need to invest in social safety nets, disaster management, and other measures to ensure that our economy is resilient to shocks.

Seventh, we need to promote innovation and entrepreneurship. Innovation is the key to economic growth and resilience. We need to create a conducive environment for innovation and entrepreneurship to ensure that our economy is resilient to shocks.

Eighth, we need to improve our governance. Good governance is essential for economic growth and resilience. We need to invest in transparency, accountability, and rule of law to ensure that our economy is resilient to shocks.

Ninth, we need to invest in infrastructure. Infrastructure is the backbone of the economy. We need to invest in roads, bridges, ports, and other infrastructure to ensure that our economy is resilient to shocks.

Tenth, we need to promote sustainable development. Sustainable development is essential for long-term economic growth and resilience. We need to invest in renewable energy, environmental protection, and social justice to ensure that our economy is resilient to shocks.

Eleventh, we need to improve our digital infrastructure. Digital infrastructure is essential for economic growth and resilience. We need to invest in broadband, data centres, and other digital infrastructure to ensure that our economy is resilient to shocks.

Twelfth, we need to promote regional development. Regional development is essential for economic growth and resilience. We need to invest in infrastructure, education, and other measures to ensure that all regions of the country are resilient to shocks.

Thirteenth, we need to improve our labour market. A flexible and efficient labour market is essential for economic growth and resilience. We need to invest in labour market reforms to ensure that our economy is resilient to shocks.

Fourteenth, we need to promote financial inclusion. Financial inclusion is essential for economic growth and resilience. We need to invest in financial literacy, microfinance, and other measures to ensure that all citizens have access to financial services.

Fifteenth, we need to improve our environmental protection. Environmental protection is essential for economic growth and resilience. We need to invest in environmental protection measures to ensure that our economy is resilient to shocks.

Sixteenth, we need to promote social justice. Social justice is essential for economic growth and resilience. We need to invest in social welfare measures to ensure that all citizens have access to basic services.

Seventeenth, we need to improve our healthcare system. A strong healthcare system is essential for economic growth and resilience. We need to invest in healthcare infrastructure and services to ensure that all citizens have access to quality healthcare.

Eighteenth, we need to promote gender equality. Gender equality is essential for economic growth and resilience. We need to invest in measures to ensure that women have equal access to economic opportunities.



ILLUSTRATION: SHANTANU

Shock absorption, fiscal buffers and safety nets. These are the key elements of a resilient economic architecture. We need to invest in these areas to ensure that our economy is capable of withstanding shocks and recovering quickly.

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Conclusion. We need to invest in these areas to ensure that our economy is resilient to shocks and recovering quickly. This is the only way to ensure long-term economic growth and resilience.



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Crude reaches \$115, triggers profit booking

RAVI RANJAN PRASAD
MUMBAI, APRIL 29

Equity markets gave up a large part of their early gains on Wednesday as rising crude oil prices triggered profit booking at higher levels, while the rupee weakened to a record low against US dollar.

Benchmark indices had surged over one per cent in early trade but lost momentum as Brent crude climbed above \$115 per barrel amid escalating tensions.

Brent futures traded in a volatile range of \$110.26-\$117.5 per barrel.

The rupee weakened to settle at a record low of 94.82 against the US dollar, reflecting pressure from rising oil prices and global uncertainties.

The BSE Sensex rose to



an intraday high of 77,982.51, gaining 1,095.6 points, before closing 609.45 points, or 0.79 per cent higher, at 77,496.36. The Nifty 50 ended at 24,177.65, up 181.95 points, or 0.76 per cent, after hitting a high of 24,334.7.

Foreign portfolio investors remained net sellers, offloading equities

worth ₹2,468.42 cr, while domestic institutional investors provided some support with net purchases of ₹2,262.17 cr.

Investors are awaiting the outcome of US Federal Reserve policy meeting.

"Markets saw heightened volatility, with profit booking emerging due to sustained strength in crude prices," said analysts at Bajaj Broking.

Oil firms plan to hike LPG cylinder price from May

SANJAY SAMUEL
PAUL | DC
HYDERABAD, APRIL 29

Oil marketing companies have sought a revision in domestic LPG cylinder prices from May, proposing an increase of ₹200, sources said. However, the Centre does not appear to be in favour of a steep hike and is considering a lower increase of around ₹100.

The request follows a rise in global crude prices linked to the West Asian crisis that began on 28 February, which has disrupted shipping movement and increased input costs for oil companies.

At present, a 14.2-kg domestic LPG cylinder in Hyderabad costs ₹965. With the proposed revision, the price may rise to around ₹1,100.

On March 7, domestic LPG cylinder prices were



CPI(M) members stage a protest at the HPCL regional office over inadequate petrol supply. — DC

increased by ₹60, taking the price up from ₹905 to ₹965. The previous revision before that was in April 2025.

Officials and industry representatives said that despite recent increases, the country has adequate fuel stocks and there is no shortage in supply.

Crude oil prices in the international market are currently hovering around

\$104 per barrel. Experts attributed the rise to the ongoing conflict involving Israel and Iran, which has affected supplies from Gulf countries that account for about 80 per cent of India's oil imports.

Disruption has led to higher freight charges, increased insurance premiums, and delays in shipments, adding to overall costs.

Explainer

● Why is UAE's exit from Opec important?

THE ORGANISATION OF the Petroleum Exporting Countries (Opec) and Opec+ (this includes several non-Opec countries led by Russia) manage oil prices by controlling how much crude oil member countries produce. The United Arab Emirates (UAE) has been part of Opec for nearly six decades, so its exit weakens one of the world's most powerful oil groupings. The UAE has 4.8-5 million barrels per day of production capacity, but its output has been restricted by Opec+ quotas. The UAE has said it will exit from May 1, calling the move part of its strategic energy policy. In simple terms, it wants more freedom to pump and sell oil. For Opec, this is a loss because the group works only when members agree to hold back supply. If a large, low-cost producer walks away, the cartel's ability to defend high prices becomes weaker.

Opec+ controlled over around 50% of the world's total oil production in 2025, according to the International Energy Agency. With the UAE's exit, the group will see its share of global oil supply fall to around 45%.

● Will crude oil prices fall now?

NOT IMMEDIATELY. In the short term, the oil market is still being driven by West Asia tensions and disruption risks around the Strait of Hormuz, one of the world's most important energy routes. That is why prices may remain volatile even after UAE's exit. HSBC has also indicated that near-term impact may

be limited because Gulf shipments are already affected by Hormuz-related disruptions.

However, once shipping normalises, the UAE could gradually raise output beyond its earlier quota. If it moves from around 3.4 million barrels per day toward 4.5-5 million barrels per

day, that can add meaningful supply to the market. Over time, higher supply usually puts downward pressure on prices.

Oil prices remain elevated and on Wednesday Brent crude rose to nearly \$115 a barrel, compared to around \$73 before the war began.

ENERGY
LANDSCAPE



What UAE's exit from Opec means for India's fuel equation

The UAE's decision to leave Opec and Opec+ from May 1 could change how crude is priced, supplied and negotiated, especially for import-dependent economies like India. But the impact will not be simple: cheaper oil is possible later, while short-term volatility remains a real risk, explains *Saurav Anand*

● What does this mean for India's fuel bills?

INDIA IMPORTS OVER 85% of its crude oil requirement, so any fall in global prices helps. Cheaper crude can reduce India's import bill, ease pressure on the rupee, and soften inflation because diesel and petrol costs affect transport, food and manufacturing. However, India will not see an instant benefit.

First, global prices must actually fall. Second, refiners need stable shipping and predictable supply. Third, the crude grade must suit Indian refineries. The UAE is an important supplier, but India's imports from the UAE are generally around 400,000-500,000 barrels per day, less than 10% of total refinery throughput. So the imports from the UAE matter, but they do not dominate India's crude basket.

● Can India simply buy more UAE crude?

NOT FULLY. THIS is where the story becomes more technical but important. A significant part of the UAE crude supply has historically been light sweet crude. Indian refineries, however, are largely high-conversion, "bottom-of-the-barrel" complexes designed to process medium and heavy sour crude more profitably. These refineries use units like cokers and hydrocrackers to extract higher value from heavier crude. So even if the UAE pumps more light crude, India may not absorb all incremental volumes. Indian refiners can also buy comparable light sweet crude such as WTI, often at competitive prices and with flexible logistics. Unless the UAE expands medium sour crude production, its ability to sharply grow market share in India may remain limited.

INDIA MAY GAIN FROM SOFTER PRICES AND STRONGER UAE TIES, BUT ONLY IF IT MANAGES REFINERY ECONOMICS, SUPPLY RISK & GEOPOLITICAL VOLATILITY

< 10%

OF INDIA'S TOTAL REFINERY THROUGHPUT RELIES ON IMPORTS FROM THE UAE

● What's the strategic impact for India?

THE BIGGEST OPPORTUNITY for India is bilateral energy diplomacy. Outside Opec, the UAE may have more flexibility to offer long-term contracts, customised pricing, and possibly expand rupee-based energy trade. Increased exports to India through the strategic Fujairah pipeline, which bypasses the Strait of Hormuz entirely, is a distinct possibility.

Reports say India-UAE oil-for-rupee trade could gain momentum if the UAE becomes more independent in its supply strategy. But there is also a risk. A weaker Opec means less coordinated supply management. That can mean

lower prices in good times, but sharper volatility during crises.

For India, the smart response is not dependence on one supplier. It must deepen ties with the UAE while continuing to diversify crude sources, build strategic reserves, secure LNG contracts, and accelerate domestic clean-energy capacity.

The UAE's exit is therefore not a simple "good news" or "bad news" moment for India. It is a market reset. India may gain from softer prices and stronger UAE ties, but only if it manages refinery economics, supply risk and geopolitical volatility carefully.

Oil firms sell petrol, diesel at losses amid high crude

Press Trust of India

feedback@livemint.com

NEW DELHI: Oil marketing companies are selling petrol and diesel at a loss of ₹14 per litre and ₹18 per litre, respectively, as elevated crude prices outpace capped retail fuel rates, squeezing marketing margins.

Besides losses on petrol and diesel, the elevated energy prices post West Asia crisis are likely to leave companies with an under recovery of ₹80,000 crore on cooking gas LPG in the current fiscal, while fertiliser subsidy is projected to rise to ₹2.05 to 2.25 lakh crore.

Rating agency Icria said supply disruptions in the Strait of Hormuz—handling around 20 per cent of global oil and LNG trade—have tightened availability of fuels, fertilisers and chemicals, pushing up prices and increasing cost pressures across downstream industries.

Crude prices before the West Asia crisis broke out two months back were around \$70-72 a barrel.

"The stable pump prices for auto fuels amid elevated crude oil prices are impacting the profitability of the oil marketing companies (OMCs)," said Prashant Vasisht, Senior Vice President and Co-Group Head, Icria.

"At crude prices of \$120-125



Elevated crude prices, despite stable retail fuel rates, are squeezing marketing margins of oil companies.

MINT

per barrel, marketing margins on petrol and diesel are estimated to be negative ₹14 a litre and ₹18 per litre, respectively."Icria estimates LPG under-recoveries could reach ₹80,000 crore in FY2027, if current trends persist, while the fertiliser subsidy burden is projected to rise to ₹2.05-2.25 lakh crore, above the budgeted ₹1.71 lakh crore.

Elevated raw material and energy costs are expected to weigh on profitability across oil marketing, fertilisers, chemicals and city gas distribution sectors, with limited ability to fully pass on higher costs to end consum-

ers.

"Overall, Icria's outlook on the crude oil refining segment remains stable, while the outlook on the fuel retailing, fertiliser, basic chemicals and petrochemical sectors remains negative," Vasisht added.

Icria expects the pressure on margins and credit profiles to persist in the near term, with any relief contingent on easing geopolitical tensions and normalisation of global supply chains.

The fertiliser sector is also facing sharp cost escalation, driven by higher sulphur and ammonia prices and elevated

natural gas costs. Urea pool prices have risen to about \$19 per million British thermal unit in April 2026 from \$13 before the crisis.

"Significant raw material price inflation coupled with inadequate subsidy revision is set to moderate the profitability of the P&K fertiliser players," Vasisht said, adding that weather risks could further limit farmers' ability to absorb price hikes.

Chemical and polymer prices have surged amid disrupted trade flows and higher fuel costs, prompting stockpiling by manufacturers and consumers. However, Icria expects demand to normalise once inventory buildup subsides, particularly in segments exposed to global oversupply.

City gas distributors face margin pressure from rising gas prices and currency depreciation. While profitability in piped natural gas (PNG) for households remains relatively stable due to priority gas allocation, compressed natural gas (CNG) margins are expected to weaken as cost increases are only partially passed on.

Icria said elevated energy and input costs will likely compress margins across multiple sectors, leading to weaker credit profiles in some cases.

West Asia conflict raises inflation risks, India's domestic strength offers cushion: FinMin

Prolonged uncertainty, particularly around energy and fertiliser supplies, could test the resilience of India's macroeconomic stability, the report said

OUR CORRESPONDENT

NEW DELHI: The ongoing conflict in West Asia poses a significant supply-side shock with rising risks to inflation, trade and financial flows, though India's strong domestic demand, policy buffers, resilient financial system and continued public investment are expected to provide a measure of insulation to the economy, the Finance Ministry said in a report.

Prolonged uncertainty, particularly around energy and fertiliser supplies, could test the resilience of India's macroeconomic stability, the Monthly

Economic Review for April released by the finance ministry said on Wednesday.

On top of this, the El Niño Southern Oscillation (ENSO) is expected to keep India's South-west monsoon below normal, it said, adding that most rainfall districts are expected to receive below-normal rainfall this season.

Therefore, it said, risks are tilted to the upside for inflation, fiscal and external deficits and to the downside for economic growth. However, it said, while striving to sustain economic growth, policy is expected to safeguard medium-term fiscal

and external stability.

Observing that India enters FY27 at the intersection of domestic resilience and external turbulence, the report said, encouraging a 7-7.4 per cent forecast for the upcoming financial year, only to be clouded by an altered macro-outlook in the wake of the war in West Asia.

The Indian economy is estimated to grow at 7.6 per cent, the strongest in recent years.

Noting that a 'supply shock' is apparent in the economy, it said that an accompanying demand compression is a serious concern, given high prices, rising inflation, and a reduced

CLOSER LOOK

» The Indian economy is estimated to grow at 7.6 per cent, the strongest in recent years

» 'Inflation may become cost-push as businesses pass on their increased input costs to protect profit margins'

» A wide spectrum of downstream industries relies directly on the petroleum sector, and it is likely that input cost pressures will be felt widely across the economy

pace of economic activity.

Inflation may become cost-push as businesses/producers pass on their increased input costs to protect their profit margins, it said. A wide spectrum of downstream industries relies

directly on the petroleum sector, and it is likely that input cost pressures will be felt widely across the economy, it added.

To temper cost pressures in critical sectors like agriculture, it said, the government has

taken various measures such as increased allocation of natural gas to the fertiliser production, waiver of customs duty and around 12 per cent increase in nutrient-based subsidy for the upcoming kharif season.

Beyond the production structures, it said, the conflict has seriously dented investors' confidence, disproportionately affecting Emerging Markets and Developing Economies (EMDEs), including India.

The consequent weakening of the rupee is another pressure point for domestic inflation, as that could raise import prices, it said.

The report said that repairing the damage to the oil and gas production/supply infrastructure in the Gulf region may take several months.

If such a gradual recovery is not supported by a good kharif output (a weather shock/below normal monsoon as predicted by the IMD – possible El Niño conditions), it is likely that the price shock felt at the headline inflation might spill over to the core measure through the cost-push channel, it said.

Yet it remains to be seen whether the spill-over effect will be strong/widespread or weak/limited, as it depends on a

range of factors such as the size of the shock, variability in the pass-through duration across different markets/commodities, price flexibility/rigidity in sectoral markets, energy intensity of different sectors, etc, it said.

The crisis in West Asia is not expected to adversely affect financial stability, as key indicators for capital adequacy, liquidity, and asset quality in both SCBs and NBFCs remain strong, it said.

Further, it said, the RBI will continue its proactive approach to ensure adequate liquidity to meet the economy's productive needs.

Oil marketing cos selling petrol at loss of ₹14/litre, diesel at ₹18

Besides losses on fuel, elevated energy prices are likely to leave firms with an under recovery of ₹80,000 crore on LPG in the current fiscal

OUR CORRESPONDENT

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Besides losses on petrol and diesel, the elevated energy prices post West Asia crisis are likely to leave companies with an under recovery of Rs 80,000 crore on cooking gas LPG in the current fiscal, while fertiliser subsidy is projected to rise to Rs 2.05 to 2.25 lakh crore.

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Crude prices before the West Asia crisis broke out two months back were around \$70-72 a barrel

Head, Icria.

"At crude prices of \$120-125 per barrel, marketing margins on petrol and diesel are estimated to be negative Rs 14 a litre and Rs 18 per litre, respectively."

Icria estimates LPG under-recoveries could reach Rs 80,000 crore in FY2027, if current trends persist, while the fertiliser subsidy burden is projected to rise to Rs 2.05-2.25 lakh crore, above the budgeted Rs 1.71 lakh crore.

Elevated raw material and energy costs are expected to weigh on profitability across oil marketing, fertilisers, chemicals and city gas distribution sectors, with limited ability to fully pass on higher costs to end consumers.

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Highlights

- » Fertiliser subsidy burden is projected to rise to Rs 2.05-2.25 lakh crore, above the budgeted Rs 1.71 lakh crore
- » Urea pool prices have risen to about \$19 per million British thermal unit in April 2026 from \$13 before the crisis
- » While profitability in PNG for households remains relatively stable, CNG margins are expected to weaken as cost increases are only partially passed on

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| GUEST VIEW

Will this oil shock force India into export-orientation?

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The International Monetary Fund in its recent spring meeting abandoned its single global growth forecast. It now presents three scenarios: 3.1% growth with 4.4% inflation, 2.5% growth with 5.4% inflation, or 2% growth with inflation above 6%, depending on how long the Strait of Hormuz stays shut. The International Energy Agency has called the 2026 disruption the worst energy shock the world has ever seen. Every such moment in history has belonged to countries that treated it as an inflection point rather than just an emergency.

In 1973, Japan pivoted to a manufacturing base re-engineered around fuel efficiency, led by its ministry of international trade and industry, in response to an oil shock. Korea's 1973 heavy and chemical industries (HCI) drive built Posco, Hyundai and its wider heavy-industry base; the 1979-80 shock then forced a stabilization programme that converted that base into export capacity. This year's shock could serve as a strategic opportunity for India.

An oil shock is a cascading event. The import bill widens first; every \$10 per barrel adds \$14-16 billion to our annual outflows, so a jump from \$70 to \$100 means roughly ₹4 trillion in extra bills; and \$120 means almost ₹7 trillion. The rupee weakens, making dollar-priced crude costlier in rupee terms. Foreign portfolio investors exit as the rupee slides. Input costs transmit through energy, petrochem and diesel-linked logistics, which is especially punishing because 65% of our freight moves by road (with a six-to-nine-month lag before raising core inflation). The Reserve Bank of India (RBI) has projected 2026-27 inflation at 4.6%, more than double the 2.1% reading for 2025-26. And it does not stop at one cycle; a price spiral can persist if the first round is not managed. Dearer fertilizer could impact *kharif* crops to spell 12-18 months of food inflation.

India, fortunately, confronts it from a position of unusual strength. Six budgets of fiscal consolidation have compressed the Centre's deficit from 9.2% of GDP in covid year 2020-21 to 4.4% in 2025-26 (though a GDP data revision widens it a bit), eliminated off-budget borrowings and held capex above 3% of GDP, while RBI has \$703 billion in foreign-exchange reserves. That's about 11 months of import cover.

India is cushioned, but not insulated. The question is how India must respond to today's shock. Oil prices quadrupled in 1973 and then doubled in 1979. Japan and Korea took opposing approaches to these shocks on almost every dimension, be it their monetary stance, industrial priority, external finance or exchange-rate regime. Japan tightened credit late in 1973 and paid with a 25% inflation peak; it tightened early in 1979 and took a shallower recession. Korea ran expansionary policy through both shocks and paid on its external account. Japan restructured away from energy-intensive heavy industry towards electronics, precision instruments and fuel-efficient automobiles; Korea pressed on with its HCI strategy, financed with external debt that touched 53% of GDP by 1982 and suffered its first post-war economic contraction of 1.7% in 1980 before attaining stability. But both converged on one instrument: exports. Korean exports grew at an annual average of over 30% through 1973-75. The

businesses that pushed into export markets after the shock outperformed their peers for 30 years after the programme ended.

Oil shocks are external, but India will need internal absorbers like targeted subsidies for fuel, food and fertilizer through the *bharat* season to protect farmers and households.

This will buy time for forest generating policies to work. The ₹25,060 crore Export Promotion Mission approved last November can act as a scaffold. A three-year rolling window for Remission of Duties and Taxes on Exported Products would let exporters price two-year contracts with certainty. Production-linked incentives could be given an export-linked multiplier. As WTO rules have been stretched by many countries, these need not hold us back. This was a tool that Korea used through its HCI drive to convert domestic subsidies into export success.

The foreign direct investment (FDI) that India attracts is oriented towards our market more than exports, while Korea, Taiwan and

Singapore attracted capital for the latter. Korea's Foreign Capital Inducement Act, Taiwan's Hsinchu Science Park and Singapore's Economic Development Board each tied preferential treatment to export performance. This aided their export success. India could deploy an aggressive export-oriented industrial policy, perhaps with five-year tax holidays for greenfield FDI above \$50 million conditional on 20% export intensity within three years and 10-year tax holidays for semiconductor and defence FDI with 40% domestic-sourcing defence offsets. Gulf sovereign-fund capital could be attracted for refinery and strategic petroleum reserve capacity, alongside a National Investment and Infrastructure Fund co-investment window to anchor large strategic projects. To assure foreign investors of policy predictability, an investment-certainty package with a dispute-resolution cell and a single-window tax-customs desk drafted a decade ago must be operationalized. Portfolio flows can be channelled into infrastructure and real-estate investment trusts.

The oil shock of 1973 forced Japan into efficiency. The 1979-80 one forced Korea to scale. This shock must force India into external orientation. Why wait for the next shock to teach us the same lesson at a higher price?

It should. There are lessons in how Japan and South Korea pivoted after energy shocks of the 1970s

The UAE's departure from OPEC may not break the cartel

The Economist

WHEN THE Organisation of the Petroleum Exporting Countries (OPEC) meets on April 29th, the club will be contemplating the departure of one of its longest-standing members. The United Arab Emirates (UAE), which has been part of the cartel since Abu Dhabi joined in 1967, has announced it will leave on May 1st. The war in Iran and its blockade of the Strait of Hormuz have choked off the region's energy exports, hampering the UAE and its neighbours in the Gulf. Now it has driven OPEC's third-biggest oil exporter to go it alone.

In announcing its country's departure, the UAE's energy ministry thanked the other

members of OPEC for "five decades of co-operation". But its eloquent words belie the fact that tensions in OPEC have been brewing for years.

The club imposes output quotas on its members in order to keep prices stable and, preferably, high. In recent years these limits have become a sore point for the UAE. In particular, playing into the rivalry between the UAE and Saudi Arabia, the group's biggest exporter and its de facto enforcer. At times the Saudis have even tried to punish the UAE by increasing output to drive down prices. The UAE, which produced 3.6m barrels a day (b/d) in February, had around 600,000 b/d of spare production capacity before the war began. It is splashing cash on production infrastructure and new exploration with the aim of increasing its total capacity to 3m b/d by 2027. Freed from

the constraints imposed by its membership of OPEC, it will be at liberty to pump as much oil as it pleases—at least once the Strait of Hormuz opens and it can get it out.

Energy markets have grown increasingly gloomy in recent days. Negotiations between America and Iran are at an impasse. In or out of OPEC, the UAE's exports are constrained by Iran's blockade of the Strait of Hormuz: currently it can only get the roughly 1.8m b/d that it can pump to Fujairah, a port on its coast that lies to the east of the strait, to global markets. Any big increase in output would depend on the strait opening up and seaborne exports restarting. On April 28th Brent crude, the global oil-price benchmark, rose above \$110 a barrel for the first time since Donald Trump announced a ceasefire in the Gulf, three weeks ago. The



Freed from OPEC constraints, the UAE will be able to pump as much oil as it pleases—once the Strait of Hormuz reopens. AFP

UAE's declaration barely moved the price.

The UAE has flirted with the idea of leaving OPEC in the past. The organisation can survive abandonment. Qatar, which produces oodles of natural gas but comparatively little crude, took its leave in

2019. Other members, such as Angola and Ecuador, have also left in recent years. And the UAE was in many ways troublesome. It flouted the cartel's rules on a grand scale. Some experts reckoned it overproduced by as much as 200,000 to 300,000 b/d. And the Emiratis could balance their books with lower oil prices than the Saudis, who have been spending lavishly on grandiose projects in efforts to diversify their economy.

Nonetheless the UAE's exit will deal a blow to OPEC's influence in oil markets. Growing production in the Americas over the past two decades has already eaten away at OPEC's share of global output, weakening its sway over prices. Once oil exports through the Strait of Hormuz resume, Saudi Arabia—which has the most spare capacity of any of the bloc's members—will have to curtail more of its output if it wants to support prices.

More immediately, the UAE's decision is a sign of regional tensions over how to manage the fallout from the war. It is possible to imagine Iran's attacks bringing the

Emiratis and their regional allies closer together. Instead the war may have sharpened the divides between them. While some Gulf countries, such as Oman, have pursued a conciliatory tone towards Iran, the UAE's has often sounded considerably more bellicose.

The Emirates came under heavy attack from Iranian missiles and drones. Its leaders criticised its neighbours for failing to support its defence. The war has encouraged it to double down on its partnership with Israel and America instead. OPEC has long been a bugbear of Mr Trump; he has repeatedly blamed it for pushing up oil prices. Deserting it may endear the UAE to the American president.

And ever closer relations with America could support the UAE's recovery once the war ends. On April 22nd Scott Bessent, Mr Trump's treasury

secretary, said America was considering offering financial aid to support the UAE's economy—a sign of the two allies' deepening ties. The UAE will hope that freeing itself from OPEC's production quotas will help it to replenish its coffers once oil exports via Hormuz resume. Some of the proceeds may be funnelled towards projects that would allow its exports to bypass Hormuz, such as building a second pipeline to Fujairah.

Whether OPEC will itself become a casualty of the war in the Gulf is still unclear. But even if it does not prove fatal to the bloc, the UAE's departure will further sour its relations with Saudi Arabia. The Emirates' leaders may consider that a small price to pay for keeping America onside.

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Iranians feel the pain as their economy descends into a death spiral

To contain the economic fallout, the Iranian government has raised wages, subsidized basic goods and handed out cash to the poor

Margherita Stancu, Benoit Faucon & Henna Vossavi

War has imposed a heavy cost on Iran's economy: more than a million people out of work, soaring food prices and a prolonged internet shutdown that has slammed online businesses.

The question is how much more pain Iran's leaders are willing to tolerate as they try to negotiate a favorable end to the war. Talks between the U.S. and Iran have stalled. American officials are betting that Iran will soon crack because of the deepening economic crisis. Iran is betting the U.S. will crack first and end its blockade of Iranian ports to calm global markets and bring down American gasoline prices.

To contain the economic fallout, the Iranian government has raised wages, subsidized basic goods and handed out cash to the poor. But authorities are confronting a level of hardship not seen in decades, according to residents.

"It is an authoritarian regime, and it can claim that resisting economic pressure is a question of national pride," said Alex Vatika, a senior fellow and Iran expert at the Middle East Institute. At the same time, "As the money dries up because of the blockade, we may find that more and more folks have no choice but to mobilize politically," he said.

At the center of the fight is the continued closure of the Strait of Hormuz, the conduit for roughly a fifth of the world's oil and liquefied natural gas.

Iran closed the strait early on in the conflict, effectively using the waterway to hold the world economy hostage. The U.S. responded with a naval blockade of its own, dealing a devastating blow to Iran's already-battered economy.

Daily struggles

Government revenue has dried up just as the needs of its population are rising.

The war has thrown around one million people out of work directly and another million indirectly, according to early estimates cited by Gholamhossein Mohammadi, an official at Iran's labor and social-affairs ministry. That is a significant portion of the roughly 25 million people who are normally employed in Iran.

The cost of living has soared, with the annual inflation rate reaching 67% in the month through mid-April from the same period a year earlier, according to Iran's central bank. The subsidized price of red meat, which was mostly imported through sea routes, has gone up to the equivalent of around \$3.60 a pound, beyond the reach of most in a country where the minimum wage is around \$130 a month.

"Living is not affordable anymore," said Mahdi Ghodsi of the Vienna Institute for International Economic Studies. "Iran is at its weakest point."

Businesses across the country—from manufacturers to retailers—are closing, residents said. The lack of steel and other raw materials is hampering production in various industries. Electronic goods, which are mostly imported, are in short



To contain the economic fallout, the Iranian government has raised wages, subsidized basic goods and handed out cash to the poor. But authorities are confronting a level of hardship not seen in decades, residents say. AP/MP

supply and expensive.

War damage

Iran's economic meltdown predates the war, crippled by years of U.S. and international sanctions. The collapse in the value of the local currency and fast-rising prices triggered mass antigovernment protests at the turn of the year. The regime crushed the protests with lethal force. The economic woes that underpinned the protests have worsened since the start of the war, raising the possibility that the unrest could flare up again.

The bombing campaign by Israel and the U.S. caused extensive physical damage to roads, ports and residential buildings. It also hit vital industries, including the country's main steelmaking and petrochemical factories. Iranian state media estimates that postwar reconstruction could cost around \$270 billion, a crippling sum for a country with an annual gross domestic product last year of \$341 billion.

Before the blockade, most of Iran's oil exports and most of its imports—from food to pharmaceuticals to raw materials—transited through the Strait of Hormuz.

Now, Iran is struggling to ship oil and other commodities that generated most of its revenue, shipping records show. As recently as March, Iran exported 1.85 million barrels of crude oil a day, worth \$191 million at international prices. There is no evidence any Iranian oil cargo has breached the U.S. blockade and reached Chinese customers or other buyers, said Homayoun Falakshahi, a senior oil analyst at the commodities-data company Kpler.

Iran is pushing for a quick reopening of the Strait of Hormuz, an indication of how vital it is to its economy. Tehran has presented regional mediators with an offer to stop its attacks in the strait in exchange for a full end to the war and a lifting of the U.S.

blockade of Iranian ports. The Wall Street Journal has reported, Tehran wants to postpone discussions about Iran's nuclear program.

"The government sees the end of the war as the beginning of a new problem: having to cope with a disillusioned, impoverished citizenry," said Djavad Salehi-Isfahani, a professor of economics who studies Iran at Virginia Tech. "If crude exports resume, they have some cushion. Iran can project an upward path to recovery, and people can say: these are terrible times, but we will recover."

Coping mechanisms

The Iranian government has taken steps to contain the economic fallout. It has increased the minimum wage and raised the salary of government employees and continued to subsidize the price of bread, fuel and other essential goods. It is

giving cash handouts to the poor and issuing coupons for the purchase of rice, chicken, cooking oil and other goods. It drew from strategic reserves of household staples to soften the economic blow for regular people.

The government has appealed to Iranians to do their part by limiting their consumption of water, electricity and gas. Tehran residents were encouraged to drive less and use public transportation instead.

Iran has taken some protectionist measures, banning the export of steel products. Rasool Khalilieh Soltani, secretary of Iran's Steel Producers Association, called on companies to ration their use of steel sheets for the next two months, according to Iranian state media.

Iran is trying to bypass the U.S. blockade by relying on alternative trade routes. It is using rail and road connections with Turkey, Armenia and Azerbaijan as well as the

Caspian Sea to the north to import goods. Ebrahim Najafi, an Iranian lawmaker, said recently in the country's Parliament.

At least 11 vessels loaded with grain, corn and sunflower oil have arrived in Iran's Caspian ports since the U.S. blockade started, according to Kpler. They had departed from Russia, Kazakhstan and Turkmenistan.

Over the weekend Pakistan announced that it has designated six corridors—both ports and land borders—through which Iranian goods could transit without restriction. Those routes will also be used to import rice and meat.

"Iranians will suffer hardship," said Mohamed Amersi, an Iran expert and member of the Global Advisory Council of the Wilson Center, a Washington think tank. "But their pain tolerance threshold is higher."

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DARKNESS TO DOMINANCE: INDIA'S CLEAN ENERGY TRANSFORMATION



COLUMN

PRALHAD JOSHI

Respond to this column at
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From the world's largest blackout to the world's fastest clean energy build-out—this did not happen by chance. It happened by design. On 31 July 2012, India made global headlines for the worst possible reason. Three regional electricity grids collapsed. Over 600 million citizens—nearly double the entire population of the US—lost power simultaneously across 20 states. Trains stalled mid-journey. Hospitals scrambled for backup generators. Families sat in darkness during peak summer heat. It was the largest power failure in recorded human history.

The 2012 blackout was not merely a technical failure. It was a verdict on years of underinvestment, weak grid infrastructure, poor planning, and a governance model that had treated electricity as a political favour rather than a public necessity.

That context matters. India's energy transformation can only be understood against that starting point, and against the numbers that defined it. In 2014, India's power shortage stood at 4.2%. Aggregate technical and commercial (AT&C) losses—the measure of electricity haemorrhaging through theft, inefficiency, and decaying infrastructure—stood at 22.62%. Rural India received barely 12.5 hours of electricity a day. The system was bleeding, and policy paralysis had become the default setting.

Cut to 25 April 2026, when India met a peak power demand of 256.1 gigawatts—the highest ever recorded in a single day. It came during a heatwave. It came amid surging industrial and household demand. And it was met without an issue. Not a flicker. Not a collapse. Power shortage today stands at 0.03%. AT&C losses have been brought down to 15%. Rural India now receives 22.6 hours of electricity a day. Urban India, 23.4 hours. That is not a coincidence. That is 12 years of deliberate, structural work.

What We Set Out to Do

When Prime Minister Narendra Modi took office in 2014, India's renewable energy capacity stood at 81 GW—almost entirely large hydro. Solar was a rounding error at 2.8 GW. The grid was unreliable, and farmers ran diesel generators just to pump water.

The Prime Minister set a clear, non-negotiable direction: India would not simply patch the broken system. It would build a new one. Non-fossil fuel capacity would be scaled aggressively. Renewable energy would be moved from the margins to the centre of national energy strategy. Every citizen—in every village, on every farm—would be brought into this new energy economy.

We chose to end the era of shortage, not manage it. Solar energy was a gift hiding in plain sight. India has world-class solar irradiance, and India's daytime cooling demand peaks when the sun is at its highest. The alignment between the problem and the solution was almost providential. What was missing was not the sunshine—it was the will to act.

The Record India Built

Under the leadership of Prime Minister Modi, in FY2025-26 alone, India added 44.61 GW of solar capacity—nearly double the previous year's record, and 31% above the stated target. Total installed solar capacity now stands at 150.26 GW, up from 2.8 GW in 2014—a 5,300% increase. Wind added another 6.05 GW, the highest annual addition in India's history. Total non-fossil capacity reached 283.46 GW by March 2026—a 260% increase since 2014. India is now the third-largest country globally in renewable energy installed capacity, having crossed the 50% non-fossil share milestone five years ahead of the 2030 target. On 25 April, when peak demand hit 256.1 GW, solar contributed 57 GW—22% of all generation. By midday, solar output touched 81 GW, nearly one-third of the total.

Meanwhile, solar module manufacturing capacity grew from 74 GW in FY25 to 172 GW in FY26—a 132% increase in a single year. As a direct result, solar module imports fell nearly threefold, down to \$758 million by January 2026. Wind turbine manufacturing capacity grew 33% to 24 GW. India is building its own panels and making its own turbines. The manufacturing base is now growing faster than the installation targets—a structural shift that will sustain this momentum well beyond 2026.

PM Surya Ghar Muft Bijli Yojana, the rooftop solar scheme, more than tripled its beneficiary count in a single year—from 1.1 million households in March 2025 to 3.43 million by March 2026. Nationally, rooftop solar today benefits 4.2 million households—families generating their own electricity, cutting their bills, and feeding surplus power back to the grid.

PM KUSUM, the solar pump scheme for farmers, installed 1.39 million solar pumps in FY26 alone—more than the entire cumulative installation from all previous years of the scheme combined. Total installed pumps reached 2.5 million, with a capacity of 7.67 GW. Farmers who once waited for grid power to irrigate their fields now have energy independence. They are not just energy consumers;

many are becoming energy producers.

Beyond Solar: Nuclear and Green Hydrogen

Renewable energy is the engine of India's transition. But a serious energy strategy cannot rely on a single source. Reliable, round-the-clock clean power requires a baseload backbone—and that is what nuclear provides. The achievement at Kalpakkam—where the prototype fast breeder reactor achieved criticality—deserves to be stated plainly: it is historic. Prime Minister Modi recognized it as such in his *Mann Ki Baat* address. With the recent Cabinet approval for Small Modular Reactors, India is building the clean baseload capacity that will power a Viksit Bharat by 2047. Solar powers the day. Nuclear secures the future. These are not competing visions—they are complementary pillars of one integrated strategy that ensures India never again sits in the dark.

India is also advancing into green hydrogen at industrial scale. In FY26, green ammonia auctions of 724,000 MTPA were completed—among the largest globally. A benchmark green hydrogen price of ₹279/kg was discovered, and supply agreements were signed for 670,000 TPA over ten years, with projected forex savings of \$2.5 billion. India is positioning itself not just as a clean energy consumer, but as a future exporter of green industrial commodities.

India is building its own solar panels and making its own wind turbines

What 256 GW Actually Means

256 GW is not just a number. It represents AT&C losses cut from 22.62% to 15%. Power shortage from 4.2% to 0.03%. Rural India from 12.5 hours to 22.6 hours of daily supply. It represents 2.5 million farmers with solar pumps, 4.2 million households with rooftop solar, a manufacturing base that has broken every record, and a grid that held—without disruption—under the highest demand in the nation's history.

The road to 500 GW by 2030—with 283 GW already built and 55 GW added in FY26 alone—is no longer a question of ambition. It is a question of execution, and India has proven it can execute.

The old system was not patched. A new one was built, and on 25 April, that new system proved itself to the world. There is still more to do. Storage must scale. Distribution must deepen. Green hydrogen must reach its potential. The 500 GW milestone must be reached and then surpassed. There is no illusion that the work is complete.

But 25 April is a day worth marking. It is the day India demonstrated what becomes possible when a nation commits—fully, structurally, and without apology—to building the energy infrastructure its people and its future deserve.

The author is the Union minister for new and renewable energy.

Adani flags UAE OPEC exit risk, urges energy resilience

TGG NETWORK
NEW DELHI

The impact of the United Arab Emirates (UAE) exiting OPEC on global energy markets remains uncertain as of now, but in these times, India's key priority should be building energy resilience, highlighted Sagar Adani, Executive Director, Adani Green Energy. Speaking on the sidelines of The Economist Impact Resilient Futures Summit in New Delhi on Thursday, Adani said "time will tell" whether the move by the

UAE will disrupt or stabilise global oil markets.

He said, "I think time will tell in terms of whether this move will either disrupt or, in my opinion, stabilise the world energy markets. Obviously, India and the UAE enjoy an exceptional country-to-country geopolitical relationship. The countries are very close, the leaderships are very close, and they enjoy a lot of trust and confidence with each other. So we think that from an India point of view, it will be a net-net positive in a way". He also shared, "Whatever



Sagar Adani urges energy resilience amid uncertain UAE OPEC exit impact

has happened with OPEC yesterday, the answer to all of this for India is energy resilience". On the broader energy situation, including disruptions

in the Strait of Hormuz, Adani described it as a difficult and unfortunate situation globally. However, he said India has managed the crisis effectively and ensured that

its impact has not translated into significant hardship for people.

He emphasised that the long-term solution for India lies in strengthening its energy resilience. He said the Adani Group has committed USD 100 billion towards energy transformation in the country, focusing on investments across renewable energy, transmission infrastructure, thermal power and other energy sources. The aim, he said, is to build a strong and resilient energy backbone for the Indian economy.

Adani also highlighted the role of government policies in supporting the sector. He said more than 50 gigawatts of manufacturing capacity has been added in the country over the past couple of years, driven by policy support. In addition, India crossed 55 gigawatts of renewable energy installations last year for the first time. He said both manufacturing capacity and project deployment in the energy sector are accelerating at a significant pace and are expected to continue.

West Asia Crisis Drives up Fuel Losses for OMCs: ICRA

Negative marketing margins persist despite recent excise cut of ₹10 per litre; fertiliser, gas sectors also under pressure

Our Bureau

Mumbai: The West Asia conflict is worsening marketing margins for oil marketing companies (OMCs), which remain deeply negative despite a recent ₹10 per litre excise duty cut, ICRA said on Wednesday.

At crude prices of \$120-125 per barrel, marketing margins are estimated at around negative ₹14 per litre for petrol and ₹18 per litre for diesel, according to the ratings agency.

For every \$1 per barrel increase in crude prices, fuel marketing losses rise by about 60 paise per litre, assuming no change in retail prices.

The pressure comes amid disruptions in supply chains through the Strait of Hormuz, which handles about 20% of global oil and LNG trade.

The disruption has pushed up prices of crude oil, natural gas, fertilisers and chemi-



cals, raising costs across downstream sectors.

In the LPG segment, supply disruptions have led to a surge in global prices, widening losses on domestic sales.

ICRA estimates LPG under-recoveries could reach ₹80,000 crore in FY27 if current trends persist, despite efforts by refiners to increase production and source cargoes from markets such as the US and Australia.

The fertiliser sector is also facing higher input costs, particularly for sulphur and ammonia. Gas prices for urea

production rose to about \$19 per mmbtu in April 2026 from \$13 prior to the crisis.

As a result, fertiliser subsidy requirements are projected at ₹2,052.25 lakh crore in FY27, above the budgeted ₹1,71 lakh crore, indicating a likely upward revision by the government.

Profitability of phosphatic and potassic fertiliser makers is expected to moderate due to limited subsidy support and partial pass-through of higher costs. A weak monsoon linked to El Niño conditions could further weigh on demand by limiting farmers' ability to absorb price increases.

City gas distribution companies are also facing margin pressure, especially in the CNG segment, due to higher gas costs and currency depreciation. However, the PNG-domestic segment is expected to remain stable, supported by preferential allocation of cheaper administered gas.

Mind the Gap in Gulf As UAE OPECs Out

Positive development for fuel-hungry India

A gap has just appeared in the Gulf. The UAE's decision to leave Organisation of the Petroleum Exporting Countries (Opec) is guided by concern over stranded assets, as global oil demand approaches its peak. The exit is the most dramatic effect of what has been transparent for a while: Opec's loss of relevance as the global oil market heads for peak demand while supply rises from non-members such as the US and Canada. Transition towards RE also makes it difficult for the grouping to enforce production quotas since cartel members, barring Saudi Arabia and the UAE, have not maintained significant spare capacity that can be used to stabilise prices. The UAE intends to up its oil production by a third, which won't be possible within Opec. But Abu Dhabi says it will do so without affecting market stability.

The development is positive for India, which will drive global oil demand over the next couple of decades and,



for strategic reasons, needs to diversify its oil supply. The UAE is India's most preferred trading partner in the Persian Gulf, and represents a geopolitically stable energy source nearby. Supplies from the Americas and Africa have to be shipped over longer distances, as does Russian crude. Western sanctions on Iran and Russia have affected India's importing choices. But Saudi Arabia, Iraq and the UAE remain among top sources. Abu Dhabi's decision to invest across the energy value chain could open up opportunities for a significant trading partner like India.

A diminished Opec will struggle with its market stabilising role. But that may not necessarily lead to greater volatility in energy prices. The oil market is in a steady glut despite the Russia-Ukraine and US-Iran conflicts. Rising demand from AI data centres will push up global energy demand, and the peak oil moment may be further down the road. AI is also improving oil production efficiency, contributing to longevity of the oil industry. The nature of collective bargaining for oil will, of course, change as new sets of producers and consumers join the table.

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Oil Jumps 4% to One-Month High on Extended Iran Blockade Fears

London: Oil prices jumped nearly 4% on Wednesday, with Brent hitting a one-month high, after a report that the US may extend its blockade of Iran, raising the risk of prolonged Middle East supply disruptions.

Brent crude for June rose \$4.24, or 3.8%, to \$115.50 a barrel by 1255 GMT, its highest since March 31 and marking an eighth straight day of gains. The more active July contract climbed 3.9% to \$108.43.

US West Texas Intermediate (WTI) crude for June advanced \$4.03, or 4%, to \$103.96 a barrel, the highest since April 13, extending gains to seven of the past eight sessions.

US President Donald Trump has asked aides to prepare for a prolonged blockade of Iran, the *The Wall Street Journal* reported, citing officials. The move would intensify pressure on Tehran by restricting shipping to and from its ports.

On Wednesday, Trump urged Iran to "get smart soon" and agree to a deal to end the conflict.

"If the blockade is extended, supply disruptions would deepen and continue to push oil prices higher," said Yang An, analyst at Haitong Futures. **Reuters**

\$120 oil risk clouds GDP outlook, stokes inflation fears

NEW DELHI

INDIA'S GDP growth may slip to around 6 per cent and retail inflation could rise to RBI's upper tolerance band of 6 per cent in the current fiscal, if the Indian crude basket price averages USD 120 a barrel, EY India said on Wednesday.

EY India Chief Policy Advisor DK Srivastava said, although room for policy interventions is limited, policymakers need to consider upward revision in the repo rate and accelerated diversification of sources of crude supply as the price of the Indian crude basket (ICB) may rise further if the West

- **\$120 oil risk clouds GDP outlook, stokes inflation fears**
- **West Asia crisis could dent India growth, push inflation to 6%**
- **Expensive crude threatens FY27 macro balance: EY report**
- **Oil shock scenario: growth slows, prices rise**

Asian crisis persists.

"If the ICB price averages USD 120 per barrel in FY27, India's real GDP growth may slip to about 6 per cent and CPI inflation may increase

to 6 per cent... To minimise the adverse impact on fiscal deficit, increased energy prices should be passed on to the retailers to a relatively larger extent," Srivastava said.

The April 2026 release of the US Energy Information Administration EIA Short-Term Energy Outlook projects Brent crude oil prices to increase from an average of USD 81 per barrel in Q1 2026 to a peak of USD 115 per barrel in Q2 2026. Depending on how the crisis evolves, crude prices may fall in the future. The International Monetary Fund (IMF) has projected India's GDP growth at 6.5 per cent

for FY27, while the Asian Development Bank (ADB) and the World Bank expect it to be 6.9 per cent and 6.6 per cent, respectively.

The Reserve Bank of India (RBI), in its monetary policy review earlier this month, projected GDP growth for FY27 at 6.9 per cent compared to 7.6 per cent estimated in FY26. The RBI also projected inflation to average 4.6 per cent for FY27.

In the EY Economy Watch report, Srivastava said current indications suggest that the West Asian crisis may last well beyond expectations of a short-lived conflict.

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Date :30 April 2026	Page : 13

Oil firms selling petrol at ₹14 a litre loss, diesel at ₹18: ICRA

Oil marketing companies (OMCs) are selling petrol and diesel at a loss of ₹14 per litre and ₹18 per litre, respectively, as elevated crude prices outpace capped retail fuel rates, squeezing marketing margins. Besides losses on petrol and diesel, the elevated energy prices post West Asia crisis are likely to leave companies with an under recovery of ₹80,000 crore on cooking gas LPG in the current fiscal, while fertiliser subsidy is projected to rise to ₹2.05 to 2.25 lakh crore. Rating agency ICRA said supply disruptions in the Strait of Hormuz have tightened availability of fuels, fertilisers and chemicals, pushing up prices and increasing cost pressures across downstream industries. Crude prices before the West Asia crisis broke out were around \$70-72 a barrel. "The stable pump prices for auto fuels amid elevated crude oil prices are impacting the profitability of the OMCs," said Prashant Vasishth, Senior VP and Co-Group Head, ICRA. PTI

Energy subsidies hit ₹4.3 lakh crore in FY25, three times the incentive given to clean energy sector

Our Bureau
Chennai

India spent at least ₹4.3 lakh crore (\$51 billion) on energy subsidies in 2024-25, with nearly three-fourths going towards electricity and LPG, even as support for fossil fuels remains around 3x higher than that for clean energy, according to an analysis by the International Institute for Sustainable Development (IISD).

The report, *Mapping India's Energy Policy 2026: Power Subsidies and Supply Shocks Tightening Clean Energy Support*, stated that rising broad-based fossil fuel subsidies are shrinking the fiscal space for scaling clean energy, which is crucial for reducing India's dependence on volatile fuel imports.

Of the total subsidy bill,



LARGE SHARE. Electricity subsidies stood at ₹2.41 lakh crore, or 58 per cent of total energy subsidies. VELANKANNI RAJ B

electricity subsidies stood at ₹2.41 lakh crore (58 per cent), while LPG subsidies reached ₹71,718 crore in FY25.

SUBSIDY SPENDING

The report noted that electricity subsidies have nearly doubled over the past decade and are growing faster than consumption itself, partly due to higher eligibility limits for subsidised consumers in

some States. In several States, these subsidies are equivalent to nearly 20 per cent of annual revenues, with a rising share being used to cover routine operating costs of power distribution companies rather than efficiency improvements.

HUGE VULNERABILITY

LPG remains the single largest fossil fuel subsidy and

a major source of fiscal vulnerability, IISD said. India imports around 60 per cent of its LPG needs, making subsidy spending highly sensitive to global prices. Nearly half of the FY25 LPG subsidy burden came from under-recoveries — losses borne by oil marketing companies when retail prices are kept below cost.

Subsidies for renewable energy stood at ₹26,406 crore and support for electric vehicles at ₹16,812 crore in FY25.

Together, clean energy subsidies accounted for only about 10 per cent of total support.

The report called for better targeting of electricity and LPG subsidies and stronger support for alternatives such as rooftop solar, electric cooking, decentralised biogas and EVs.

LPG under-recoveries likely at ₹80,000 crore in FY27, says ICRA

TOUGH TO HEDGE. Outlook on fertilizer, basic chemicals and petrochemical sector also remains negative

Our Bureau
New Delhi

The West Asia conflict severely impacted India's supply of liquefied petroleum gas (LPG) forcing the world's top energy consumer to procure costly cargoes to meet domestic demand. This is expected to push up under-recoveries of PSU oil marketing companies (OMCs).

Ratings agency ICRA estimates domestic LPG under recoveries at ₹80,000 crore for FY27, if the current trend continues for the entire fiscal year.

Prashant Vasisht, Senior VP & Co-Group Head at ICRA, said "With supplies of LPG blocked from West Asia, international LPG prices have surged. While LPG production has been increased by the refining companies and cargoes procured from the US and Australia, ad-

ressing the supply side issues to an extent, under-recoveries on sale of domestic LPG remain high for the OMCs."

Another pain point, explained Vasisht, is the fertilizer subsidy, which is projected to rise to ₹2.05-2.25 lakh crore for FY27 with an upward basis. "Significant raw material price inflation coupled with inadequate subsidy revision, is set to moderate the profitability of P&K fertilizer players vis-à-vis FY26 levels," he added.

EL NINO EFFECT

The expected impact of El Nino on monsoon in the upcoming kharif season may also affect the ability of farmers to absorb price increases.

"We expect the Centre to enhance the allocation towards fertilizer subsidy during FY27, from the budgeted ₹1.71 lakh crore, to maintain a stable credit profile for this



GASSED OUT? City gas distribution sector, protected to some extent due to preferential allocation, continues to face cost pressures amid currency depreciation and rising gas prices REUTERS

sector," he added. On marketing losses of OMCs for selling petrol and diesel, Vasisht said that stable pump prices for auto fuels amid elevated crude oil prices is impacting OMCs' profitability despite the recent reduction in excise duty.

"At crude prices of \$120-125 per barrel and long-term averages of crack spreads, the marketing margins on petrol and diesel are estim-

ated to be negative ₹14 per litre and ₹18 a litre, respectively," he added.

OVERALL OUTLOOK

The city gas distribution (CGD) sector, although protected to some extent owing to preferential natural gas allocation, continues to face rising cost pressures amid currency depreciation and rising gas prices.

"For the CGD entities,

ICRA expects the profitability on PNG-Domestic (PNG-D) to remain stable as the demand is being met through preferential allocation of the Administered Price Mechanism (APM) gas. However, for the CNG segment, the margins are expected to face headwinds on account of the increased gas costs as well as currency depreciation, which may not get passed on fully to the consumers," ICRA added.

Its outlook on crude oil refining segment is stable, while that on the fuel retailing segment remains negative driven by the steeply negative marketing margins on the sale of auto fuels.

Additionally, ICRA's outlook on the fertiliser, basic chemicals and petrochemical sector also remains negative driven largely by expectation of moderation in the profitability driven by a mix of reason.

Centre pushes for 100% ethanol-powered vehicles

AMBITIOUS SHIFT. Industry flags 'mileage penalty' and feedstock gaps

Our Bureau
New Delhi

To push an ambitious shift towards 100 per cent ethanol blending, the government moved to align vehicle regulations to formally integrate E100 (100 per cent ethanol) into the country's regulatory architecture, effectively legalising the certification and mass production of flex-fuel vehicles (FFVs).

While the E20 (20 per cent ethanol) will continue as monofuel available across the country, the latest move encourages introduction of higher ethanol blends in vehicle manufacturing.

MV RULES CHANGE

The Ministry of Road Transport and Highways issued a draft notification on April 27, seeking to amend the Central Motor Vehicles Rules, 1989 to formally allow vehicle standards covering fuels up to E100, replacing earlier references that were limited to E85.

The draft seeks to amend Rule 115, expanding emission-related tables and fuel



FUELLING CHANGE

India's petrol consumption reached 42.59 million tonnes. Ethanol now makes up 8.52 mt of total petrol volume

classifications to include high-blend ethanol and B100 biodiesel. Crucially, the notification increases the gross vehicle weight category for compliance from 3,000 kg to 3,500 kg.

The changes also expand petrol compatibility norms from E10 to E20 and introduce provisions for B100 biodiesel, indicating that the regulatory architecture is being widened to support a full range of high-blend fuels.

References related to hydrogen plus compressed natural gas nomenclature have been revised, while petrol fuel classifications have been updated to reflect "E10/E20" categories.

FUEL SALES MAY RISE

Petrol sales in India grew by approximately 6 per cent in 2025-26, reaching 42.59 million tonnes (mt). Following the successful nationwide rollout of the E20 mandate, ethanol now accounts for 8.52 mt of that volume.

However, industry experts warn that as blending levels rise toward E100, the overall growth rate of fuel sales may accelerate further.

This is largely due to the "mileage penalty" since high-ethanol blends possess lower energy density, consumers must purchase a higher volume of fuel to cover the same distance, potentially increasing the total market demand for blended petrol.

While India has built a robust distillation infrastructure, boasting a capacity of 2,000 crore litres as of March 2026, achieving E100 parity

remains a feedstock challenge. Industry leaders, including Atul Chaturvedi of Shree Renuka Sugars, noted that while current capacities can comfortably support a 30 per cent blend, moving beyond that threshold requires a significant scaling of raw materials.

Currently, feedstock efficiency varies wildly: a tonne of sugarcane juice yields only 70 litres of ethanol, whereas grain-based alternatives like broken rice and maize offer a more concentrated output of up to 475 litres per tonne.

The automobile industry, represented by the Society of Indian Automobile Manufacturers (SIAM), is approaching the transition with a blend of technical readiness and fiscal caution. The leap to E100 introduces a significant "efficiency gap".

"We are reviewing the draft internally," a SIAM official noted, emphasising that pricing and availability of ethanol, matching pace of the automobile industry to manufacture vehicles with new engines, pricing of vehicles, fuel efficiency have to align for full adaptation.

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Crude oil flares up on prolonged Hormuz issue



London: Crude oil prices rose almost 4 per cent on Wednesday, with the Brent contract hitting a one-month high, after a media report said that the US will extend its blockade of Iranian ports. Brent crude futures for June rose \$4.24 to \$115.50 a barrel by 1255 GMT. US WTI futures for June rose \$4.03 to \$103.96.
REUTERS

Russia says it has no plans to leave OPEC+

UAE's shock exit from OPEC is a significant blow to the cartel's ability to manage prices

Bloomberg News

Russia said it has no plans of leaving its alliance with OPEC after the United Arab Emirates' shock decision to quit the cartel raised questions about its future amid a historic supply disruption caused by the Iran war.

Moscow isn't considering the possibility of leaving the partnership with the Organization of the Exporting Petroleum Countries and hopes the UAE's exit from the group doesn't mean the end of the broader OPEC+ alliance, Kremlin Spokesman Dmitry Peskov told local media. Russia and Saudi Arabia are the de facto co-leaders of OPEC+.

The UAE's exit from OPEC after six

decades of membership is the culmination of years of tension with Saudi Arabia over oil output policy and competition for regional political influence. While the group's top members in the Persian Gulf have been grappling with the closure of the Strait of Hormuz, Russia has struggled with Ukrainian attacks on its energy infrastructure.

"This is a very important area of work, especially crucial in the current conditions, when energy markets are, to put it mildly, in turmoil," the Interfax news agency quoted Peskov as saying. The OPEC+ format helps significantly minimize fluctuations on energy markets and stabilize them, he added.

Bloomberg reported previously that several delegates in the alliance said on Tuesday they neither plan to follow the



OPEC. Oil slick REUTERS

UAE out the door, nor see its departure triggering a wider exodus.

The UAE announced its exit from OPEC, effective May 1, on Tuesday. It's a significant blow to the group and its ability to manage oil prices by adjusting supply. Before the Iran war, the UAE was the third-biggest OPEC producer, trailing only Saudi Arabia and Iraq.

The comments from the Kremlin echoed a statement from Kazakhstan on Wednesday. The energy ministry in Astana said changing the format of Kazakhstan's participation in the OPEC+ alliance isn't on the agenda. Earlier, several officials at other OPEC+ members said they didn't expect a wider exodus to immediately follow the UAE.

Russia's ability to ramp up production remains limited amid intensified attacks on its oil infrastructure, from refineries to sea terminals, as Ukraine aims to reduce the inflow of petrodollars to nation's coffers.

In March, Russia's crude-only output was virtually flat after three consecutive months of declines at 9.167 million barrels a day.

India set for long-term energy gains from UAE's OPEC exit

Rishi Ranjan Kala
New Delhi

India is unlikely to reap immediate gains from Abu Dhabi's OPEC exit due to the Strait of Hormuz closure limiting export capacity, but stands to benefit in the long term through increased crude and LPG flows and expanded strategic petroleum reserves.

Prashant Vasisht, Senior V-P & Co-Group Head Corporate Ratings at ICRA, told *businessline*: "Timing is critical. In 2025, trade wars and other issues impacted earnings of producers such as Saudi Arabia and the UAE and 2026 started with the largest oil and gas disruption in history. The UAE intends to protect and expand its market share. They are coming out of tough times and want to ensure their market share does not come down further."

PRODUCTION PLAN

Besides, the UAE has aggressive plans to raise oil production to 5 million barrels per day (mb/d) by 2027. It's their strategy to position themselves to play a key role in energy markets, particularly Asia and India. For India, this can be a positive considering the geographical proximity to the UAE, he added.

Global real time data and analytics provider Kpler said that in the near to short term, a potential UAE exit from OPEC is unlikely to translate into any incremental crude supply to the market or India, primarily due to ongoing export constraints rather than production policy.

Sumit Ritolia, Kpler's Lead Research Analyst for Refining & Modeling, said that currently a significant share of UAE's crude exports are routed via the Abu Dhabi Crude Oil Pipeline (Habshan-Fujairah pipeline), which bypasses the SoH.



NEW AVENUES. New Delhi may gain through increased crude and LPG flows and expanded energy cooperation REUTERS

"Our estimates suggest that this pipeline is already operating at or near capacity (around 1.8 mb/d), with flows in April running close to roughly 2-2.1 mb/d. Pre-disruption, the UAE was exporting around 3.3-3.4 mb/d of crude, but this has now fallen to around 2-2.1 mb/d, largely due to constrained export routes. As a result, the lack of incremental export capacity under current conditions (effectively a constrained/blocked Strait scenario) limits any immediate upside in supply. Therefore, OPEC exit does not materially change near-term supply availability for India," he explained.

Over the longer term, however, the outlook is more constructive. The UAE has been steadily expanding upstream capacity and, outside OPEC constraints, could raise production (need to see if this happens), he said.

"At the same time, energy ties with India continue to deepen, supported by strategic engagement and growing cooperation with ADNOC. This creates scope for higher crude flows to India, as well as expansion of strategic petroleum reserve (SPR) arrangements, building on existing ADNOC storage agreements," Ritolia anticipated.

Norbert Rucker, Head of Economics & Next Generation Research at Julius Baer, said that OPEC is anything

but a cohesive group, and its policy making track record over the past years is streaked.

TECTONIC SHIFTS

"The petro-nations' challenge is not the UAE exit but the tectonic shifts in the oil market more broadly. (The) US shale oil, South American deepwater oil, or Chinese plug-in cars all illustrate the new oil market setting of stagnation and greater competition. The UAE's exit from OPEC matches our longer-term view on the oil market, where ample supplies and greater competition anchor prices in the high \$60s," he added.

Karen E Young, Senior Research Scholar at the Centre on Global Energy Policy, said, "The Emirati's OPEC announcement seems to be part of a broader energy strategy to be able to move volumes and products (oil, gas, renewables) when and how they see fit and to prepare themselves for a new era of global energy security conflict and partnerships. New announcements that UAE state-owned oil company ADNOC/ XRG is planning to invest in a US gas business can also be read in this light."

A trade source opined that UAE's exit also points to the growing division inside OPEC and is likely to challenge the cartel's production coordination and influence over crude oil prices.

After UAE's exit from OPEC, India must spell out its energy alliances

ON TUESDAY, the UAE announced that it was leaving OPEC. After almost 60 years of membership, its exit is significant because this comes on the back of escalating disagreements with Saudi Arabia on regional conflicts in the last few years, most notably in Sudan and Yemen. Immediately, this move will likely have little impact on oil markets given the ongoing blockade of the Strait of Hormuz. However, in the medium to long run, it could be significant.

The differing economic and oil production philosophies of Saudi Arabia and the UAE have now been laid bare. At least historically, Saudi Arabia has generally supported constraining supply and maintaining a high global price environment. This was not only an economic move, but a political one in response to the dominance of Western oil majors and military conflict in Gulf states in the 1970s. By enforcing OPEC's quota system, where each member state (12 members before the UAE's departure) would be held to production targets, OPEC used its spare capacity as a tool to strongly guide global oil prices. Before the UAE's exit and the Iran war, OPEC+ (which has 11 additional countries, including Russia) production accounted for almost half of all global oil production. With the UAE's exit, almost 4-5 per cent of that production will no longer follow the quota, which could somewhat affect OPEC's pricing power.

Clearly, the UAE is interested in expan-

ding its production well beyond what the OPEC quota system allows. All oil-producing countries have the same quandary right now: Is it better to hold back and produce for longer (in a high-price environment), or is it better to produce quickly (in a slightly lower price environment) and make money in the short run? The UAE is generally understood to have some of the lowest per barrel oil production costs in the region, so lower prices have less of an impact on its profit margins. Frustrated with the quotas and clearly wanting to pursue more production, its exit is not completely unexpected. There were rumblings of similar moves in 2020, although nothing came of it.

This decision does raise questions about whether this withdrawal is limited to oil markets alone or if the OPEC withdrawal is a precursor to broader Emirati realignment. The elements of cooperation among Gulf states post-World War II had included common interests around nationalised development of oil and gas resources (resisting Western MNC domination as much as possible), a loose sense of Gulf regionalism, and broad-based security cooperation through the Gulf Cooperation Council (GCC) to ensure the political continuity of the region's monarchies. If the UAE's withdrawal affects all of these common interests as well, then one has to wonder whether the GCC's binding ties are being threatened. The UAE's increasing alignment with the US and Israel



ROHIT CHANDRA

This decision does raise questions about whether this withdrawal is limited to oil markets alone or if the OPEC withdrawal is a precursor to broader Emirati realignment

has been a source of tension amongst some GCC member states.

For India, this has a few implications. First, any rising instability amongst Gulf states will have impacts on the 9 million Indian migrants in the region, most of them low-wage workers. Their safety, their working conditions, and their well-being will be a rising concern if the two largest recipients of Indian migrants in the region (the UAE and Saudi Arabia) are increasingly caught up in regional tensions. Remittance inflows (annually over \$50 billion from the GCC) may be less stable, and opportunities for economic migration may be more precarious if this is a broader schism in the GCC.

Secondly, in the wake of the Iran war and these developments, India may not be able to rely on investments from Gulf states at the scale that it has in the last decade. Many of the region's sovereign wealth funds have suspended deals due to the ongoing conflict, and it is not hard to imagine that many of these funds will have to commit resources to domestic investments and redevelopment after the Strait of Hormuz opens up.

Finally, as one of the UAE's largest oil customers, there may be a silver lining if the UAE's increased production does manage to drive down oil prices later this year. Between LPG shortages, impending price increases of all crude oil-derived products, and conflict premiums, the economic effects of the conflict are al-

ready being felt strongly in India.

Countries have left OPEC before. Indonesia suspended its membership in 2009, rejoined, and then left again in 2016. Qatar left OPEC in 2019 to focus on gas production. OPEC+ countries have not always followed the quotas as closely either. The International Energy Agency (IEA) was created in the 1970s as an "anti-OPEC" for largely Western member countries to coordinate the release of their Strategic Petroleum Reserves (SPR) during such crises to control global prices.

India's associate membership in the IEA does not give it a seat at the table when such decisions are made; it is a beneficiary of the SPR releases of IEA member states through lower global oil prices. On the other hand, its long diplomatic and commercial connection with Gulf states has been the foundation of decades of expansion of oil & gas consumption. India-OPEC dialogues have also been happening more frequently, and it is projected to be one of the biggest importers of oil globally in the next few decades.

So while the UAE's withdrawal from OPEC does not need to trigger any knee-jerk policy reactions, it should provoke India to think more deeply about which clubs it wants to be a part of, and where it should use its diplomatic and commercial capital to enhance its energy security. The UAE seems to have made its choices. But so far, India seems to be sitting on the fence.

The writer is assistant professor, IIT Delhi School of Public Policy

• ENERGY

What UAE exit from OPEC means

After years of Saudi-led production quotas, UAE wants to ramp up oil output. This may be a good thing for large buyers like India



ARAV SHAH & SUKALP SHARMA

THERE HAD been murmurs for years. Yet, when the United Arab Emirates (UAE) announced its exit from OPEC (Organization of the Petroleum Exporting Countries), it came as a shock. The exit of a major member will weaken the powerful cartel's ability to influence global oil supply and prices as it did for decades.

And that may be a good thing for large oil importers such as India — the world's third-largest consumer of crude oil which depends on imports to meet nearly 89% of its requirement.

The UAE's decision, and the consequent structural weakness within OPEC, is expected to put downward pressure on oil prices in the longer term. In the short term, however, there will be no impact as long as the Strait of Hormuz remains blocked, say experts and analysts.

It is clear that the UAE wants to produce as much oil as possible, even in a low price environment. This would mark a stark divergence from the years of production quotas enforced by OPEC's de facto leader, Saudi Arabia, to influence oil prices.

OPEC and the UAE

Founded in September 1960 at the Baghdad conference, OPEC was originally established by Iran, Kuwait, Iraq, Saudi Arabia and Venezuela. Before its formation, Western multinational oil companies (often called the Seven Sisters) largely dictated the prices paid to oil-producing nations. OPEC aimed to counter this dominance.

Abu Dhabi formally joined the alliance in 1967, six years before the OPEC oil embargo was imposed on nations such as the US and the Netherlands owing to their support of Israel in the Arab-Israeli war. With oil prices nearly quadrupling in that period as a result, OPEC steadily gained geopolitical leverage while extending membership to countries such as Algeria and Nigeria.

In 2006, OPEC+, a wider alliance that included 10 major non-OPEC producers led by Russia, was created. A response to the US's booming shale oil production, OPEC+ produced over 40% of the world's crude oil. OPEC, and OPEC+, derive their influence from oil supply management. The Saudi-led grouping sets strict production quotas for its member countries, which, it claims, is designed to protect the market from oversupply. It also allows them to increase production during supply shortages, ensuring that prices do not skyrocket.

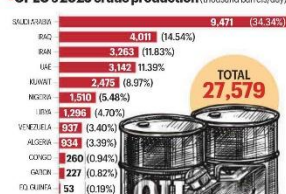
UAE wants to pump more oil

The Iran war has led to scarcity of oil in the international market and a surge in prices, primarily due to the effective closure of the Strait of Hormuz — the critical maritime chokepoint that normally accounts for a fifth of global oil flows. But once the Strait reopens, and after the initial oil buying spree by countries subsides, there is bound to be more than enough oil available in the market.

Shouldn't that make major producers regulate production to keep oil prices buoyant, something that OPEC and OPEC+ have already been doing? The UAE doesn't seem to agree, and it has its reasons.

According to Rystad Energy, as global oil demand approaches a peak and begins to decline due to the transition to renewables, incentives for countries like the UAE are shifting. Such producers — with spare production capacity — may prioritise monetising reserves and protecting market share over collective restraint. The UAE, with capacity of around 4.8 million barrels per day (bpd) and significant room to increase output, is "particularly well posi-

OPEC's 2025 crude production (thousand barrels/day)



SOURCE: OPEC
NOTE: DATA COMPILED BY OPEC-ASIA/CTI
ECONOMY SOURCES

tioned" to pursue such a strategy outside the OPEC, it said. "With demand nearing a peak, the calculation for producers (like the UAE) with low-cost barrels is changing fast, and waiting your turn inside a quota system starts to look like leaving money on the table," said Jorge Leon, head of geopolitical analysis at Rystad Energy.

In his recent column on the development, *Reuters* energy columnist Ron Bousso wrote: "Like other Gulf producers, the UAE sits on vast oil reserves and enjoys some of the world's lowest extraction costs. This means it is in a strong position to generate profits even during prolonged periods of low prices. That advantage has made Saudi-mandated production curbs progressively harder to justify from Abu Dhabi's perspective."

On top of this, there is a finite window to monetise hydrocarbons as oil consumption is widely expected to peak in the coming decades, according to Bousso.

Pressure on oil prices?

According to Bousso, the UAE's exit from OPEC could open the door for an all-out price war once Gulf producers rush to regain market share after the Iran war is over.

"The UAE's exit not only further erodes OPEC's market share but may also encourage other OPEC+ members to question the value of limiting output. More importantly, once the Iran war ends, this new dynamic could mark the opening shot in a bitter struggle for market share among major producers — OPEC+, the UAE and the US — potentially triggering a sharp drop in oil prices and years of turbulence," he wrote.

OPEC itself has weakened over the years, with its share in global oil production falling from roughly half in the 1970s to less than a third now. Non-OPEC producers now account for roughly 70% of global oil production. Moreover, the group has come under attack from various countries, including the US. For long, Donald Trump has accused the cartel of "ripping off the world" by artificially propping up oil prices. And amid the West Asia war, UAE's move is also being seen as aligning with Washington on oil production and prices.

Now, a lot would actually depend on how OPEC and OPEC+ respond in the coming months. Initial indications are of unity. Kremlin spokesman Dmitry Peskov reportedly said OPEC+ remains important, especially during current oil turmoil.

Nonetheless, with a major OPEC producer now on its way to increase oil production, downward pressure on oil prices is a fair expectation over the medium term, even if there is no all-out price war.

FULL REPORT ON
WWW.INDIANEXPRESS.COM

India impact

For large oil importers like India, which are always on the lookout for cheap and economical barrels, the outlook is positive.

Given that India imports 1.8-2 billion barrels of crude oil a year, every \$1-per-barrel change in oil prices impacts the country's oil import bill by up to \$2 billion on an annualised basis.

Publication : The Statesman	Editions : New Delhi
Date :30 April 2026	Page : 10

Oil, gas price surge halts Wall Street rally amid energy pressure

UNITED NEWS OF INDIA
Washington, 29 April

Oil prices saw another surge, as the ongoing Iran war knocked Wall Street off its recent highs on Tuesday, as investors continue facing mounting pressure in energy markets.

The S&P 500 fell 0.5 percent from its latest all-time high. The Dow Jones Industrial Average dropped 25 points, or 0.1 pc, while the Nasdaq Composite fell 0.9 pc from its own record.

The moves came as oil prices continued their steady climb. Brent crude for June delivery rose 2.8 pc to settle at USD \$111.26 a barrel, while the more actively traded July contract gained 2.7 pc to US\$104.40.

Prices have risen sharply since late February, when Brent was trading near US\$70. They are now approaching the US\$119 mark seen earlier during heightened fears around the conflict.

The knock-on effect is being felt at all pumps throughout Washington. According to AAA,



the average price for gasoline in the US has climbed to US\$4.18 a gallon - the highest level since 2022. Similarly, gasoline prices have risen by US\$1.20 a gallon since 28 February, surging by nearly 7 cents overnight.

Higher gas prices could take a serious toll on the economy as customers rein in their spending, threatening overall GDP growth, experts have warned, as about 70 cents of every US\$1 of GDP stems from consumer spending.

Higher diesel prices also threaten to increase the cost of food and other consumer goods as transportation costs grow. As of Tuesday, diesel was US\$5.46 a gallon, up US\$1.70 since the war began, according to AAA.

Online

Headline	SEAMEC Executes ONGC Contract For Samudra Sevak O&M Services		
Publication	Daily Hunt (Mobile)	Edition	Online Coverage
Published Date	29 Apr 2026		

SEAMEC Executes ONGC Contract For Samudra Sevak O&M Services

<http://m.dailyhunt.in/news/india/english/the+free+press+journal-epaper-fpressjr/seamec+executes+ongc+contract+for+samudra+sevak+om+services-newsid-n710348183>

Mumbai: SEAMEC has moved ahead with a key offshore services contract, locking in work on a critical ONGC vessel as part of a previously announced award.

Secures Offshore Contract

SEAMEC Limited, in partnership with Supreme Hydro Pvt Ltd, has formally executed a contract with Oil and Natural Gas Corporation Limited for operating and maintaining the MSV Samudra Sevak. The agreement covers the period from 2026 to 2028 and marks the conversion of an earlier award into a binding contract. This step confirms the consortium's role in supporting ONGC's offshore operations over the next two years.

Continues Prior Engagement

The contract execution builds directly on the company's earlier communication dated March 13, 2026, where the award of work was disclosed. With the signing now complete, the scope, structure, and obligations remain aligned with the original notification of award. The company clarified that all terms and conditions of the contract remain unchanged, ensuring continuity in expectations and delivery.

Strengthens Service Position

By securing this contract, SEAMEC reinforces its position in offshore support services, particularly in operations and maintenance of specialized vessels. The Samudra Sevak plays a vital role in offshore activities, and maintaining such assets requires technical expertise and operational consistency. The consortium approach also highlights collaboration as a strategy to deliver large-scale marine service contracts efficiently.

Signals Operational Stability

The execution of the contract indicates stable business visibility for SEAMEC in the near term. With a defined engagement spanning two years, the company secures a steady stream of operational work tied to India's energy sector. The confirmation also suggests alignment with ONGC's ongoing offshore infrastructure requirements, positioning SEAMEC to remain an active participant in the segment.

SEAMEC's latest contract execution reflects a continuation of its offshore services pipeline, translating prior awards into firm business engagements while maintaining consistency in contractual commitments and delivery expectations.

Disclaimer: This article is based solely on the contents of the company filing dated April 28, 2026, and does not include external reporting or independent verification.

Headline	UAE's OPEC exit: Breaking ranks with the GCC, charting its own course		
Publication	Daily Hunt (Mobile)	Edition	Online Coverage
Published Date	29 Apr 2026		

UAE's OPEC exit: Breaking ranks with the GCC, charting its own course

<http://m.dailyhunt.in/news/india/english/hindustan+times-epaper-http://times/uaes+opec+exit+breaking+ranks+with+the+gcc+charting+its+own+course-newsid-n710353940>

The UAE's exit from OPEC is as much about oil as about the future of intra-GCC and intra-Arab relations. OPEC's interests (read Saudi Arabia's) have ceased to align with Abu Dhabi's.

Hit by Iranian missiles and drones more severely than Israel, the UAE has long chafed at the insipid response of its GCC and Arab partners. After years of weighing such a break, it has moved from intent to action, hinting at the path it will take in the post-war West Asia.

The timing was telling. Even as GCC leaders convened in Jeddah on 28 February for their first summit since war erupted, announced its exit almost in parallel. With Crown Prince Mohammed bin Salman chairing the summit, the UAE was represented by a Deputy PM Abu Dhabi and Foreign Minister Sheikh Abdullah bin Zayed. In Abu Dhabi, Energy Minister Suhail Al Mazroui denied any link to Saudi Arabia, whom he called a "brother," and praised wartime solidarity. The reality was harder to conceal.

As OPEC's third-largest producer, the UAE's departure has considerably weakened the cartel, and freed Abu Dhabi from serving as its shock absorber for mandated oil cuts. With capacity of 4.85 million barrels per day but a quota capping it at 3.2 million (12% of OPEC output), it had long borne the cost of underutilised investment. Where Saudi Arabia, the de-facto leader, seeks higher prices, the UAE wants higher output. India is indirectly affected: OPEC cuts also apply to Lower Zakum, in which Indian companies hold a 10% stake.

A widening rift with Riyadh

The gloves are finally off. Officially, the UAE cited "long-term strategic and economic vision, increased domestic energy production, and national interests." In reality, the rift with Riyadh is writ large with a clash of economic ambition, regional primacy, and personal friction between MBS and MBZ. Abu Dhabi had already broken ranks with the GCC Customs Union in 2022 by signing a CEPA with India, followed by similar agreements with more than twenty other countries. The triggers were the chronic paralysis of GCC-led trade talks and Riyadh's "regional headquarters" rule, which forced multinationals to relocate their MENA HQs to the kingdom to win major contracts there. This came at a cost to Dubai which is a natural favourite. The India-UAE CEPA has since pushed bilateral trade past \$100 billion and paved the way for the India-Oman CEPA signed in 2025.

Backing rival parties in Sudan's and Yemen's civil wars has further strained ties: MBS dispatched a sharp letter to UAE National Security Adviser Sheikh Tahnoun over Sudan, and clashed openly with MBZ over Yemen. The UAE is also aggrieved that while Saudi interests are being factored into the Pakistani-mediated ceasefire initiative between the US and Iran, its own interests are not. The UAE fears that Riyadh will settle for weaker security guarantees than Abu Dhabi can accept.

India's engagement with OPEC

India shifted course in 2015, choosing engagement with OPEC over avoidance. As the world's third-largest oil consumer, importing over 85% of its crude, it sits firmly on the consumer side of the divide. With OPEC supplying the bulk of its oil, and India among the cartel's most important growth markets, the two launched an annual ministerial dialogue in September 2015. At OPEC meetings in Vienna, India has consistently pressed for balance between producer and consumer interests and for "responsible pricing." It has also long objected to the "Asian premium," (the practice of Gulf producers charging Asian buyers more than Western ones) pushing back through both OPEC and bilateral channels. India's close ties with the UAE will now strengthen its hand in securing supplies, and on better terms.

Conclusion

For once, President Trump had a point: in his 2018 UNGA address, he charged OPEC with "ripping off the rest of the world." Unlike the earlier departures of Qatar, Angola, Ecuador and Indonesia, the UAE's exit materially dents OPEC's and Saudi Arabia's bargaining power. It is too early to say whether Abu Dhabi will pull out of the GCC, Arab League or

OIC, but its OPEC exit alone will redefine oil pricing and weaken the cartel. With Venezuelan output likely to rise and sanctions on Iranian oil likely to ease, supply dynamics are shifting. A truly free market in oil remains a moot point. But sustained downward pressure on prices over the medium to long term squarely serves the interests of major consumers like India.

Amb Suniay Sudhir was India's Ambassador to the UAE (2021-2025) and Maldives (2019-21). He also served in the Ministry of Petroleum (2015- 2019) as Joint Secretary (International Cooperation) and has held board positions in ONGC Videsh, Oil India Ltd and Indian Strategic Petroleum Reserves Ltd.

Headline	UAE's OPEC exit: Breaking ranks with the GCC, charting its own course		
Publication	Hindustan Times	Edition	Online Coverage
Published Date	29 Apr 2026		

UAE's OPEC exit: Breaking ranks with the GCC, charting its own course

<https://www.hindustantimes.com/world-news/uaes-opec-exit-breaking-ranks-with-the-gcc-charting-its-own-course-west-asia-us-iran-war-101777437087709.html>

The move, which marks a tectonic shift in West Asia, could reshape India's ties with the GCC and recalibrate its energy security strategy.

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Headline	ONGC Stars Sourav Kothari Wins Gold, Pankaj Advani Secures Silver at IBSF World Billiards Championship 2026		
Publication	Indian Master Minds	Edition	Online Coverage
Published Date	29 Apr 2026		

ONGC Stars Sourav Kothari Wins Gold, Pankaj Advani Secures Silver at IBSF World Billiards Championship 2026

<https://indianmasterminds.com/news/sourav-kothari-gold-pankaj-advani-silver-ibsf-billiards-2026-201038/>

Ireland: Indian cue sports players delivered a stellar performance at the IBSF World Billiards Championship 2026, with Sourav Kothari clinching the

gold medal and Pankaj Advani securing the silver medal in an all-India final. The championship showcased India's continued dominance in international billiards.

Both players represent Oil and Natural Gas Corporation Limited , which celebrated their remarkable achievements on the global stage.

Sourav Kothari delivered a commanding performance throughout the tournament, successfully defending his world title. His consistency, focus, and technical precision helped him secure the gold medal, further strengthening his reputation as one of the leading figures in international billiards.

His victory adds another prestigious accolade to India's growing success in cue sports.

Read also: ONGC Names Yogish Nayak as New CFO from May 2026, Clears Major Petrochemical JV and Gas Project Funding

In a high-quality all-Indian final, veteran cue sports champion Pankaj Advani showcased exceptional skill and experience. Despite a strong performance, he finished with the silver medal.

Advani, a Padma Bhushan awardee, continues to be one of India's most decorated athletes in cue sports, and his performance further highlighted the depth of talent in Indian billiards.

The final match reflected the rising global stature of Indian players in billiards and snooker. The presence of two Indian athletes in the championship final underscores:

The event in Ireland further reinforced India's position as a powerhouse in the sport.

Oil and Natural Gas Corporation Limited has long supported sporting talent in India through structured sports development initiatives. The company continues to play a key role in nurturing elite athletes who excel at international platforms, contributing significantly to India's medal success across various sports disciplines.

Headline	Today's News » ONGC appoints Yogish Nayak S. as Chief Financial Officer		
Publication	Indian Oil and Gas	Edition	Online Coverage
Published Date	29 Apr 2026		

Today's News » ONGC appoints Yogish Nayak S. as Chief Financial Officer

<http://www.indianoilandgas.com/viewnews.php?id=64441>

Why India Faces Severe LPG Shortage? Regulation Alternative Energy / Fuel New Projects PNGRB Plans New LPG

Pipeline Project Market Watch Companies April 29, 2026: Oil and Natural Gas Corporation Limited (ONGC) has approved the appointment of Yogish Nayak S. as its Chief Financial Officer (CFO), effective from May 1, 2026.

The decision of his appointment was taken by ONGCs Board of Directors at its meeting held on April 25. He will serve as a Key Managerial Personnel of the company under the applicable regulatory framework.

A Chartered Accountant with over three decades of experience in corporate finance within the oil and gas sector, Nayak is currently serving as Executive Director (Chief Corporate Finance) at ONGC. He brings extensive expertise across key financial domains including corporate accounts, costing, budgeting, treasury, taxation, capital investments and marketing finance.

Nayak began his career with Mangalore Refinery and Petrochemicals Limited (MRPL) in 1995 and has held several leadership roles over the years. He previously served as CFO of MRPL during multiple tenures between 2022 and 2025, where he played a key role in financial management and strategic initiatives, including the merger of subsidiary OMPL and implementation of SAP.

Headline	Today's News » ONGC Hits 52-Week High, Oil India Jumps 4% as Crude Rally Lifts Upstream Stocks		
Publication	Indian Oil and Gas	Edition	Online Coverage
Published Date	29 Apr 2026		

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<http://www.indianoilandgas.com/viewnews.php?id=64442>

Why India Faces Severe LPG Shortage? Regulation Alternative Energy / Fuel New Projects April 29, 2026: Shares of ONGC and Oil India rallied sharply in Tuesdays trade, with the former hitting a fresh 52-week high and the latter climbing as much as 4%, as rising crude prices and fresh exploration success boosted the upstream oil companies.

ONGC Chart

The ONGC stock is climbing on crude. Source: NSE

ONGC rose around 4% intraday to scale a new 52-week high of 297.8, while Oil India extended gains for the fourth straight session.

Crude Rally Fuels Upstream Stocks

The rally is sparked largely by a rise in oil prices following tensions in the Middle East which directly benefits the upstream companies whose earnings are tied to oil realisations. Going ahead, if oil stays elevated, the firms stand to gain even more as, analysts say, current valuations are still factoring in lower realised prices, which leaves room for upside.

Libya Discovery Adds to Optimism

ONGC Chart 2

Oil India is riding the rally in oil prices. Source: NSE

Besides the primary trigger of oil prices, a fresh oil and gas discovery in Libya is also adding to the momentum, in which both Oil India and Indian Oil Corporation hold stakes as part of an overseas consortium. The region where the discovery has been made has already yielded multiple discoveries.

The development is being seen as a positive for long-term production visibility and reinforces investor confidence in the overseas exploration capabilities of Indian upstream companies

Headline	India's LPG crisis: The need for stronger domestic alternatives and energy infrastructure		
Publication	Industrial Automationindia	Edition	Online Coverage
Published Date	29 Apr 2026		

India's LPG crisis: The need for stronger domestic alternatives and energy infrastructure

<https://www.industrialautomationindia.in/news/india-lpg-crisis-domestic-alternatives-energy-infrastructure-resilience>

India's LPG crisis underlines the urgent need to move beyond imported fuel patching and build domestic alternatives like biogas, strategic storage, and east coast anchored energy infrastructure that can absorb supply shocks.

The recent events point to a larger need to move beyond supply-side fixes and build a resilient system.

New Delhi, April 28, 2026: The ongoing LPG disruption linked to tensions in West Asia has brought renewed attention to India's energy security, with emerging analysis indicating that the situation reflects deeper structural gaps rather than a short-term supply challenge.

India's rapid expansion of LPG access over the past decade has been a major success. However, this growth has not been matched by equivalent progress in supply diversification, buffer storage capacity, or alternative fuel readiness, leaving the system exposed during supply chain disruptions.

The recent events point to a larger need to move beyond supply-side fixes and build a resilient system. This requires not just diversifying import sources, but also strengthening domestic alternatives and energy infrastructure that can absorb shocks.

Domestic alternatives such as biogas represent an important but underutilised opportunity. With India generating large volumes of agricultural and municipal waste, biogas can meaningfully offset LPG demand. At the same time, India must accelerate the development of firm, dispatchable renewable energy systems by integrating it with long-duration storage solutions, enabling reliable round-the-clock power for the end users.

Equally, infrastructure gaps continue to constrain the system's ability to respond to disruptions. Absence of strategic LPG reserves and low distribution buffers leaves little room to manage supply shocks. At the same time, infrastructure remains concentrated along the west coast, increasing geographic risk. Expanding east coast import and storage capabilities, creating distributed inland reserves, and leveraging existing idle logistics networks such as rail-based fuel depots can significantly improve supply resilience. Repurposing unutilized infrastructure to build geographically distributed storage buffers will be critical in reducing single-point dependencies and strengthening system responsiveness.

Scaling long-duration energy storage will be central to ensuring that renewable energy can provide reliable supply during periods of disruption.

Davinder Sandhu, Co-Founder & Chairman, Primus Partners, said: "India's LPG disruption is not just a supply issue, it is a signal to strengthen the structural resilience of our energy system. The focus must shift from fuel substitution alone to building integrated energy systems, combining domestic solutions like biogas, robust natural gas infrastructure and storage-backed renewable energy, to ensure reliable, round-the-clock supply and reduce import dependence. A diversified energy mix, backed by strong infrastructure and energy efficiency, will be critical to ensuring long-term stability and security."

Parallel investments in gas pipelines and last-mile connectivity will further support a gradual shift toward alternative fuels such as piped natural gas, ensuring that households and businesses have access to multiple energy options.

Subhash Kumar, Former CMD & Director (Finance), ONGC, said: "The current situation highlights the importance of building depth and flexibility into India's energy architecture. Strengthening buffer storage by utilizing stranded national assets, expanding connectivity and focusing on home grown energy solutions will be key to enhancing resilience. India's long-term pathway lies in a balanced, multi-source energy strategy that reduces vulnerability to external disruptions while supporting sustainable growth and ensuring that India's energy transition remains stable, flexible and secure over the long term"

The broader takeaway is clear. As India advances its energy transition, strengthening domestic alternatives like biogas and building robust storage backed renewable systems with distributed infrastructure will be critical to creating an energy system that is both resilient and future-ready.

Headline	Crude Oil Volatility Surges: Brent Above \$111 Raises Inflation Fears, Pressures Indian Markets		
Publication	International News and Views	Edition	Online Coverage
Published Date	29 Apr 2026		

Crude Oil Volatility Surges: Brent Above \$111 Raises Inflation Fears, Pressures Indian Markets

<https://internationalnewsandviews.com/crude-oil-price-today-april-29-2026-brent-wti-india-market-impact-402679-2/>

New Delhi, India April 29, 2026 Global crude oil prices are witnessing sharp volatility, emerging as a key risk factor for the Indian economy and equity markets.

Elevated prices are raising concerns over inflation, trade balance, and corporate margins, keeping investor sentiment cautious.

As of April 29, Brent crude is hovering around \$111.60 per barrel , while US benchmark WTI crude trades near \$100.47 , reflecting sustained upward pressure in global energy markets.

? What's Driving the Oil Price Surge

? Supply Concerns Around Key Trade Route

Tensions linked to the Strait of Hormuz a critical corridor that handles nearly 20% of global oil supply have raised fears of disruption. Reports suggesting restrictions or instability in this region have tightened supply expectations and pushed prices higher.

? Policy Uncertainty After UAE Move

The United Arab Emirates is expected to exit the OPEC+ framework from May 1, 2026. This development has increased uncertainty around coordinated oil production policies, contributing to volatility in global markets.

? Impact on Indian Stock Market

? Broad Market Pressure Likely

India imports more than 80% of its crude oil requirement , making it highly sensitive to price fluctuations. A sustained rise in oil prices:

Increases inflationary pressures

Expands the current account deficit

Raises input costs for companies

This typically weighs on benchmark indices like the BSE Sensex and Nifty 50

? Stocks That May Benefit

Higher crude prices could support upstream oil companies such as:

Oil India Limited

Oil and Natural Gas Corporation

Analysts suggest that even a \$1 increase in Brent crude may significantly boost earnings for upstream producers due to improved realizations.

? Sectors Under Pressure

Several sectors may face cost pressures due to rising crude prices:

Automobiles (higher input and fuel costs)

Airlines (jet fuel expenses rise)

Paints and Chemicals (oil-linked raw materials)

Tyre industry (rubber and petrochemical costs)

These sectors are likely to see margin pressure if elevated oil prices persist.

Potential Impact on Fuel Prices

Market participants are also watching for possible adjustments in retail fuel prices. Any sustained rise in crude could eventually translate into higher petrol and diesel prices , although timing and extent depend on policy decisions and pricing mechanisms.

? Market Outlook

Crude oil volatility remains a critical macro trigger for Indian markets. Unless prices stabilize, equities may continue to face pressure , particularly in oil-sensitive sectors. Investors are expected to remain cautious, tracking global developments and supply-side signals closely.

Headline	Brent crude rises for 6th day, crosses \$111 per barrel: ONGC rises 4%; OMC stocks fall up to 2%		
Publication	MSN India	Edition	Online Coverage
Published Date	29 Apr 2026		

Brent crude rises for 6th day, crosses \$111 per barrel: ONGC rises 4%; OMC stocks fall up to 2%

<https://www.msn.com/en-in/money/topstories/brent-crude-rises-for-6th-day-crosses-111-per-barrel-ongc-rises-4-omc-stocks-fall-up-to-2/ar-AA21TP03>

Brent crude prices rose for the sixth consecutive session on Tuesday, crossing the USD 111 per barrel mark, boosting upstream oil stocks while weighing on oil marketing companies.

Upstream firms such as Oil and Natural Gas Corporation and Oil India, which are engaged in exploration and production of crude oil, benefit from higher prices as it improves their realisations and earnings. According to trade data, futures contracts of Brent crude for July 2026 delivery on London's ICE crossed USD 111 per barrel for the first time since April 7, 2026. Shares of Oil and Natural Gas Corporation rose 4.44 percent to hit a fresh 52-week high of Rs 298.6 per share on the NSE. The stock has gained for the last two sessions and is up 5 percent during the period. Oil India shares also advanced 4.42 percent to Rs 497.25 apiece, marking gains for the second straight session. Meanwhile, downstream oil companies, which are involved in refining crude oil and selling petroleum products, came under pressure as higher crude prices increase input costs and impact margins. Shares of Indian Oil Corporation declined up to 1 percent. Bharat Petroleum Corporation Limited and Hindustan Petroleum Corporation Limited fell 1.81 percent and 0.55 percent, respectively, around 2:45 pm. Disclaimer : The views and investment tips expressed by investment experts on Moneycontrol.com are their own and not those of the website or its management. Moneycontrol.com advises users to check with certified experts before taking any investment decisions.

Headline	4.1 cr shares of Reliance traded on Tuesday; ONGC, Oil India gained on rising crude prices		
Publication	MSN India	Edition	Online Coverage
Published Date	29 Apr 2026		

4.1 cr shares of Reliance traded on Tuesday; ONGC, Oil India gained on rising crude prices

<https://www.msn.com/en-in/money/markets/4-1-cr-shares-of-reliance-traded-on-tuesday-ongc-oil-india-gained-on-rising-crude-prices/vi-AA21Y3PH>

Welcome back, you're tuned into Bazaar Morning Call and it's that part of the show when Hormuz joins us to tell us about all the big movers yesterday and some of them that were backed by good delivery. Hey Hormuz, morning. Morning Nigel and the last couple of days the one stock that has stood out is Reliance Industries and the one that kept the nifty downside in check in yesterday's trading session. The stock is up almost 4.5% over the last two days now. And volumes also rising for the last three sessions. The premiums on the 1,400 call option for the May series were up over 30% yesterday. The 4 crore shares were traded yesterday, double of its 20-day average. And 65% of the total shares traded were marked for delivery. And that has been the trend in four out of the last five trading sessions, where delivery volumes have been in excess of 60% of the total shares traded. So close to 3 crore shares for delivery yesterday, the 20-day average of 1 crore. But the stock is now approaching a very key level of 1,400 rupees. It has not closed above that level since the 25th of March. And of course, it was the most traded stock on the Nifty 500 yesterday. The other one that did very well yesterday was Tata Chemicals. And it was the biggest single day gain for the stocks in over two years. And the stock is up 16% now in the last two sessions. The volumes on Tuesday were the highest in over two years as well. 2.5 crore shares were traded. The 20-day average is only 20 lakh shares. And 12% of those shares were marked for delivery. So the 30 lakh shares for delivery, the 20-day average is over 4 lakh shares. And the stock up over 38% in the month of April so far, but still significantly below. It's a 52-week high, which is in excess of 1,000 rupees. And lastly, of course, the oil price rise. Beneficiaries, ONGC and Oil India, both of them doing very well yesterday, seeing gains of anywhere between 4.5% to 5.5%. The call options, the 300 call for ONGC and the 500 call for Oil India, both of them were very active yesterday. Premiums rising anywhere between 90% to as high as 160%. The 5 crore shares traded on ONGC, significantly higher than its 20-day average. And Oil India, too, had more than 1 crore shares being traded. For ONGC, close to 3 crore shares for delivery. And for Oil India, too, significantly above their 20-day average. Thank you very much. For that, moving on. you

Headline	Primus Partners report flags LPG vulnerability as West Asia tensions expose India's structural energy risks		
Publication	Media Brief	Edition	Online Coverage
Published Date	29 Apr 2026		

Primus Partners report flags LPG vulnerability as West Asia tensions expose India's structural energy risks

<https://mediabrief.com/primus-partners-report-flags-lpg-vulnerability/>

Primus Partners has launched its latest thought leadership report, LPG Vulnerability in the Shadow of the West Asia Conflict: A Wake Up Call for

India's Energy Future, examining how the ongoing geopolitical tensions have exposed India's structural dependence on imported LPG. The report highlights key risks including supply concentration through the Strait of Hormuz, limited storage capacity, and the wider economic impact on households, MSMEs, and industry.

The ongoing LPG disruption linked to tensions in West Asia has brought attention to energy security, with emerging analysis indicating that the situation reflects deeper structural gaps rather than a short-term supply challenge.

Expansion of LPG access over the past decade has been a success. However, this growth has not been matched by equivalent progress in supply diversification, buffer storage capacity, or alternative fuel readiness, leaving the system exposed during supply chain disruptions.

The recent events point to a need to move beyond supply-side fixes and build a resilient system. This requires not just diversifying import sources, but also strengthening domestic alternatives and energy infrastructure that can absorb shocks.

Domestic alternatives such as biogas represent an important but underutilised opportunity. With India generating large volumes of agricultural and municipal waste, biogas can meaningfully offset LPG demand. At the same time, India must accelerate the development of firm, dispatchable renewable energy systems by integrating it with long-duration storage solutions, enabling reliable round-the-clock power for the end users.

Equally, infrastructure gaps continue to constrain the system's ability to respond to disruptions. Absence of strategic LPG reserves and low distribution buffers leaves little room to manage supply shocks. At the same time, infrastructure remains concentrated along the west coast, increasing geographic risk. Expanding east coast import and storage capabilities, creating distributed inland reserves, and leveraging existing idle logistics networks such as rail-based fuel depots can significantly improve supply resilience.

Repurposing unutilized infrastructure to build geographically distributed storage buffers will be critical in reducing single-point dependencies and strengthening system responsiveness. Scaling long-duration energy storage will be central to ensuring that renewable energy can provide reliable supply during periods of disruption.

Davinder Sandhu Co-Founder and Chairman Primus Partners said, India's LPG disruption is not just a supply issue, it is a signal to strengthen the structural resilience of our energy system. The focus must shift from fuel substitution alone to building integrated energy systems, combining domestic solutions like biogas, robust natural gas infrastructure and storage-backed renewable energy, to ensure reliable, round-the-clock supply and reduce import dependence.

A diversified energy mix, backed by strong infrastructure and energy efficiency, will be critical to ensuring long-term stability and security, Sandhu said.

Parallel investments in gas pipelines and last-mile connectivity will further support a gradual shift toward alternative fuels such as piped natural gas, ensuring that households and businesses have access to multiple energy options.

Subhash Kumar Former CMD and Director (Finance) ONGC said, The current situation highlights the importance of building depth and flexibility into India's energy architecture. Strengthening buffer storage by utilizing stranded national assets, expanding connectivity and focusing on home grown energy solutions and will be key to enhancing resilience.

India's long-term pathway lies in a balanced, multi-source energy strategy that reduces vulnerability to external disruptions while supporting sustainable growth and ensuring that India's energy transition remains stable, flexible and secure over the long term, Kumar said.

The broader takeaway is clear. As India advances its energy transition, strengthening domestic alternatives like biogas and building robust storage backed renewable systems with distributed infrastructure will be critical to creating an energy system that is both resilient and future-ready.

Headline	ONGC Floats ₹48 Lakh Tender for CCTV Surveillance System in Assam		
Publication	PSU Connect	Edition	Online Coverage
Published Date	29 Apr 2026		

ONGC Floats ₹48 Lakh Tender for CCTV Surveillance System in Assam

<https://www.psuconnect.in/psu-news/ongc-floats-48-lakh-tender-for-cctv-surveillance-system-in-assam>

ONGC issues open tender worth 48 lakh for supply, installation and commissioning of CCTV surveillance system at Nazira Colony, Assam with 5-year maintenance support.

State-owned energy major Oil and Natural Gas Corporation Limited (ONGC) has invited bids for the supply, installation, testing and commissioning (SITC) of a CCTV surveillance system at its residential colony in Nazira, Assam.

The open tender has been issued through the Government eProcurement System and is aimed at strengthening security infrastructure at the ONGC Assam Asset.

The Make in India and MSME orders are marked not applicable due to the tender value being below 1 crore and the LSTK nature of the contract.

Strategic Importance

The project reflects ONGC's ongoing efforts to enhance safety and monitoring across its operational and residential infrastructure.

Upgrading surveillance systems in key facilities is part of the company's broader initiative to modernize security and ensure safer working and living environments in energy sector hubs.

How to Participate

Interested bidders can download the tender documents from the Government eProcurement portal and submit their bids online before the deadline.

Headline	ONGC Athletes Win Gold and Silver at IBSF World Billiards Championship 2026 in Ireland		
Publication	PSU Connect	Edition	Online Coverage
Published Date	29 Apr 2026		

ONGC Athletes Win Gold and Silver at IBSF World Billiards Championship 2026 in Ireland

<https://www.psuconnect.in/award/ongc-athletes-win-gold-and-silver-at-ibsf-world-billiards-championship-2026-in-ireland>

ONGC's Sourav Kothari wins gold and Pankaj Advani secures silver at IBSF World Billiards Championship 2026 in Ireland, showcasing India's dominance in cue sports and ONGC's commitment to sports excellence.

ONGC Limited has expressed immense pride as its sportsperson Sourav Kothari secured the Gold Medal at the IBSF World Billiards Championship held in Ireland, successfully defending his world title with a commanding performance. His consistent excellence and composure reaffirm his position among the elite players in international billiards.

In an all-India final, another ONGC athlete and Padma Bhushan awardee Pankaj Advani delivered a stellar performance to claim the Silver Medal, further highlighting India's dominance in cue sports on the global stage. The final showcased exceptional skill, discipline, and sportsmanship, reflecting the growing strength of Indian athletes in international billiards competitions.

The achievement marks a proud moment for ONGC Limited, underscoring its commitment to nurturing sporting talent and promoting excellence beyond the energy sector. The company reiterated that excellence within the ONGC family is not only pursued but consistently sustained across disciplines.

Headline	SEAMEC Executes ONGC Contract For Samudra Sevak O&M Services		
Publication	The Free Press Journal	Edition	Online Coverage
Published Date	29 Apr 2026		

SEAMEC Executes ONGC Contract For Samudra Sevak O&M Services

<https://www.freepressjournal.in/business/seamec-executes-ongc-contract-for-samudra-sevak-om-services>

SEAMEC Limited announced on April 28, 2026, that its consortium with Supreme Hydro Pvt Ltd has executed a contract with Oil and Natural Gas Corporation

Limited for operation and maintenance services of the vessel Samudra Sevak for 2026-2028. The agreement follows an earlier award notification and confirms continuation of unchanged contractual terms.

Mumbai: SEAMEC has moved ahead with a key offshore services contract, locking in work on a critical ONGC vessel as part of a previously announced award.

Secures Offshore Contract

SEAMEC Limited, in partnership with Supreme Hydro Pvt Ltd, has formally executed a contract with Oil and Natural Gas Corporation Limited for operating and maintaining the MSV Samudra Sevak. The agreement covers the period from 2026 to 2028 and marks the conversion of an earlier award into a binding contract. This step confirms the consortium's role in supporting ONGC's offshore operations over the next two years.

Continues Prior Engagement

The contract execution builds directly on the company's earlier communication dated March 13, 2026, where the award of work was disclosed. With the signing now complete, the scope, structure, and obligations remain aligned with the original notification of award. The company clarified that all terms and conditions of the contract remain unchanged, ensuring continuity in expectations and delivery.

Strengthens Service Position

By securing this contract, SEAMEC reinforces its position in offshore support services, particularly in operations and maintenance of specialized vessels. The Samudra Sevak plays a vital role in offshore activities, and maintaining such assets requires technical expertise and operational consistency. The consortium approach also highlights collaboration as a strategy to deliver large-scale marine service contracts efficiently.

Signals Operational Stability

The execution of the contract indicates stable business visibility for SEAMEC in the near term. With a defined engagement spanning two years, the company secures a steady stream of operational work tied to India's energy sector. The confirmation also suggests alignment with ONGC's ongoing offshore infrastructure requirements, positioning SEAMEC to remain an active participant in the segment.

SEAMEC's latest contract execution reflects a continuation of its offshore services pipeline, translating prior awards into firm business engagements while maintaining consistency in contractual commitments and delivery expectations.

Headline	India's Gulf Diplomacy After the Ceasefire: Managing Crisis and Seizing Strategic Opportunity		
Publication	Claws	Edition	Online Coverage
Published Date	29 Apr 2026		

India's Gulf Diplomacy After the Ceasefire: Managing Crisis and Seizing Strategic Opportunity

<https://claws.co.in/indias-gulf-diplomacy-after-the-ceasefire-managing-crisis-and-seizing-strategic-opportunity/>

As Gulf states reassess their security frameworks and diversify partnerships, New Delhi faces a strategic window to consolidate its influence across an increasingly contested West Asian landscape

After the ceasefire was announced, New Delhi stepped up its diplomatic engagement with Gulf countries. Recently, India's External Affairs Minister, S. Jaishankar, visited the United Arab Emirates to review and reaffirm the Comprehensive Strategic Partnership. At the same time, New Delhi expanded its outreach to other Gulf countries. India's Petroleum Minister, Hardeep Singh Puri, visited Qatar on an official trip, where he held talks with Energy Minister Saad Sherida Al-Kaabi, focusing on strengthening energy cooperation and ensuring stable supplies of LNG to India.

India's Commerce Minister Piyush Goyal, meanwhile, held a virtual discussion with Trade Minister Majid bin Abdullah Al Qasabi of Saudi Arabia and engaged with key partners across the Gulf Cooperation Council. Discussions focused on addressing supply chain disruptions caused by the regional crisis, strengthening trade ties and advancing negotiations for a comprehensive economic partnership under the India-GCC Free Trade Agreement.

In addition, on April 19, 2026, India's National Security Adviser, Ajit Doval, visited Saudi Arabia and held high-level talks with the Saudi leadership on regional instability, energy security, maritime safety and intelligence coordination, highlighting India's integrated strategic and economic outreach to the Gulf amid the unfolding crisis.

The greater outreach on part of new Delhi represents a calculated strategy aimed at protecting energy security, safeguarding economic interests and strengthening ties with key Gulf partners amid a volatile regional environment.

Engagement during the Crisis

During the crisis New Delhi was in regular contact with the leadership of the Gulf Cooperation Council (GCC) countries, condemning attacks on their infrastructure and reiterating its support for their sovereignty and territorial integrity. It sustained engagement through phone calls and virtual exchanges, keeping communication channels active even at the height of the crisis.

A significant part of this outreach was Prime Minister Narendra Modi's rapid and extensive diplomatic engagement with leaders of the Gulf, including Oman, Kuwait, Qatar, Saudi Arabia, Bahrain, and the United Arab Emirates, as well as other regional partners, highlighting both the urgency of the evolving crisis and India's attempts to utilize multiple bilateral channels to navigate an interconnected regional security environment. The high-level conversations reflected India's immediate concern with regional escalation, the safety of its large diaspora in the Gulf and the stability of critical energy and maritime routes. Throughout all these exchanges, India repeatedly stressed the importance of de-escalation, regional stability and the protection of global energy flows.

India was also a co-sponsor of the United Nations Security Council Resolution 2817, which condemned Iran's egregious missile and drone strikes on Gulf countries, called for an immediate halt to hostilities and reaffirmed their sovereignty and territorial integrity further underscoring India's diplomatic stance. Moreover, in a recent meeting with Kuwait's Crown Prince Sheikh Sabah Al-Khaled Al-Hamad Al-Mubarak Al-Sabah, Prime Minister Narendra Modi highlighted the significance of freedom of navigation and said, safe and free navigation through the Strait of Hormuz remains our foremost priority. He highlighted its critical importance for regional and global stability as part of India's wider Indo-Pacific and West Asia policy stance, particularly in the context of safeguarding energy security, ensuring the uninterrupted flow of global trade, and strengthening a rules-based maritime order.

Reinforcing Comprehensive Strategic Partnership

The UAE and India have a strong and multi-faceted partnership. These bonds have only grown stronger in recent years under Prime Minister Narendra Modi. This momentum was further reinforced during the recent visit of Sheikh Mohamed bin Zayed Al Nahyan to India which, although brief, was substantive and led to the signing of a number of agreements.

Among these, the Letter of Intent on Strategic Defence Partnership is a major development that is expected to shape India-UAE relations in the near future.

The Indian External Affairs Minister S. Jaishankar's visit to the UAE soon after the ceasefire was declared was particularly significant in this context, showing India's support at a critical juncture. The visit was an opportunity to strengthen bilateral cooperation and talk about the changing regional situation, particularly regarding energy security and stability in the region. UAE was one of the most affected in the conflict with massive physical and reputational damage. Thousands of ballistic and cruise missiles and drones hit infrastructure, energy facilities and civilian areas, causing loss of life and massive disruption. India's outreach to the UAE was thus particularly timely and significant in this context.

A Recalibrating Gulf and India's Strategic Opportunity

Importantly, as the ceasefire is holding, Gulf countries are rethinking their security frameworks after facing sustained attacks from Iran. This conflict has changed their security calculus and exposed weaknesses in existing arrangements. Although the United States remains a key partner for these countries, it is increasingly clear that these countries are seeking to diversify their strategic partnerships. But this diversification is not just about security, it is part of a broader recalibration to strengthen economic, technological and infrastructural engagement, enhance the protection of critical energy and logistics infrastructure and extend ties with multiple global partners.

In this case, New Delhi needs to step up its engagement with the region. Its consistent diplomatic and economic engagement with this region is viewed increasingly as a stabilizing force that contributes to regional partnerships' predictability and balance, and its role as a reliable energy partner and source of skilled human capital all contribute to its attractiveness. Its increasing political, economic and strategic importance makes it a key partner in this changing landscape. It already has a strong, well-established relations with the Gulf Cooperation Council states, especially with close partners such as the UAE, Saudi Arabia and Qatar, but it needs to further broaden its engagement as these countries adapt to new regional realities.

As external players such as China, Pakistan and others move quickly to expand their footprint in the region amid shifting alignments, New Delhi has an opportunity and strategic imperative to be more proactive. Unlike these powers whose engagement is often driven by narrow geopolitical or strategic interests, India does not have any malign intent in the region, enhancing its credibility as a trusted and stabilizing partner. It has inherent strengths in the region to build on too. It must therefore leverage its existing goodwill and multi-tiered partnerships to strengthen and expand its strategic footprint, increasing engagement in the economic, technological and security spheres before the space becomes congested.

Headline	Big Governance Concern At IndianOil: Officers Write To PM Modi Over Vacant Director Posts, Seek Immediate Action		
Publication	INDIAN PSU	Edition	Online Coverage
Published Date	29 Apr 2026		

Big Governance Concern At IndianOil: Officers Write To PM Modi Over Vacant Director Posts, Seek Immediate Action

<https://indianpsu.com/pm-modi-urged-fill-vacant-indianoil-director-posts-officers-warn-board-dilution/>

A major governance concern has surfaced inside Indian Oil Corporation Limited with the IndianOil Officers' Association (IOOA) writing directly to Prime Minister Narendra Modi and seeking his urgent intervention for appointment of full-time functional directors on the company's Board.

In a detailed representation sent on April 29, the officers' body warned that prolonged vacancies in the crucial posts of Director (Pipelines) and Director (Research & Development) could weaken safety oversight, innovation leadership and strategic decision-making in India's largest oil PSU.

According to the association, the post of Director (Pipelines) has been lying vacant since July 1, 2025 , while the post of Director (R&D) became vacant on March 31, 2026

The officers have also urged the Prime Minister to review any proposal for abolition or restructuring of key functional director posts, saying IndianOil's future growth depends heavily on a technically empowered and functionally balanced Board.

This is the second such representation by the IOOA. Earlier, on January 21, the association had written to Petroleum Minister Hardeep Singh Puri raising concern over reports of possible dilution of Director-level positions including Pipelines, R&D and Planning & Business Development.

Pipelines Leadership Vacuum Raises Safety Questions

Making a strong case for immediate appointment of Director (Pipelines), the association said IndianOil currently operates over 20,000 km of crude oil, petroleum product, LPG and gas pipelines spread across 21 states and union territories, making it one of the country's most critical energy transport systems.

It pointed out that a large portion of this network passes through densely populated and environmentally sensitive regions, while several stretches are ageing and require continuous board-level monitoring for integrity management, emergency preparedness and regulatory compliance.

The association cautioned that prolonged additional-charge arrangements in such a strategic vertical dilute accountability and leadership visibility.

Director (R&D) Post Crucial For Innovation Push

The officers also defended the need for a dedicated Director (R&D), stating that IndianOil is the only oil PSU with board-level representation for research and innovation.

IndianOil's R&D wing has filed 1,866 patents , built one of India's strongest petroleum-sector technology portfolios and contributed in critical areas such as advanced fuels, refinery technologies, catalysts, hydrogen, biofuels, carbon capture and nanomaterials.

The association said dilution of leadership in this domain would be a setback at a time when India is pushing green hydrogen, clean energy transition and Atmanirbhar Bharat-driven industrial innovation.

PM Asked To Protect Governance Structure

In its letter, the IOOA has sought:

immediate appointment of full-time Director (Pipelines) and Director (R&D),

review of any move to abolish or restructure these functional director posts, and

strengthening of IndianOil's governance architecture in national interest.

The representation comes at a time when IndianOil is undertaking massive investments in refinery expansion, petrochemicals, gas infrastructure, cross-border pipelines and future energy technologies, making board-level continuity a matter of strategic significance.

Headline	India moves to ratify 100% ethanol as vehicle fuel under motor vehicle rules		
Publication	MSN India	Edition	Online Coverage
Published Date	30 Apr 2026		

India moves to ratify 100% ethanol as vehicle fuel under motor vehicle rules

<https://www.msn.com/en-in/autos/news/india-moves-to-ratify-100-ethanol-as-vehicle-fuel-under-motor-vehicle-rules/ar-AA220RNj>

The Centre on Wednesday proposed allowing vehicles to run on 100% ethanol (E100) by amending the Central Motor Vehicle Rules, 1989, marking a step towards positioning ethanol as a primary transport fuel. The draft notification dated 29 April proposes replacing references to E85' with E85 or E100' in multiple provisions, formally enabling higher ethanol blends and potentially easing pressure on surplus domestic capacity. This comes amid a push to reduce dependence on imported crude and expand the use of locally produced biofuels. The draft also proposes replacing B10 biodiesel (10% biodiesel and 90% petro-diesel) in the law with B100 (fully biodiesel), signalling readiness for wider use of fully bio-based fuels. India produced about 20 billion litres of ethanol as of March 2026, against demand of about 11 billion litres under the current 20% blending mandate, leaving manufacturers grappling with under-utilization of capacity. Vehicles which can run on any ethanol blend are called flex-fuel vehicles. These vehicles can run on any ethanol blend in petrol. Mint reported first on 20 April that the ministry of petroleum and natural gas, its state-run oil marketing companies, and automobile manufacturers were firming up a plan to roll out flex fuel vehicles in the country. The All India Distillers' Association (AIDA), which represents about 80% of India's distillation capacity, wrote to the Centre only days after the war in West Asia broke out, seeking incentives for flex fuel vehicles and promotion of ethanol-based cookstoves, since ethanol manufacturers were struggling with under-utilization of installed capacity. For years, India has steadily progressed from E10 to E20 blending. With this amendment, the Government is clearly demonstrating its intent to move from ethanol from being a blended component to becoming a primary, advanced transport fuel, AIDA deputy director general Bharati Balaji told Mint . According to Balaji, this proposal aims to formally enable higher ethanol blends such as E85 and E100. Globally, flex-fuel vehicles are used extensively in Brazil, where they were introduced in 2003. Today, they dominate new vehicle sales, with over 90% of cars and two-wheelers capable of running fully on ethanol, petrol, or a blend of both (in various proportions). India's Ethanol Blended Petrol (EBP) programme was launched in 2003 with the aim of cutting oil imports and providing support to farmers. While progress was initially slow, it gained momentum after 2014, reaching 10% blending in 2022 and setting a target of 20% (E20) by fiscal year 2025-26 (FY26). This acceleration has been supported by policy measures, ethanol pricing incentives, and the use of a wider range of feedstocks such as sugarcane and grains. In 2025, India's policy decision to mandate the sale of E20 petrol in the country received tremendous consumer backlash , with consumers complaining of mileage loss. In January 2026, petroleum minister Hardeep Singh Puri said that as India approached nearly 20% ethanol blending in the 2025 ethanol supply year, the country had achieved foreign exchange savings of about \$19.3 billion and made direct payments of over \$15 billion to farmers over the past decade. The ethanol supply year runs from November to October.

Headline	India moves to ratify 100% ethanol as vehicle fuel under motor vehicle rules		
Publication	Mint	Edition	Online Coverage
Published Date	29 Apr 2026		

India moves to ratify 100% ethanol as vehicle fuel under motor vehicle rules

<https://www.livemint.com/industry/india-100-ethanol-e100-vehicle-fuel-under-motor-vehicle-rules-11777471494574.html>

The draft amendment to Central Motor Vehicle Rules aims to allow vehicles to run on up to 100% ethanol and fully biodiesel fuels, as the government looks to absorb surplus supply and deepen its biofuel push.

NEW DELHI: The Centre on Wednesday proposed allowing vehicles to run on 100% ethanol (E100) by amending the Central Motor Vehicle Rules, 1989, marking a step towards positioning ethanol as a primary transport fuel.

The draft notification dated 29 April proposes replacing references to E85' with E85 or E100' in multiple provisions, formally enabling higher ethanol blends and potentially easing pressure on surplus domestic capacity.

This comes amid a push to reduce dependence on imported crude and expand the use of locally produced biofuels.

The draft also proposes replacing B10 biodiesel (10% biodiesel and 90% petro-diesel) in the law with B100 (fully biodiesel), signalling readiness for wider use of fully bio-based fuels.

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