



● **ALTERNATIVE FUEL**

Union petroleum minister Hardeep S Puri

“ Bioenergy is increasingly becoming a crucial alternative to fossil fuels, offering both environmental benefits and economic opportunities, particularly in rural areas

Fuel alternatives, charging infra weigh on India's EV adoption

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NEW DELHI

The slow adoption of electric vehicles (EVs) in India stems from the incessant need to find alternative fuels and the lack of adequate charging infrastructure in the country, according to industry leaders who spoke at the Mint Sustainability Summit 2024.

According to Harsh Kapoor, partner at Monitor Deloitte, the adoption of EVs has been complicated by the lobbying for various alternative fuels such as hydrogen even as LNG (liquefied natural gas) is being considered a strong alternative transition fuel.

Although the sale of EVs in India has been growing, it is dominated by two-wheelers and three-wheelers. In FY24, the number of EVs sold in the country rose to 1.67 million from 1.17 million in FY23, according to data on the Society of Manufacturers of Electric Vehicles (SMEV) website. Sales



Left to right: Harsh Kapoor, partner, Monitor Deloitte; Anand Mimani, CEO, Greenline Mobility Solutions; Aanchal Jain, CEO, PMI Electro Mobility Solutions; Anmol Jaggi, co-founder, BluSmart.

of electric four-wheelers rose to 90,432 from 47,499 units.

The challenges faced by the EV industry include inadequate charging infrastructure, lack of standardised charging norms, evolving battery technologies and high initial costs.

Anand Mimani, CEO of Greenline Mobility Solutions, said financing remains a huge concern for alternative fuel vehicles in the country. "No bank, nobody wants to finance it very

easily. If the government gives a small push there, adoption can happen much faster," he said.

However, Aanchal Jain, CEO of PMI Electro Mobility Solutions, a global technology company specialising in advanced electric bus manufacturing, said subsidies are never a long-lasting and sustainable solution. India has reached a stage where subsidies for intra-city buses are not needed anymore, she added.

"The prices that have been

discovered for EV bus tenders without subsidies have been lower than those discovered with subsidies earlier. This is due to economies of scale. Our production is not linked to subsidies anymore," she said. "Subsidies are not needed for intra-city electric buses anymore. However, for other new sectors like school buses and inter-city bus, subsidies might be needed to get the demand going."

Electric bus sales climbed to

3,693 in FY24 from 1,984 in the previous year. As of 20 August in the current fiscal, 1,251 electric buses had been sold, according to information on the SMEV website.

According to Kapoor, there are additional challenges hindering the adoption of new vehicle technologies such as the total cost of ownership, including resale value, and price stability for fuels such as LNG. "Technology is not the only constraint for the adoption of new vehicle technologies," he said.

Anmol Jaggi, co-founder of BluSmart, an all-electric cab service, expressed disappointment with the lack of new EV models and said the growth of charging infrastructure remains a challenge.

"Slightly disappointed with no new real EV models coming into the market. I would like to see at least 25 models out

there," Jaggi said. "When we started in 2019, EV charging was the single biggest problem. Even in 2024 charging is the single biggest problem despite installing thousands and thousands of chargers."

Jaggi said the two main factors affecting charging infrastructure are land and load. A

lot of investment is required to beef up the distribution and transmission infrastructure, he added. "The current network cannot take the load of so many EVs joining the grid,"

Although the sale of electric vehicles in India has been growing, it is dominated by two-wheelers and three-wheelers

he said.

Jaggi said given the current market situation, reaching a 10% market share for electric four-wheelers by 2030 might be difficult. EVs accounted for 6.5% of total vehicle sales in 2023, according to JMK Research & Analytics Private Ltd, a specialist research and consulting firm.

Gadkari for Lower GST on Flex-fuel Vehicles

Asks states to weigh slashing levy to 12%

Our Bureau

New Delhi: Road transport and highways minister Nitin Gadkari Monday urged state governments to consider reducing the Goods and Services Tax (GST) on flex-fuel vehicles to 12% to spur growth of the automobile industry. He argued that a growing number of people are buying cars, making it imperative for automakers and states to support roll out of alternative fuel options.

Currently, such vehicles attract a GST rate of 28% along with 15% cess, except electric vehicles and hydrogen fuel cell vehicles which have a comparatively lower GST rate of 5% and 12% respectively. Flex-fuel-compatible cars can run on more than one type of fuel, and also on fuel blends, primarily petrol



and ethanol or methanol.

Speaking at IFGE's India Bio-Energy and Tech Expo, Gadkari called on states to help introduce alternative fuel options, targeted at families who tend to buy used vehicles and prefer roadways over other modes of transport, especially for pilgrim visits.

His comments come ahead of the 54th GST Council meeting scheduled on September 9.

He also pointed out that every year, India imports up to ₹22 lakh crore worth of fossil fuel, and it is not only an air pollution problem but one that's linked to the economy.

"So, now by starting this, a day will come when we will reduce our imports and will encourage bio-fuel," he said.

According to Gadkari, India has potential in further expansion of the domestic auto industry.

Gadkari prods states to agree to 12% GST on flex-fuel vehicles

ARUNIMA BHARADWAJ
New Delhi, September 2

UNION MINISTER OF road transport and highways Nitin Gadkari said on Monday that states should give their consent to a proposal to reduce Goods and Services Tax (GST) on flex-fuel vehicles to 12%.

Addressing a gathering at the India Bio Energy & Tech Expo 2024, he said, "We will try to convince all the (state) finance ministers. Yesterday I had the opportunity to discuss with the finance minister of Maharashtra and I told him to put up this proposal for reducing GST upto 12% on flex engines, cars, and scooters."

Currently, the GST rate on passenger cars is 28%, and over and above that the compensation cess is applied, taking the effective rate to much higher levels across categories, with the highest levies on premium vehicles. As for two-wheelers, 28% GST is levied on those with engine capacity less than 350 cc, and the effective rate is 31% for engine capacity above 350 cc. There are no differential rates for flexi-engine vehicles. Electric vehicles are, however, subject to a lower GST rate of 5%. Earlier, two-wheeler manufacturers demanded a cut in GST rate on flex-fuel two-wheelers from 28% to 18%.

Flex-fuel vehicles can run on more than one type of fuel or on a mixture such as a blend of petrol and ethanol. Gadkari said that several leading vehicle manufacturers, including Bajaj, TVS and Hero, have already developed models equipped with flex engines capable of running on 100% ethanol.

"I feel that now the flex fuel is very, very important. Already the managing directors of Tata, Suzuki and Toyota have decided to start flex engine cars in the country," Gadkari said.

Speaking at the same event, Union oil and gas minister Hardeep Singh Puri said the government was collaborating with the automobile industry to develop vehicles com-

NITIN GADKARI,
UNION MINISTER OF ROAD
TRANSPORT AND HIGHWAYS

A DAY WILL COME WHEN
WE WILL REDUCE OUR
FOSSIL FUEL IMPORTS
AND ENCOURAGE
BIOFUEL



patible with ethanol and advance alternative fuels. Puri said the country's ethanol blending programme has saved ₹99,014 crore in foreign exchange till July 2024 since 2014.

"Ethanol blending percentage has increased from 1.53% in 2014 to 15% in 2024," the oil minister said. "Buoyed by the success, we advanced the 20% target by five years to 2025 and are on track to achieve it," he added.

Gadkari also noted that the country imports up to ₹22 lakh crore worth of fossil fuels per year. "So, now by starting this, a day will come when we will reduce our imports and will encourage biofuel," he said.

Oil marketing companies have successfully launched the E100 fuel at over 400 retail outlets across the country. The fuel contains 93-93.5% of ethanol blended with 5% petrol and 1.5% co-solvent. Additionally, the E20 petrol (petrol blended with 20% ethanol) is now available at over 15,600 outlets.

Puri said the government's ethanol blending programme has helped in reduction of carbon dioxide emissions.

Gadkari urges Finance Ministry to cut GST on flex fuel vehicles to 12%

MUCH-NEEDED STEP. 'Flex fuel engines reduce emissions, help trim ₹22 lakh cr annual fossil fuel import bill'

Our Bureau
New Delhi

The Minister for Road Transport and Highways, Nitin Gadkari, on Monday urged the Finance Ministry and its counterparts in the States to reduce the GST on flex fuel vehicles to 12 per cent.

Addressing IFGE's India Bio-Energy and Tech Expo, Gadkari said flex fuel engines are the ultimate goal as they will not only reduce emissions, but also help trim the country's annual fossil fuel import bill of around ₹22 lakh crore.

"I have urged the Finance Minister to reduce GST on flex fuel vehicles. The Finance Minister assured me that all efforts will be made to convince the finance ministers of the States. I have also asked Maharashtra's Finance Minister to attend

the GST Council meeting, and propose the reduction," he added.

At present, 28 per cent GST is levied on internal combustion engine (ICE) vehicles and hybrids, and 5 per cent on electric vehicles (EVs).

"If we can have good technology for bio-fuel, our exports will grow by 10-20 per cent; pollution is a big concern world over," he said.

ETHANOL BLENDING

Meantime, Union Minister of Petroleum and Natural Gas, HS Puri, who also graced the occasion, emphasised that bioenergy is increasingly becoming a crucial alternative to fossil fuels, offering both environmental benefits and economic opportunities, particularly in rural areas.

One of the standout achievements was the success of India's ethanol blend-



BIO-LOGIC. According to Nitin Gadkari, with good technology for bio-fuel, exports will grow by 10-20 per cent

ing programme. "The rapid rise in ethanol blending percentage from 1.53 per cent in 2014 to 15 per cent in 2024, has encouraged the govern-

ment to set an ambitious target of achieving 20 per cent blending by 2025," he added.

Ethanol blending has resulted in the saving of ₹99,014

crore in foreign exchange over the past decade, besides reducing CO₂ emissions by 519 lakh tonnes, and substituting 173 lakh tonnes of crude oil.

"Furthermore, the programme has had a considerable economic impact, with Oil Marketing Companies (OMCs) disbursing ₹1,45,930 crore to distillers, and ₹87,558 crore to farmers," the Minister said.

E20 FUEL

The Minister for Petroleum and Natural Gas also highlighted the widespread availability of E20 fuel, which is now offered at over 15,600 retail outlets across India.

He commended the Pradhan Mantri JI-VAN Yojana for its role in providing financial support to advanced biofuel projects, which is crucial for developing a sustainable ethanol production ecosystem.



GADKARI WANTS GST ON FLEX-FUEL VEHICLES TO BE CUT

New Delhi, Sept. 2: Union minister Nitin Gadkari on Monday said state finance ministers should consider reducing the goods and services tax (GST) on flex-fuel vehicles to 12 per cent.

Addressing IFGE's India Bio-Energy & Tech Expo, Gadkari also said there is a need to reduce imports of fossil fuels and encourage the use of biofuel.

"We need support from the finance ministers of different states. I asked Maharashtra's FM to attend the meeting and propose the reduction of GST on flex-fuel engine cars," he said.

Flex-fuel-compatible cars can run on more than one type of fuel and also on a mixture. Typically, a blend of petrol and ethanol is used.

Gadkari also pointed out that every year, India imports fossil fuels of up to ₹22 lakh crore, and it is not only a problem related to air pollution but also an economic problem.

"So, now by starting this, a day will come when we will reduce our imports and will encourage bio-fuel," he said.

The road transport and highways minister said increasing use of bio-fuel will benefit the agriculture sector. — PTI

Gadkari wants states to pitch for GST cut on flex-fuel vehicles

'Biofuel share will be 50% of fossil fuels in 5 yrs'

DHRUVAKSH SAHA
New Delhi, 2 September

As India aims to bring down its fossil fuel consumption, Union Minister for Road Transport and Highways Nitin Gadkari on Monday asked finance ministers of states to propose reduction of Goods and Services Tax (GST) on flex-fuel vehicles at the next GST Council meet.

"In the GST Council, we need support from finance ministers of different states. Recently, I spoke to the finance minister of Maharashtra, and I asked him to put up a proposal to reduce the GST on flex-fuel cars, scooters, etc. to up to 12 per cent," the minister said at the India Bio-Energy & Tech Expo, organised by IFGE, in New Delhi.

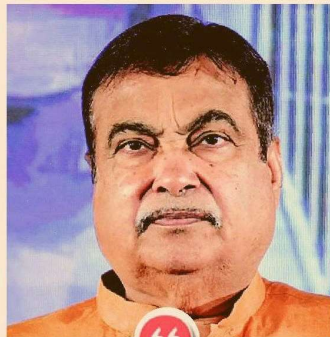
Among others, the sugar industry has been seeking a 5 per cent GST on flex-fuel vehicles, as is in the case of electric vehicles. Currently, flex-fuel vehicles attract a GST of 28 per cent, across two and four-wheelers.

However, some automobile producers, who have invested heavily in manufacturing of electric vehicles, have reportedly opposed the rate-cut proposal in the past.

In March, the ministry of heavy industries had also received several representations seeking a reduction in GST rates for these vehicles. The GST Council comprises finance ministers of different states along with Union Finance Minister Nirmala Sitharaman.

Gadkari said that 85 per cent of the transport sector is currently using fossil fuels, and there is immense potential for biofuels to grow going forward.

In October 2023, the ministry of road



85% OF THE TRANSPORT SECTOR IS CURRENTLY USING FOSSIL FUELS, AND THERE IS IMMENSE POTENTIAL FOR BIOFUELS TO GROW

NITIN GADKARI, Union Minister of Road Transport and Highways

transport and highways had also told states in an advisory that they should consider reducing the road tax on flex-fuel vehicles the same way they've done for electric vehicles, in the interest of decarbonising the transport sector.

The minister also said that automakers need not worry about the viability of these vehicles, as the growth in the road coverage in India would mean higher demand for tourism, in turn boosting the demand for commercial vehicles for tourists, which can be run on alternative fuels.

Ethanol blending saved ₹99K cr since 2014: Puri

SUBHAYAN CHAKRABORTY
New Delhi, 2 September

India's ethanol blending program has saved ₹99,014 crore in foreign exchange since 2014, Union petroleum minister Hardeep Singh Puri said on Monday.

Puri also said that the government has achieved a 15 per cent Ethanol blending target so far, a combination which he wants to take to 20 per cent by Ethanol Supply Year (ESY) 2025-26.

Speaking at the International Conference on Bioenergy, Puri said increasing use of ethanol in automotive fuels has allowed India to substitute 173 lakh metric tonnes of crude since 2014 that would otherwise have been imported.

Similarly, carbon emissions have also been lowered by 519 lakh metric tonnes in the past decade, he said. The figures are till 14 July 2024.

The cumulative amount paid to the distillers by oil marketing companies since 2014 stood at ₹1.45 trillion, while payments to farmers amounted to ₹87,558 crore.

The minister said E20 petrol (petrol blended with 20 per cent ethanol) is now available at over 15,600 outlets in the country. Meanwhile, the government had also launched E100 fuel back in March. It includes 93-93.5 per cent ethanol blended with 5 per cent petrol and 1.5 per cent co-solvent, which is a binder.

With its high-octane rating, typically between 100-105, E100 is being pegged by the government as ideal for high-performance engines, ensuring improved efficiency and power output.

Ethanol production up

Puri said the government has resumed the supply of rice from the Food Corporation of India to ethanol distilleries, allowing them to purchase up to 23 lakh tonnes through e-auctions from August 2024 to October 2024.

"Additionally, in an attempt to raise ethanol production, sugarcane juice and syrup supply to distilleries will commence from Ethanol Supply Year (ESY) 2024-25 (November 2024)," he said. Centre had provided an additional incentive of ₹9.72 per litre for ethanol supplies from maize, ₹8.46 per litre from damaged rice during August 2023 and ₹6.87 per litre from C-heavy molasses during December 2023.

"The results are visible as contribution from maize has increased to 36 per cent in ESY 23-24 from nil in ESY 21-22," Puri said.

The government has struggled to juggle the myriad supply and price fluctuations associated with multiple feedstocks for ethanol production. Puri stressed government policy has provided price stability and helped in reducing the pending arrears of sugarcane farmers.





GSPL, GSPC, GEL to merge with Gujarat Gas

Ahmedabad: Gujarat State Petronet Ltd (GSPL) has approved a significant restructuring plan that will see the merger of Gujarat State Petroleum Corporation (GSPC), GSPL, and GSPC Energy Ltd (GEL) into Gujarat Gas. This move is aimed at enhancing business synergy, operational efficiency, and simplifying the holding structure of these entities. **ANI**

Gujarat Gas surges 14% on restructuring plan

Brokerages upbeat, say shares will witness value unlocking

TANMAY TIWARY

New Delhi, 2 September

Gujarat Gas Ltd (GGL) stock was buzzing in trade on Monday, with the scrip rallying as much as 13.63 per cent to hit an intraday high of ₹689.45 on the BSE.

This comes after brokerages said they were optimistic about GGL following the board's approval of a merger and demerger plan involving Gujarat State Petroleum Corporation (GSPC) and Gujarat State Petronet (GSPL).

Analysts believe that the restructuring of these Gujarat-based companies will simplify the existing layered structure.

According to the scheme, GSPC (10 GGL shares for 305 GSPC shares) and GSPL (10 GGL shares for 13 GSPL shares) will first be amalgamated into GGL.

Subsequently, the gas transmission business will be demerged and listed as a new entity called GSPL Transmission (GTL).

GGL will retain the city gas distribution (CGD) business, along with GSPC's gas trading, exploration and production (E&P), renewables, and other investments.

Considering this, here's what brokerages interpret from this merger and demerger plan:

Nuvama

Analysts at Nuvama estimate a 39 per cent increase in earnings per share (EPS) for Gujarat Gas.

They said that the merger allows GGL to utilise GSPC's ₹7,200 crore in tax losses over eight years and achieve around ₹300 crore annually in indirect tax savings.

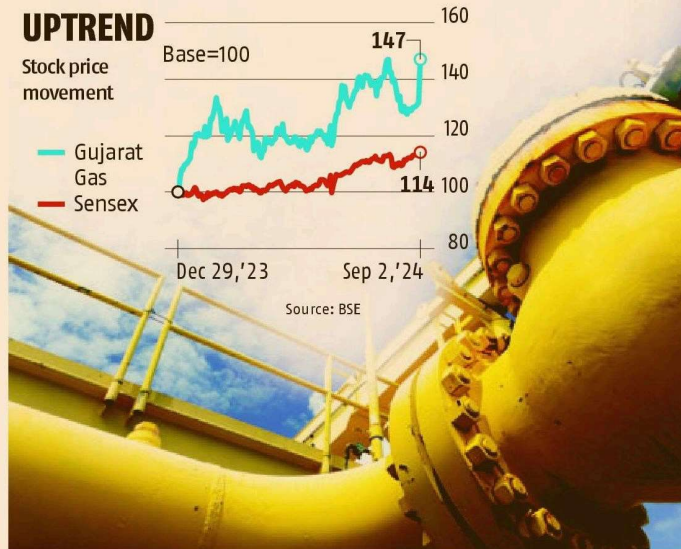
GGL will also benefit from better pricing for propane in Morbi by ₹1.3 per standard cubic metre (SCM) or 3.2 per cent.

Thus, analysts have retained a 'buy' rating on GGL with a target price of ₹745, an upside of 23 per cent.

For GSPL, Nuvama has removed the holdco discount on its 54 per

UPTREND

Stock price movement



cent stake in GGL but factored in an over 30 per cent increase in GSPL's price over the past week.

Consequently, Nuvama has raised GSPL's target price by 45 per cent to ₹467, maintaining a 'hold' rating.

Motilal Oswal

Analysts have maintained their 'buy' rating on Gujarat Gas with a target price of ₹715, reflecting an upside of 18 per cent.

Despite a projected weak volume momentum in Q2 FY25 due to high spot LNG prices and a one-month shutdown in the Morbi cluster, Motilal Oswal anticipates a recovery in volumes in the second half of FY25 and FY26. This comes as competitiveness against propane improves.

Their estimates remain unchanged, with the scheme expected to complete in August 2025.

Motilal Oswal analysts also highlighted that Gujarat Gas is expected to see improved margins and return ratios, along with enhanced cash flows. Additionally, related-party transactions between GSPC and GGL will be eliminated.

"Shareholders of GSPL will wit-

ness value unlocking as they receive shares of both GGL and GTL. Moreover, the demerger will facilitate an independent, market-driven valuation of GTL," they added.

Kotak Institutional Equities

Contrastingly, Kotak Institutional Equities analysts have suspended their previous 'buy' rating. They estimate that the transaction is approximately 5-6 per cent more favourable for GSPL minorities compared to GGL minorities.

Until GSPL's delisting (likely by June 2025), Kotak expects GSPL's stock to move in tandem with GGL rather than reflecting its own fundamentals. "Post-restructuring, GSPL will be a pure transmission business. Apart from the CGD business, GGL will get profitable gas trading and other businesses of E&P, renewables, gas-based power generation, and LNG terminals," analyst at Kotak Institutional Equities said.

Meanwhile, the stock settled 11.91 per cent higher at ₹678.95 per share on the BSE. In comparison, the Sensex closed 0.24 per cent higher at 82,559.84 levels.

THE GOOD

↑ India Third in AI

A report from the Australian Strategic Policy Institute says that when it comes to various segments of AI, India ranks third, just behind the US and China. It noted that India is lagging behind when it comes to standout research performers.

↑ AI Clears Clot

An AI device called the 'Penumbra Flash 12 F Catheter' was used to clear out a blood clot in a patient at Medanta Hospital in Haryana's Gurugram, which according to doctors makes the hospital the first in the country to use the technology.

THE BAD

↓ AI in the Dock

Top AI companies have been hit by copyright claims alleging aggressive scraping of data from the internet. The problem of scraping data has been exacerbated by startups hitting a wall on free information that can be sourced from web.

↓ AI Rigs Reviews

Fake AI-generated reviews that give apps five stars have begun flooding mobile as well as smart TV app stores, according to a report from DoubleVerify. The report says reviews allow low quality apps to rank higher in searches.

THE UGLY

↓ AI Shocker for Cos

High pay expectations are causing a slowdown in hiring of AI talent in India, particularly for 132 Indian firms in sectors like tech, manufacturing and finance, according to a survey by Deel. Survey also reported a rise in requests for payments in US dollars for contract workers.

Traditionally viewed as an engineering-focused industry, the oil and gas sector is increasingly adopting AI and generative AI (GenAI) to optimise operations and drive efficiency through real-time data and insights. From upstream exploration and production to midstream storage and downstream refining and distribution, AI tools are being integrated across the value chain, signalling a notable shift in an industry long dominated by a traditional engineering mindset.

Companies are leveraging AI for a variety of applications, including pinpointing exploration sites, subsurface engineering via seismic data interpretation, reservoir modeling, fluid flow prediction, and optimising drilling extraction rates. AI is also enhancing operational efficiency in crude trading, and the technology is playing a crucial role in smart logistics control for supply chain management, predictive maintenance of key assets like turbines, pumps, and pipelines, and refining process optimisation to boost efficiency and safety.

Cairn, the oil and gas arm of Vedanta, for instance, is making use of AI-powered process digital twins of gas and offshore facilities, leading to about 30% reduction in flaring and 18% fuel gas optimisation, the company told ET.

It has deployed AI and machine learning (ML) to reduce the down-time of machinery such as hydraulic rod pumps and to keep up oil production volumes. Data from Internet of Things (IoT) and sensors are analysed with AI/ML to determine the likelihood of such machines failing, while real-time insights and smart alarms help in alerting.

"These machines are in oilfields in, for instance, remote parts of Rajasthan. If they fail, it takes significant time for a person to travel and make it right, and there would be a significant decline in volume," explained Sandeep Gupta, Cairn Oil and Gas.

The company has built an AI model using historical procurement and consumption data to forecast the optimal future quantity of spare parts procurement needs, minimising existing spare parts, reducing non-moving inventory and overall working capital. At one field site, savings of about \$1.5 million could directly be attributable to this solution, Gupta said.

"The biggest problem the oil and gas industry faces is emissions. It is under tremendous pressure to change its portfolio, but even if they cannot change it completely, doing it as efficiently as possible to minimise emissions will be quite significant," Anish De, global head - energy, natural resources & chemicals, at KPMG, told ET.

AI, with its data analytics insights and actionability, will play a major role in enabling hyper-efficiency. And if companies do it right, this will also have a positive bottom line impact, De said.

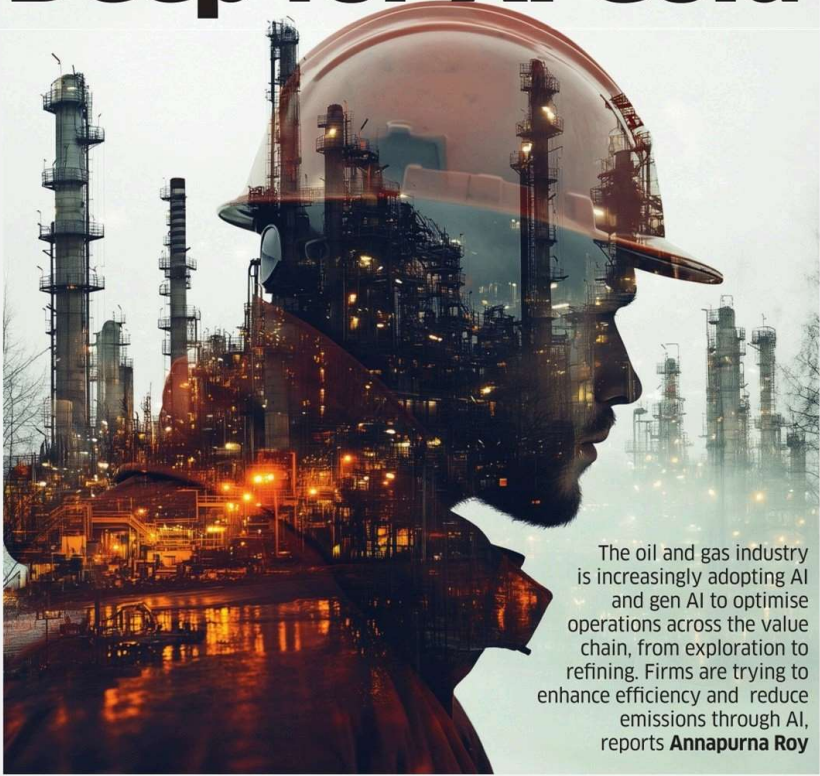
"You're seeing massive efficiencies, particularly in the upstream segment, much of it because of new technologies like AI, and in areas where there's a net saving," De explained. For instance, if heat loss in a petrochemical plant can be brought down by even 2%, that has a significant positive impact on the bottom line. In another instance, Indian Oil Corporation (IOC), is using GenAI for project delay compendium analysis, using historical learnings from large projects over the last two decades. It also has GenAI solutions to query legal compendiums, a chatbot for human resource functions, and customer sentiment analysis and visualisation.

For the international trade department, which carries out negotiations to import oil, GenAI helps with email summarisation and price discovery.

Manish Grover, executive director (strategic IS & IS), refineries HQ, at Indian Oil Corporation, said, "We have AI initiatives towards yield optimisation and maximisation. AI can tell us what is required to be produced—if there is X rate in the market, then which is the yield which will give me the maximum profit at that point of time."

An AI-powered integrated planning tool for supply chain management has helped to improve crude oil evaluation, short- and long-term planning, and busi-

Oil & Gas Cos Dig Deep for AI Gold



The oil and gas industry is increasingly adopting AI and gen AI to optimise operations across the value chain, from exploration to refining. Firms are trying to enhance efficiency and reduce emissions through AI, reports Annapurna Roy

Top roles expected to create demand in 2024 in the oil and gas industry	Experience Range (years)	Open Demand by FY 2025
Data Scientist & Engineering	5-12	55%
AI Solution Architects	8+	47%
Geoscientists & Reservoir Engineers with AI Skills	5-10	22%
AI Ethicists and Policy Analysts	7+	15%
AI Project Managers	9+	15%
AI Consultants and Advisors	10-12+	27%

SOURCE: TEAMLEASE DIGITAL

ness decision-making, Grover said, adding that 85-90% of the crude is imported—the largest capital expenditure for the company—and evaluation in an efficient manner is vital. AI is also being used to monitor and optimise IOC's shipping processes and avoid possible damages.

"Whenever data is being created, we are using the power of AI to give us more insights and decision-making tools," Grover said. "Over the last five years, OT (operational technology) and IT have been integrated to enable this."

For energy efficiency improvements, IOC has rolled out captive power plant dashboard and optimisation at their refineries, along with energy management systems installed for end-to-end utilities and supply-side optimisation through consumption monitoring and data of supply side utility costs.

"Ultimately, when I'm investing crores in projects and they don't come in time, I'm losing money, I'm losing productivity out there," Grover said. "All these solutions together let me monitor my projects better, maybe take those preventive steps so that the projects are coming on time."

The global AI in oil and gas market is expected to grow by 16.17% by 2028, of which the Asia-Pacific region will con-

tribute 38%, according to data from Teamlease Digital. India will contribute more than 50% to the Apac share.

"The sector being a continuous process sector, live monitoring and control take priority, leading to emerging technologies taking centre stage to reduce process time and error rates," said Munira Loliwala, vice president - strategy and growth, at Teamlease Digital.

With AI, organisations are able to see a 20% improvement in operational costs and an approximately 40% increase in data accuracy, according to Loliwala. The sector is also seeing upwards of 50% improvement in creating a paperless environment.

AI also assists refinery companies in meeting crucial quality standards. By predicting potential deviations in product quality before they occur, production specialists can proactively make adjustments to reduce waste and ensure consistent production reliability and environmental sustainability, said Loliwala.

Improvements in efficiency for the green line also make strategic business sense, said experts. Tech giant Accenture estimates that AI and GenAI can help drive 1-2.5% improvement in topline, 2-3% reduction in cost and 3-6% reduction in capital spend across the value

chain. "Emerging product substitutes, increasing regulatory and environmental requirements, new entrants from the diversified ecosystem and changing consumer preferences are necessitating the need for a radical change," said Hari Shankaranarayanan, managing director and lead - energy, Accenture in India.

Experts said GenAI bots have significant application in corporate functions—which are very large in oil and gas companies—across management of personnel, basic claims related matters, or legal matters. GenAI can act as "non-human eyes" for contract monitoring and reporting, said Deepak Mahurkar, partner, PwC. He said reducing manual interventions in processes and bringing in agility is a priority for companies across sub-surface, above surface, transportation, retail, gas, liquefaction, and others.

"Business expansion and increasing revenue through lateral expansion, forward and backward integrations—this is an aspiration of oil and gas companies," Mahurkar said.

For instance, oil tankers today are highly sensorised and AI helps detect and flag any anomalies in transportation. The technology can process data for as many as 50,000 trucks every second.

AI helps tailor customer experiences, as proximity sensors at retail outlets can alert fuel stations of nearby customers and registered customers can be flashed advertisements or fuel rates, Mahurkar said.

While use cases are still emerging, companies are seriously weighing options and are ready to spend money to develop them, Mahurkar said.

Most organisations are investing nearly 20% of their budget in AI development, according to Teamlease Digital's Loliwala, which enables them to digitally transform their business.

OIL and IGGL sign Hook-up Agreement



Oil India Limited (OIL) and Indra Dhanus Gas Grid Limited (IGGL) signed the hook-up agreements for connecting OIL's natural gas fields of upper Assam with the Duliajan Feeder Line of the North-East Gas Grid and also for evacuation of natural gas to be produced from OIL's DSF block in Tripura through IGGL's 12" NB x 86 km Agar-tala - Tulamura natural gas pipeline. This agreement marks a step forward in OIL's shared vision of enhancing the energy infrastructure in North-East region and also OIL's commitment towards a gas-based economy for the nation. The hook-up agreement was signed in a function organised at the field headquarters of OIL Duliajan in presence of Dr Ranjit Rath, CMD, OIL; all the functional Directors of OIL and Senior Officials of OIL & IGGL on 31.08.2024. On behalf of OIL, Anfor Ali Haque, Resident Chief Executive, OIL, Duliajan and Dr Ajit Kumar Thakur, CEO, IGGL have formally signed the agreements.

GSPC AND GSPL TO MERGE INTO CO

Reverse Merger Likely to Improve Profit of Gujarat Gas, Stock Up 11%

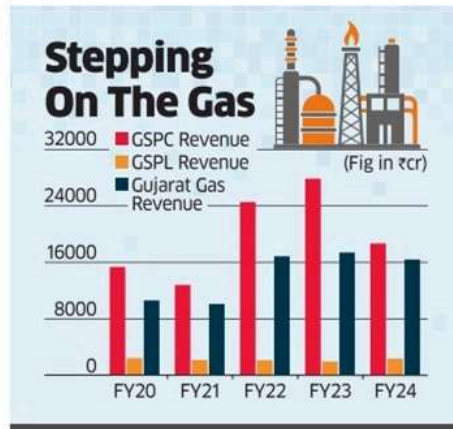
Ashutosh R Shyam

ET Intelligence Group: The stock of Gujarat Gas gained 11.12% on NSE Monday following the state's plan to simplify the shareholding structure through a reverse merger of Gujarat State Petroleum Corp (GSPC) and Gujarat State Petronet Ltd (GSPL) into the company. After the restructuring, the EPS is projected to increase by 5-7%, adjusted for equity dilution from the issuance of new shares. The entire transaction will be completed by August 2025.

Prior to the merger, the Government of Gujarat held a 55% stake in GSPC, which in turn held a 37% stake in GSPL. GSPL held a 54% stake in Gujarat Gas.

GSPC is involved in gas trading and exploration, with a significant portion of its operating profit derived from gas trading. In FY24, GSPC's gas trading volume was 11 mmscmd.

Under the scheme of arrangement, investors will receive 10 shares of Gujarat Gas with a face value of ₹2 for every 13 shares held in GSPL with face value of



₹10. They will also get 10 shares of Gujarat Gas for every 305 shares held in GSPC with face value of ₹1. The arrangement will increase Gujarat Gas's total outstanding shares to 938 million from the current 688 million, resulting in a 36% equity dilution.

Currently, the promoter's stake in Gujarat Gas is 60.9%, which will decrease to 25.9% after the reverse merger, while the effective stake of the Gujarat

government is approximately 18%. Other Gujarat government entities will hold 29% while the remainder will be with minority shareholders.

Following the proposed deal, GSPL's transmission segment will be spun off into a separate listed entity. This move will eliminate layered structures and remove the Holdco discount associated with GSPL and Gujarat Gas. It will also eliminate related-party transactions, potentially improving Gujarat Gas's operating profit, 18-20% of which currently is through the volume transferred from GSPC.

After the reverse merger, if Gujarat Gas shows capital trading profit in the city gas distribution (CGD) segment, it may result in a higher earnings before interest, tax, depreciation, and amortisation (EBITDA) of around ₹6.5-7 per scm. Financially, Gujarat Gas will benefit from a lower tax rate due to accumulated losses of ₹7,200 crore over the next eight years. The pro forma valuation of all entities is estimated to be around ₹56,000-60,000 crore, translating to a per-share value of approximately ₹600-650 for Gujarat Gas.



Street is excited about Gujarat Gas

Manish Joshi
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Gujarat Gas Ltd's shares jumped over 10% on Monday in reaction to the new restructuring plan that seeks to do away with the layered structure of the GSPC Group.

Gujarat State Petronet Ltd (GSPL) and Gujarat State Petroleum Corp. Ltd (GSPC) will be merged into Gujarat Gas. GSPL stock will become a derivative of how the Gujarat Gas stock moves thanks to the merger ratio announced. Thus, it is pertinent to evaluate the scheme's likely impact on the stock.

The Street seems to be viewing this positively. The stock of GSPL, the other listed company here currently, was up close to 4% on Monday.

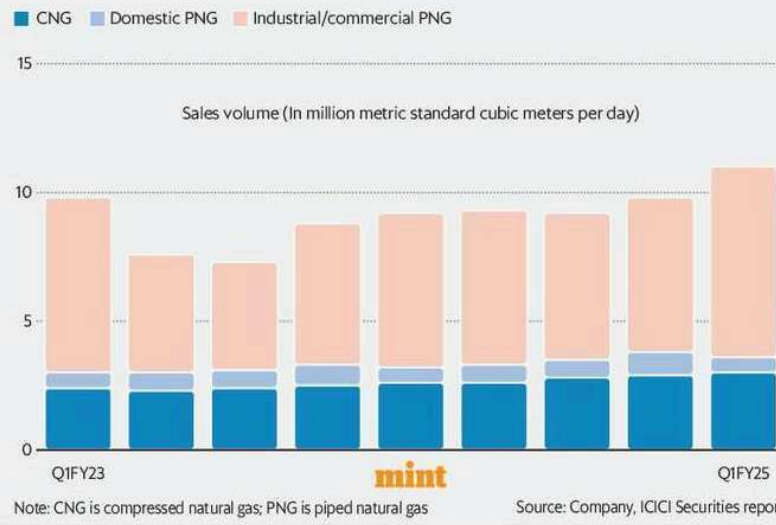
GSPC has gas trading and an exploration and production business; GSPL has the gas transmission business; and Gujarat Gas is into city gas distribution.

"The objective of the merger is mainly to solve the slightly complex holding structure, mainly to unlock the value of Gujarat Gas' shares being held by GSPL currently," Antique Stock Broking said in a 2 September report.

While the development is earnings

Getting energized

Gujarat Gas sales could earn better margins after the backward integration through the proposed GSPC merger



PRANAY BHARDWAJ/MINT

per share accretive for the stable city gas distribution business of Gujarat Gas, a worry is that the stock might face a price-to-earnings (P-E) multiple de-rating with GSPC's acquisition due to the latter's volatile earnings profile.

However, a near-term balancing factor is the low-risk and stable returns

business—GSPL gas transmission. Moreover, next year, this vertical will be demerged into a separate company—GSPL Transmission Ltd. In August 2025, GSPL Transmission will be listed and the shares thus received will also sweeten the deal.

Still, the derating argument must be

examined in detail. As of Friday, the last trading day before the scheme was announced, Gujarat Gas was trading at a P-E multiple of 27x, based on *Bloomberg* consensus FY26 EPS estimate.

One can look at Gujarat Gas's post transaction valuation in two ways. The first is valuing a consolidated Gujarat Gas, including GSPL Transmission.

Antique Stock Broking expects consolidated EPS (after the set-off of carry-forward losses) at ₹46 for fiscal year 2025-26, based on a fully diluted equity base after the proposed transaction. Based on that, the Gujarat Gas stock currently trades at a P-E multiple of 14x.

The second way is by deducting GSPL Transmission's profit and value from Gujarat Gas's profit and

market capitalization, respectively, which works out to a P-E of 16x. GSPL Transmission is valued at about ₹5,000 crore-₹7,000 crore by brokerages.

In both the cases, there is a drastic drop in Gujarat Gas's P-E to 14x-16x from 27x. The moot question for investors is whether such a steep fall in valua-

tion is justified in the backdrop of Gujarat Gas's core EPS getting a big lift from potential merger synergies.

A key synergy is a decline in gas cost for Gujarat Gas by about ₹2 per standard cubic meter, the margin it pays for sourcing gas from GSPC, according to Antique. Further, the carry forward of ₹7,200 crore loss from GSPC would

mean tax savings of ₹1,800 crore, based on 25% corporate tax rate.

Antique analysts see a higher intrinsic value for both GSPC and GSPL than what is being factored in.

Note that GSPC's trading business has been suffering due to high LNG prices and substitution of imported LNG with domestic gas. The management expects that post FY26, there could be an opportunity to regain lost customers from the fertilizer sector.

However, it may be too early to take a view on future prospects as the scheme is expected to be completed in August 2025. This has meant some brokerages such as Motilal Oswal Financial Services have not made any changes to their estimates yet.

RIPPLE EFFECTS

GSPL will become a derivative of how the Gujarat Gas stock moves thanks to the merger ratio

ANALYSTS see a higher intrinsic value for both GSPC and GSPL than what is being factored in

ई100 ईंधन की बिक्री 400 रिटेल आउटलेट पर शुरू

नई दिल्ली (एसएनबी)। पेट्रोलियम एवं प्राकृतिक गैस मंत्री हरदीप सिंह पुरी ने कहा कि देशभर के 400 से अधिक रिटेल आउटलेट पर ई100 ईंधन की बिक्री शुरू हो गई है। बीते दस वर्ष के दौरान पेट्रोल में इथेनॉल की मिश्रण की मात्रा 15 प्रतिशत तक पहुंच गई है। लिहाजा ई100 अनुकूल वाहनों के उत्पादन को प्रोत्साहन दिया जाना चाहिए।

पुरी आज यहां आयोजित भारत जैव-ऊर्जा और प्रौद्योगिकी प्रदर्शनी 2024 (आईबीईटीई) के उद्घाटन सत्र को संबोधित कर रहे थे। उन्होंने जैव ऊर्जा क्षेत्र में भारत की प्रगति और देश की ऊर्जा उपयोग में परिवर्तन की दिशा में इसकी महत्वपूर्ण भूमिका का विस्तृत विवरण प्रस्तुत किया। केंद्रीय मंत्री ने इस बात पर बल दिया कि जैव ऊर्जा तेजी से जीवाश्म ईंधन का एक महत्वपूर्ण विकल्प बनता जा रहा है, जो विशेष रूप से ग्रामीण क्षेत्रों में पर्यावरणीय लाभ और आर्थिक अवसर दोनों प्रदान करता है। उन्होंने जैव ऊर्जा क्षेत्र को आगे बढ़ाने के लिए भारत सरकार के महत्वपूर्ण प्रयासों के बारे में विस्तार से बताया। उन्होंने आयात निर्भरता को कम करने, विदेशी मुद्रा बचाने और एक पुनः उपयोग वाली अर्थव्यवस्था को प्रोत्साहन देने में इसके महत्व पर प्रकाश डाला। सरकार की रणनीति में



इथेनॉल और जैव डीजल मिश्रण, कंप्रेसड बायोगैस (सीबीजी), टिकाऊ विमानन ईंधन, बायोमास उपयोग (जैसे छर्रे और ब्रिकेट), जैव हाइड्रोजन और अपशिष्ट-से-ऊर्जा समाधान सहित कई महत्वपूर्ण क्षेत्र सम्मिलित है।

उन्होंने ई20 ईंधन की व्यापक उपलब्धता पर भी प्रकाश डाला। यह ईंधन अब पूरे भारत में 15,600 से अधिक खुदरा दुकानों पर बिक्री के लिए उपलब्ध है। उन्होंने उन्नत जैव ईंधन परियोजनाओं को वित्तीय सहायता प्रदान करने में आवश्यक

■ दस वर्ष में पेट्रोल में
इथेनॉल मिश्रण 15 प्रतिशत
पर पहुंचा : हरदीप सिंह पुरी

■ ई100-अनुकूल वाहनों के
उत्पादन को प्रोत्साहन देने का आग्रह

भूमिका के लिए प्रधानमंत्री जी-वन योजना की प्रशंसा की। यह योजना एक स्थायी इथेनॉल उत्पादन इकॉनॉमिक्स विकसित करने के

लिए महत्वपूर्ण है। पेट्रोलियम मंत्री ने देशभर में 400 से अधिक खुदरा दुकानों पर ई100 ईंधन की बिक्री की सफल शुरुआत के साथ इथेनॉल ईंधन विस्तार में एक प्रमुख उपलब्धि है। उन्होंने सड़क परिवहन और राजमार्ग परिवहन मंत्री नितिन गडकरी से ऑटोमोबाइल निर्माताओं को ई100 ईंधन के अनुकूल वाहन का निर्माण करने के लिए प्रोत्साहित करने का आग्रह किया।

कम्प्रेस्ड बायोगैस उत्पादन में यूपी देश में नंबर वन

● नितिन गडकरी ने की योगी सरकार के प्रयासों की तारीफ

पायनियर समाचार सेवा। लखनऊ/नई दिल्ली

कम्प्रेस्ड बायोगैस (सीबीजी) उत्पादन के क्षेत्र में देश में पहले स्थान पर कायम उत्तर प्रदेश की इस उपलब्धि पर केंद्रीय मंत्री नितिन गडकरी ने सोमवार को योगी सरकार की खुले मन से प्रशंसा की। उन्होंने भरोसा जताया की मुख्यमंत्री योगी आदित्यनाथ के नेतृत्व में उत्तर प्रदेश सीबीजी के साथ ही अतिरिक्त ऊर्जा के क्षेत्र में नए कीर्तिमान स्थापित करेगा। केन्द्रीय सड़क, परिवहन एवं राज्य मार्ग मंत्री नितिन गडकरी सोमवार को राजधानी दिल्ली के द्वारका में यशोभूमि कन्वेंशन सेन्टर में आयोजित इन्डिया बायो एनर्जी एवं टेक एक्पो-2024 का शुभारंभ करने पहुंचे थे। इस दौरान उन्होंने उत्तर प्रदेश नवीन एवं नवीकरणीय ऊर्जा विकास अभिकरण (यूपीनेडा) के स्टाल का भी अवलोकन किया।



सीएनजी आधारित ट्रेक्टर के लिए दिया सुझाव

केंद्रीय मंत्री नितिन गडकरी कार्यक्रम का उद्घाटन करने के बाद यूपीनेडा के स्टाल पर भी पहुंचे। यहां पर प्रमुख सचिव, ऊर्जा एवं अतिरिक्त ऊर्जा नरेन्द्र भूषण ने उनका स्वागत किया। नितिन गडकरी को जब बताया गया कि कम्प्रेस्ड बायोगैस उत्पादन के क्षेत्र में उत्तर प्रदेश पूरे भारत वर्ष में सर्वप्रथम है, तो वह बहुत प्रभावित नजर आए और उन्होंने मुख्यमंत्री योगी आदित्यनाथ और यूपीनेडा के प्रयासों की प्रशंसा की। उन्होंने यूपीनेडा के स्टाल एवं प्रदर्शित कम्प्रेस्ड बायोगैस उत्पादन तथा बायो ऊर्जा के क्षेत्र में किए गए कार्यों की भी सराहना की। इस दौरान नितिन गडकरी द्वारा महेन्द्रा मोटर्स से संपर्क कर सीएनजी आधारित ट्रेक्टर हेतु नीति निर्धारण के लिए सुझाव भी दिया। प्रमुख सचिव, ऊर्जा एवं अतिरिक्त ऊर्जा नरेन्द्र भूषण द्वारा भारत एवं विश्व में बायो ऊर्जा के क्षेत्र में कार्य कर रहे विकासकर्ताओं के समक्ष उत्तर प्रदेश जैव ऊर्जा नीति-2022 की विशेषताओं एवं दिए जाने वाले प्रोत्साहन के साथ-साथ बायो ऊर्जा के क्षेत्र में उत्तर प्रदेश की उपलब्धियों से अवगत कराया गया तथा उद्यमियों को उत्तर प्रदेश में इस क्षेत्र में अधिकाधिक निवेश किए जाने हेतु आमंत्रित किया गया।



बीपीसीएलने 2,413 करोड़ का लाभांश दिया

नई दिल्ली। निवेश और लोक संपत्ति प्रबंधन विभाग (दीपम) ने कहा कि सरकार को सार्वजनिक क्षेत्र की पेट्रोलियम कंपनी भारत पेट्रोलियम कॉरपोरेशन लि. से करीब 2,413 करोड़ रुपये का लाभांश मिला है। दीपम सचिव तुहिन कांत पांडेय ने 'एक्स' पर लिखा, चालू वित्त वर्ष 2024-25 में अब तक केंद्रीय लोक उपक्रमों से लाभांश के रूप में 15,389.14 करोड़ रुपये मिले हैं।



बीपीसीएल ने सरकार को दिया लाभांश

नई दिल्ली (भाषा)। निवेश और लोक संपत्ति प्रबंधन विभाग (दीपम) ने सोमवार को कहा कि सरकार को सार्वजनिक क्षेत्र की पेट्रोलियम कंपनी भारत पेट्रोलियम कारपोरेशन लि. (बीपीसीएल) से करीब 2,413 करोड़ रुपये का लाभांश मिला है। दीपम सचिव तुहिन कांत पांडेय ने सोशल मीडिया मंच 'एक्स' पर लिखा, 'सरकार को लाभांश किस्त के रूप में बीपीसीएल से लगभग 2,413 करोड़ रुपये प्राप्त हुए हैं।' चालू वित्त वर्ष में अब तक केंद्रीय लोक उपक्रमों से लाभांश के रूप में 15,389.14 करोड़ रुपये मिले हैं। इसमें आईओसी से 5091 करोड़, ईसीआईएल से 40 करोड़, पीएफसी से 554 करोड़ और टीसीआईएल से विशेष लाभांश के रूप में 3,443 करोड़ रुपये शामिल हैं।

राज्यों के वित्त मंत्री फ्लैक्स-फ्यूल वाहन पर जी.एस.टी. घटाकर 12 प्रतिशत करने पर विचार करें : गडकरी

नई दिल्ली, 2 सितम्बर (एजेंसी): केंद्रीय सड़क परिवहन एवं राजमार्ग मंत्री नितिन गडकरी ने कहा कि राज्यों के वित्त मंत्रियों को फ्लैक्स-फ्यूल वाहनों पर माल एवं सेवा कर (जी.एस.टी.) को घटाकर 12 प्रतिशत करने पर विचार करना चाहिए।



फ्लैक्स फ्यूल वाले वाहन से आशय ऐसी गाड़ियों से है जो एक से अधिक ईंधन पर चलती हैं। सामान्य तौर पर ये वाहन पेट्रोल के अलावा एथनॉल मिश्रित पेट्रोल पर भी चलते हैं।

गडकरी ने आई.एफ.जी.ई. के इंडिया बायो-एनर्जी एंड टैक एक्सपो को संबोधित करते हुए यह भी कहा कि कच्चे तेल के आयात को कम करने और जैव ईंधन के उपयोग को प्रोत्साहित करने की आवश्यकता है। उन्होंने कहा, "हमें विभिन्न राज्यों के वित्त मंत्रियों से समर्थन की जरूरत है। मैंने महाराष्ट्र के वित्त मंत्री से बैठक में भाग लेने और फ्लैक्स-फ्यूल इंजन कारों पर जी.एस.टी. में कटौती का प्रस्ताव रखने को कहा है।" महाराष्ट्र के वित्त मंत्री अजित पवार के साथ एक अलग बैठक में गडकरी ने उन्हें इस मुद्दे पर केंद्रीय वित्त मंत्री निर्मला सीतारमण के साथ जी.एस.टी. बैठक में भाग लेने का सुझाव दिया।



सरकार को बीपीसीएल से मिला 2,413 करोड़ का लाभांश

नई दिल्ली, (भाषा)। निवेश और लोक संपत्ति प्रबंधन विभाग (दीपम) ने सोमवार को कहा कि सरकार को सार्वजनिक क्षेत्र की पेट्रोलियम कंपनी भारत पेट्रोलियम कॉरपोरेशन लि. (बीपीसीएल) से करीब 2,413 करोड़ रुपये का लाभांश मिला है। दीपम सचिव तुहिन कांत पांडेय ने सोशल मीडिया मंच एक्स पर लिखा, सरकार को लाभांश किस्त के रूप में बीपीसीएल से लगभग 2,413 करोड़ रुपये प्राप्त हुए हैं। चालू वित्त वर्ष 2024-25 में अब तक केंद्रीय लोक उपक्रमों से लाभांश के रूप में 15,389.14 करोड़ रुपये मिले हैं। इसमें इंडियन ऑयल कॉरपोरेशन (आईओसी) से 5,091 करोड़ रुपये, इलेक्ट्रॉनिक्स कॉरपोरेशन ऑफ इंडिया लि. (ईसीआईएल) से 40 करोड़ रुपये, पावर फाइनेंस कॉरपोरेशन से 554 करोड़ रुपये और टेलीकॉम कंसल्टेंट्स इंडिया लि. (टीसीआईएल) से विशेष लाभांश के रूप में 3,443 करोड़ रुपये शामिल हैं। सरकार ने बजट में चालू वित्त वर्ष में सार्वजनिक क्षेत्र के उद्यमों से लाभांश के रूप में 56,260 करोड़ रुपये प्राप्त करने का लक्ष्य रखा है।

सरकार को बीपीसीएल से मिला 2,413 करोड़ रुपए का लाभांश



वैभव न्यूज ■ नई दिल्ली

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ऑफ इंडिया लि. से 40 करोड़ रुपए, पावर फाइनेंस कॉर्पोरेशन से 554 करोड़ रुपए और टेलीकॉम कंसल्टेंट्स इंडिया लि. (टीसीआईएल) से विशेष लाभांश के रूप में 3,443 करोड़ रुपए शामिल हैं। सरकार ने बजट में चालू वित्त वर्ष में सार्वजनिक क्षेत्र के उद्यमों से लाभांश के रूप में 56,260 करोड़ रुपए प्राप्त करने का लक्ष्य रखा है। यह वित्त वर्ष 2023-24 के लिए निर्धारित 50,000 करोड़ रुपए से अधिक है। देश की सबसे बड़ी बीमा कंपनी भारतीय जीवन बीमा निगम (एलआईसी) ने पिछले सप्ताह वित्त वर्ष 2023-24 के लिए 3,662.17 करोड़ रुपए का लाभांश दिया था। यह राशि मार्च, 2024 में एलआईसी से प्राप्त 2,441.45 करोड़ रुपए के अंतरिम लाभांश के अलावा है।