

Vedanta's Cairn Oil & Gas submits first FDP to commence gas production from Jaya in Gujarat

NEW DELHI: Cairn Oil & Gas, part of Vedanta Ltd, and India's largest private oil and gas exploration and production company, notified gas and condensate discovery of Jaya in its onshore OALP block in the Bharuch district of Gujarat in August 2021. Through exploration and appraisal successes, Cairn has now submitted a Field Development Plan (FDP) to produce >2,000 boepd initially.

This field has the potential to contribute to the company's goal of doubling production capacities and driving energy atmanirbharta for India. This will be the first FDP submitted in OALP regime, among 144 blocks awarded under 8 OALP rounds by the Government to various companies.

Announcing this key milestone, Dr. Steve Moore, Deputy



CEO, Cairn Oil & Gas, Vedanta Ltd. said, "We are delighted to have progressed to Jaya discovery to its FDP and ready to begin production from Jaya block. At Cairn Oil & Gas, driving new exploration is a key pillar as we strive towards our goal of achieving 50 per cent contribution to India's domestic oil and gas production. This block in Gujarat was one of the initial discoveries for Cairn under India's Open Acreage Licensing

Policy (OALP), and we believe it will contribute to India's energy requirements."

Jaya field during its appraisal phase started test gas evacuations in an innovative manner through truck-mounted Compressed Natural Gas (CNG) kits providing CNG to nearby gas stations. This is the first-of-its-kind facility where sales through a CNG cascade system is being done by an E&P operator from an exploration well.

It has enabled Cairn to minimise gas flaring in line with its decarbonization vision while allowing appraisal. This gas sales through cascading served the dual aim of monetising gas as well as fulfilling the nation's energy requirements.

Cairn has signed a commercial gas sales agreement for gas off-take.

Cairn has utilised Advanced Rock Physics and Seismic Inversion technology to predict subsurface sweet spots in and around the Jaya area. A cluster of prospects has been identified which can be developed through tieback to the Jaya facility.

Through the FDP for Jaya, Cairn has nurtured a new asset in the western region that will support holistic economic and sustainable development. **MPOST**

Sanctions cloud: SBI avoids Russia oil bills

Rituraj Baruah & Utpal Bhaskar

NEW DELHI

State Bank of India (SBI) has long avoided payment transactions for Russian oil bought by state-run refiners to avert US sanctions that came into force on 5 December 2022, two people aware of the matter said.

SBI, India's largest lender, is the authorized dealer bank for foreign transactions of state-run refiners. The sanctions of the US treasury department's Office of Foreign Assets Control on maritime transportation of the Russian Federation-origin oil took effect on 5 December 2022, and for seaborne transportation of petroleum products on 5 February 2023.

Indian banks operating in the US include SBI, Bank of Baroda and Bank of India. *Mint* earlier reported about OFAC



SBI is the authorized dealer bank for state-run refiners.

checking whether these banks conform to the G7 price cap of \$60 a barrel for Russian oil. *Mint* also reported about India's largest lender requesting data on purchasing prices from refiners such as Indian Oil Corp. Ltd (IOCL), Bharat Petroleum Corp. Ltd

TURN TO PAGE 6

SBI skips Russia oil bills to avoid curbs

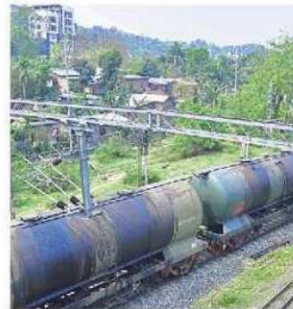
FROM PAGE 1

(BPCL) and Hindustan Petroleum Corp. Ltd (HPCL) to prevent a breach of US sanctions by inadvertently processing payments for Russian oil purchased above the cap.

“Since the time the OFAC sanctions have been imposed, SBI has been avoiding making bank payment transfer to Rosneft for the purchase of Russian oil. It is because SBI has such a major presence in the US. This, despite the fact that bank transfer within the price cap can be made,” said one of the two people cited above on the condition of anonymity.

The G7 set a price cap on Russian seaborne crude oil to limit Russia’s earnings from exports to squeeze its military budget. The move bars the purchase and import of crude oil from Russia at rates exceeding the price cap. It is the strategy of the West to isolate Russia, as well as to ensure steady supply to stabilize global oil prices, which had surged following Russia’s invasion of Ukraine in February 2022.

Queries emailed to the spokespersons of SBI, Rosneft, IOCL, BPCL, HPCL and India’s petroleum and natural gas ministry on Wednesday remained unanswered till press time.



Russia has emerged as the top oil supplier to India over the past two years. AFP

Russian oil accounted for nearly 30% of the crude brought into the country in October 2023

“As we can see, the flow of Russian crude has not stopped. Last year (2023), they constituted a large chunk of our imports. In case of avoidance of payment by SBI, refiners would have so far found alternative ways of payment. It is not a major issue,” said another person cited above.

Russia emerged as the top supplier to India in the past two years since its invasion of Ukraine. Russian oil accounted for nearly 30% of the crude brought into the country in October, according to commerce ministry data. At \$3.78 billion, the value of the crude oil supply from Russia increased 44% year-on-year (y-o-y) in October from \$2.62 billion in October 2022.

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Budget likely to assume peak crude oil price at \$85 per barrel

ASIT RANJAN MISHRA
New Delhi, 11 January

The Ministry of Finance is likely to assume crude oil price to remain within \$85 per barrel while estimating subsidies for the Interim Budget 2024-25 (FY25), to be presented on February 1.

Brent crude prices moved up on Thursday, ending at \$78.9 per barrel.

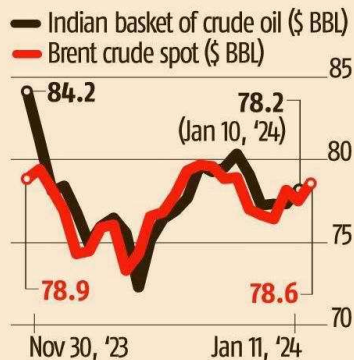
Crude oil and cooking gas prices, which move in tandem, impact fertiliser and cooking gas subsidies, constituting 53 per cent of the government's total subsidies.

Cooking gas subsidy may go up next year as the government has decided to expand the Pradhan Mantri Ujjwala Yojana to provide additional 7.5 million new connections in the next three financial years beginning FY25 to take the total number to 103.5 million.

Higher crude oil prices also result in increased input costs for companies. Turn to Page 6 ▶

TRACKING THE TREND

Movement in crude oil prices



Closing price for Indian basket of crude oil is till January 10; Source: Bloomberg
Compiled by BS Research Bureau

Budget session likely from Jan 31

A brief Budget session is likely to be held between January 31 and February 9, sources said on Thursday. President Droupadi Murmu will address a joint sitting of the two Houses on January 31, they said. PTI

▶ FROM PAGE 1**Budget...**

This may impact their profitability and subsequently government revenues if not adjusted in output prices.

“We expect crude oil to remain in the range of \$75-85 per barrel. However, things are not within our control and any deepening of the crisis in West Asia could overturn our assumptions. We will have another chance to review the situation before the full FY25 Budget is presented after the general elections,” a government official said, requesting anonymity.

After presenting the Economic Survey for FY23 last year, chief economic advisor in the finance ministry, V. Anantha Nageswaran, told reporters the government expects crude oil prices to stay below \$100 per barrel in FY24.

A Reuters poll of 34 economists last month showed international oil prices are likely to stay near \$80 a barrel in 2024, as analysts predicted weak global growth would cap demand, while geopolitical tensions could provide support.

“So far we have not seen any significant impact of the Red Sea crisis on crude oil prices. Spike for a few days won’t be problematic as long as the average crude oil price remains around \$80 per barrel,” said Devendra Kumar Pant, chief economist at India Ratings.

In the wake of the conflict in West Asia, crude oil prices were volatile in 2023, averaging \$83 per barrel, down from \$100 per barrel in 2022. Production cuts by the Organisation of the Petroleum Exporting Countries plus countries that includes Russia (Opec+) have mostly been offset by robust output elsewhere, including in Iran and the United States.

The World Bank in its latest Global Economic Prospects released Tuesday said oil prices were expected to edge down to \$81 per barrel in 2024 as global activity slows and China’s economy continues to decelerate. “An escalation of the conflict in

the Middle East (West Asia) is a major upside risk to oil prices. Further extensions of production cuts by Opec+ to beyond an expected phaseout of cuts in the first quarter of 2024 and stronger-than-expected demand could also result in higher prices,” it said.



Small strategic crude oil storage units in works

Parliamentary panel suggests building up to six ground-level tanks at state-run refineries

S DINAKAR

Amritsar, 11 January

With some plans in consolidating the country's energy security either delayed or abandoned, India is considering other options to expand its strategic petroleum reserves (SPRs), parliamentary documents show.

Now the plan is to build five or six small, ground-level storage tanks with smaller capacities at state-run refineries and designate them "strategic", according to the recommendations made to the petroleum ministry in the 23rd Standing Committee Report of the petroleum ministry last month.

It is not clear if the ministry has accepted the recommendations.

What did not materialise were building underground caverns to store oil and substituting oil in transportation with electricity. In the near term these small tanks are expected to compensate for the lack of adequate crude oil storage, which covers hardly nine days' import. The oil ministry spokesperson did not reply to email and text messages.

"Existing refinery projects and the recently commissioned refineries may

be asked to set up strategic storage capacity with a smaller capacity like 2 to 3 days at 5 to 6 locations which can bring up 15 to 20 days additional capacity in a definite time frame," according to a recommendation made by the committee. The committee asked the ministry to provide funds for creating storage caverns. It also asked state-run petroleum companies to store and maintain the caverns for their usage.

The suggestion to the ministry is also to increase the capacity for SPRs with an eye on demand in 2040. India's plans to replace most petrol vehicles with electric ones may fall well short of the target, forcing the country to continue depending on crude oil. The Paris-based International Energy Agency anticipates India's crude oil demand to reach 8.7 million barrels a day by 2040, with an import dependency of over 90 per cent.

"The impact in the near term of creating capacities for strategic storage in the individual refinery's storage areas is limited because of the lack of adequate space at most refineries in the country," said R Ramachandran,



GLOBAL SPR DETAILS

	Storage capacity (mn bbl)	Refining capacity (mn bbl/day)	Coverage days	Tentative remarks
USA	797	18.76	43	Underground
China	700	15.66	45	Existing above ground
Japan	583	3.34	174	130 mn bbl underground plant

Source: Standing Committee Report

former refinery director, Bharat Petroleum, and an oil industry consultant. He said in principle strategic storage facilities needed to have adequate infrastructure in the form of ships, ports, and connectivity across India. Given the limited space at existing facilities, each of the proposed storage tanks, made of steel, may hold only around 30,000 tonnes of crude oil, another industry official said.

Even 20 such tanks across India will hold around 600,000 tonnes, a day's demand. Moreover, these tanks are not connected to other plants across India and will at best serve the

refinery to which they are attached, nullifying the concept of strategic storage, the official said. The United States (US) and China are examples of creating strategic storage, which can be readily used in times of emergencies.

The US has nearly 800 million barrels of underground strategic storage, linked to ports through pipelines to bring in crude oil, and connected to hubs like Oklahoma/Cushing to transport it in times of emergencies.

China, which has 700 million barrels in storage and is building an additional 130 million barrels in caverns, has dedicated tankers, ports, and

STRATEGIC STORAGE

Crude inventory and coverage days

■ Total crude stock (000' tonnes)
■ Coverage days



Source: Oil PSUs

pipelines, which enable it to buy distressed crude oil parcels easily and store it. Plans since 2020-21 to build caverns in Odisha and Karnataka for a combined capacity of 48 million barrels have been delayed because of lack of interest from outside investors, including Trafigura, Vitol, Glencore, Shell, and Saudi Aramco, industry officials said.

The government will own the facility, according to a press release last August, but the allocation for building the SPRs is meagre. It allocated only ₹510 crore for constructing the additional strategic storage capacity.



{ **AIR POLLUTION** } DIRECTION TO GOVT

Frame policy to phase out heavy diesel vehicles, says SC

Utkarsh Anand

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NEW DELHI: The Supreme Court on Thursday directed the Centre to frame a national policy to phase out heavy-duty diesel vehicles like trucks and trailers, and replace them with BS-VI vehicles that use cleaner fuel, underlining people living in all parts of the country and not only those living in the Delhi-NCR are entitled to breathe clean air and a pollution-free environment.

Deciding to monitor the government's steps regarding the proposed policy, a bench of justices AS Oka and Pankaj Mithal remained emphatic that air pollution directly affects the fundamental rights of all the citizens, guaranteed under Article 21 of the Constitution, and that the enforcement of this right is not confined to the people living in Delhi-NCR.

"The right to life guaranteed under Article 21 includes the right to live in a pollution-free environment. The issue of air pollution is of a great deal of importance to every citizen. Air pollution affects citizens' quality of life," held the bench, fixing the next hearing on July 31 for reporting of the compliance by the Union ministry of transport and highways.

It further said that the process of exploring the possibility of finding better sources, including CNG/hybrid/electric, for use of heavy-duty vehicles ought to continue.

"We propose to grant the ministry of road transport and highways six months to come out with a policy on the replacement of heavy-duty diesel vehicles with BS-VI vehicles. While we do so, we make it clear that with ever-advancing technology, constant endeavour to explore the availability of other fuel resources that could be used for heavy-duty vehicles should always continue," stated the court.

The court was dealing with a petition relating to the pollution caused by an Inland Container Depot (ICD) in Delhi due to a huge inflow of trucks and trailers that were not even destined for the national capital. ICDs are temporary storage facilities for import and export-related goods.

By an order in March 2019, the National Green Tribunal (NGT) directed the Container Corporation of India (CONCOR) to ensure that, in a phased manner, diesel vehicles stop visiting the ICD at Delhi and shift to electric, hybrid or CNG vehicles. The tribunal also proposed an alternative that the diesel vehicles meant to park at the Delhi ICD may be diverted to ICDs in nearby states.

This, the top court on Thursday, found unacceptable, noting the NGT's opinion connoted as if only the people living in the Delhi-NCR alone are entitled to pollution free atmosphere and not those living in other parts of the country.

"Such an observation by the NGT is in complete ignorance of

the fact that citizens living in other parts of the country, other than Delhi-NCR, also have a fundamental right to a pollution-free environment as guaranteed by Article 21 of the Constitution of India," it said.

The bench added that the NGT, in its endeavour to safeguard the fundamental right of the people of Delhi-NCR, cannot allow infringement of the same fundamental right of the citizens living elsewhere. "The observation of the NGT is totally unjustified and unwarranted," it maintained.

The Supreme Court, in a public interest litigation instituted by environmentalist MC Mehta in 1984, has been monitoring the steps taken by various authorities to curb air pollution in Delhi-NCR in what has become an annual public health crisis when the region remains in the grip of hazardous pollution for almost two months starting November.

In its judgment on Thursday, the court further directed CONCOR to formulate a plan for the optimal utilisation of the inland container depots garlanding Delhi within six months, besides coordinating with all the official agencies to enable the setting up of central laboratories near ICDs around Delhi-NCR, so that so that the infrastructure in other ICDs around Delhi does not remain under-utilised by exporters and importers.



India reduces Russian oil import over pricing

**Rajeev Jayaswal and
Rezaul H Laskar**

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NEW DELHI: Indian refiners have significantly cut Russian crude imports and plan to further decrease shipments from the sanctions-hit country after Moscow steeply reduced discounts from about \$10 a barrel to around \$2 in recent months, at least four people directly aware of the development said.

Indian oil companies have decided to cut crude imports from Russia because of only one reason, price, they said, requesting anonymity.

"Additionally, high insurance

**DEVELOPMENT
COINCIDES WITH
REPORTS OF
RUSSIAN TANKERS
BEING DIVERTED
AWAY FROM INDIA**

and transportation costs due to current geopolitical situation make Russian crude almost unviable. And our traditional sources such as Saudi Arabia and the UAE are offering very competitive rates," one of them, a senior government official, said.

The development has coincided with reports of more than a

dozen Russian tankers being diverted from India since December.

Indian refiners started buying Russian crude only when it offered heavy discounts. That saw inflow of oil from Russia jumping to almost one-third of country's requirements from about 0.2% in early 2022, a second official said.

"Indian refiners are free to take their commercial decisions. There are no other issues – such as payment problem or pressure from developed countries – involved in purchasing less oil from Russia," he added.

The sanctions against Russia followed its invasion of Ukraine

continued on → 8

If there is no "good" discount, why will any refiner purchase crude from Russia with a very turbulent and lengthy shipping route, a fourth person working in a state-run refiner said adding that the Russian crude is also difficult to process. On January 3, oil minister Hardeep Singh Puri told reporters that Indian refiners started buying Russian crude only after it started offering discounts. "I've said not once, but 10 times that India has diversified its source of imports... India will buy from whomever... India's leadership has only one requirement that Indian consumer must get energy at the most economical price without disruption," he said.

People familiar with developments said Western sanctions and the oil price cap imposed by the G7 had begun impacting Russian oil supplies in recent weeks. After Indian payments in rupees accumulated in Indian banks – an issue that was highlighted by Russian foreign minister Sergey Lavrov last year – the two sides had explored payments in UAE dirhams.

Russia's state-run energy giant Rosneft was not able to open a bank account in the UAE, curtailing its ability to accept payment in dirhams. The Indian side has also been reluctant to pay in Chinese yuan, another currency acceptable to the Russian side, because of ongoing tensions with Beijing because of the standoff on the Line of Actual Control (LAC), the people said.

There have been several reports about Russian oil tankers heading away from India in recent weeks. Bloomberg reported five tankers carrying Sokol oil idled in waters close to India and Sri Lanka for almost a month before heading toward the Malacca Strait.

Sanctions imposed by the US on vessels of Sovcomflot, Russia's largest shipping company, for not complying with the G7 price cap of \$60 a barrel, have also impacted tankers such as NS Century, which idled in waters off the Indian coast at the end of 2023.

India is the world's third largest crude oil consumer after the US and China and imports over 87% of crude it processes. In 2022, the US consumed 822.7 million tonnes (MT) of crude (or 19.1 MT a day), China 659.2 MT or 14.3 million tonnes per day, and India 236.9 MT of crude oil, which was 5.2 million tonnes a day. India is also the fourth largest refiner in the world after the US, China and Russia.

RUSSIAN OIL IMPORT

in early 2022, and there was criticism of India's choice to import crude from the country, but New Delhi has consistently maintained that its primary focus is energy security, and ensuring stable fuel prices.

A third person, a senior executive of an oil firm, said Indian companies are completely free to choose their suppliers. "If Russia offers deep discounts again, we may again consider buying crude from the country," he added.

Cairn Oil & Gas submits field development plan for gas production from Jaya block

Our Bureau

New Delhi

Cairn Oil & Gas on Thursday said that it has submitted the Field Development Plan (FDP) to start gas production from the open acreage licensing program (OALP) block in Gujarat's Bharuch district.

In August 2021, the company, part of the Vedanta group, notified the gas and condensate discovery of Jaya in its onshore OALP block in Gujarat.

"Through exploration and appraisal successes, Cairn has now submitted a FDP to produce more than 2,000 barrels of oil equivalent per day (boepd) initially," the company said.

This field has the potential to contribute to the company's goal of doubling production capacities. This will be the first

FDP submitted in OALP regime, among 144 blocks awarded under eight OALP rounds by the government to various companies, it added.

Cairn Oil & Gas' Deputy CEO Steve Moore said, "We are delighted to have progressed to Jaya discovery to its FDP and ready to begin production from Jaya block. This block in Gujarat was one of the initial discoveries for Cairn under India's OALP, and we believe it will contribute to India's energy requirements."

Jaya field, during its appraisal phase, started testing gas evacuations in an innovative manner through truck-mounted compressed natural gas (CNG) kits providing CNG to nearby gas stations. This is the first-of-its-kind facility where sales through a CNG cascade system is being done by an E&P operator from an exploration well.

What is happening to oil?



JAMAL MECKLAI

CEO, Mecklai Financial
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Oil remaining calm despite the conflict in West Asia perhaps indicates that the market has realised that the global push to renewables is much stronger now

IT'S BEGINNING TO look like oil is less and less a critical commodity.

Brent spiked by 30% from around \$100 a barrel when Russia invaded Ukraine (February 24, 2022) and became even more volatile than usual, but by August it had subsided to below \$100, and has continued to fall since then. Indeed, even the Hamas attack on Israel (October 7, 2023), with many pundits expecting a much wider escalation in the Middle East, has not had any material impact—oil rose by less than 0.5% the day following the attack and, again, has fallen since then and

currently trading at under \$78 a barrel.

I would point out that Brent has averaged around \$68 a barrel since 2014, tracing a huge range between \$16 and \$131 a barrel. Clearly, we are currently about \$10 higher than the 10-year average so it would *prima facie* suggest that there is more of a chance for the price to fall than to rise.

While this is all to the good, certainly for India, we also know that there are no certainties in markets. Indeed, one somewhat threatening note is that the volatility of oil has climbed sharply from around 25% in September 2023

(just before the Hamas attack) to nearly 35% today. To be sure, these are still low levels—oil volatility averaged around 40% over the past 10 years, and, indeed, was as high as 60% right after the Ukraine invasion.

It does seem remarkable that despite the widening of the conflict across several hotspots in the Middle East oil remains so becalmed. Perhaps the market has come to the realisation that the global push into renewable energy is much stronger than it was even 10 years ago, and the surge in electric vehicles, particularly in the

developed countries, is even greater than was expected as recently as 5 years back. This may explain why the overall supply/demand picture may be skewed in the direction of lower—and falling—demand.

So what if the average value of Brent over the next 10 years is, say, \$58—i.e., \$10 below the previous 10-year average?

What would it do to India's current account? What would it do to Russia? What would it mean for global interest rates?

Stay tuned.



Diesel exports to Europe at record high in Dec as flows shift from Latin America

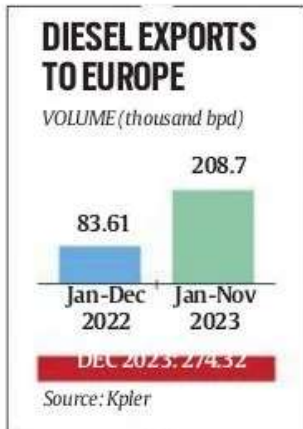
SUKALP SHARMA
NEW DELHI, JANUARY 11

INDIA'S DIESEL exports to Europe touched an all-time high in December, largely due to a recent shift in flows away from the Latin American market, where American refiners are now trying to gain a foothold, as per an analysis of ship tracking data.

The displacement of Russian fuels away from Europe — the major reason that led to the spurt in Indian fuel exports to the continent in the aftermath of the Ukraine invasion — also continues to play a role in the equation.

As per data from commodity market analytics firm Kpler, India exported 2,74,321 barrels of diesel per day to Europe in December, higher than the previous record of 2,69,585 barrels per day (bpd) in September. In the 11 months of 2023 preceding December, diesel exports to Europe averaged 2,08,709 bpd. In 2022, the year Russia invaded Ukraine, diesel exports to Europe from India averaged 83,608 bpd, the data shows.

"Reliance (RIL) has historically had a very healthy positioning in Latin America, specifically in the Brazilian, Argentinian, and Uruguayan markets, sending some 60,000 bpd of diesel there in both 2021 and 2022. Recently, that flow of product exports has been rendered quite difficult as US (United States) Gulf Coast refineries took over the Argentinian market. After



losing out on Brazil which is now the second-largest buyer of Russian ULSD (ultra low-sulphur diesel), the US really needed to maintain some foothold in Latin America... that has come at the expense of Reliance," said Viktor Katona, Lead Crude Analyst at Kpler.

India, the world's third-largest consumer of crude oil, depends on imports to meet over 85 per cent of its requirement. The country, however, is a net exporter of petroleum products thanks to its refining capacity of 250 million tonnes per annum, or around five million bpd, which is higher than its domestic demand. While public sector refiners have traditionally been more focused on the domestic market, private companies, and RIL in particular, are seen as export-oriented refiners.

With Latin America not importing as much diesel as it ear-

lier would from RIL, the company has more diesel available to dispatch to Europe, which continues to be a premium market for the fuel as it is still short of around 700,000 bpd of diesel on a net basis. The bulk of diesel consumed in Europe used to come from Russia. But with much of the West weaning itself off Russian oil and fuels, the continent started looking at other source markets, including India, for fuel imports.

"They (Europe) need to buy the product from somewhere, from someone. Their reliance on Russia has morphed into a reliance on India, the Middle East and the US," Katona said.

As a large refining hub that has ramped up purchases of discounted Russian oil following Moscow's February 2022 invasion of Ukraine, India now finds itself playing an increasingly prominent role in the global crude oil and refined products supply map. The trend is significant on various counts.

Europe does not want to buy crude as well as refined fuels and products from Russia. Countries such as India, which is a major oil refiner, are playing their part in bridging the gap by buying Russian oil on one hand, and increasing supply of refined products to the continent on the other. That is the primary reason why much of the West, which at first seemed annoyed at India's high purchases of Russian oil, has been largely comfortable with India's rising supply of fuels to Europe.



Vedanta Submits Field Plan for Gujarat Gas Find



New Delhi: Vedanta has submitted a field development plan for an onshore discovery in Gujarat, which is expected to initially produce about 2,000 barrels of oil equivalent per day, the company said in a statement. Vedanta made this gas and condensate discovery, named 'Jaya', in its block CB-ONHP-2017/2 in the Bharuch district of Gujarat in August 2021. It is the first field development plan submitted for any discovery in the 144 blocks awarded under open acreage licensing policy (OALP) to various companies, the company said. —**Our Bureau**

Biogas Most Viable for Small Cars, says Maruti's Bhargava

Shally Seth Mohile

Gandhinagar: Biogas is the most viable fuel for small cars in India given the abundant availability of the bio waste in the country, RC Bhargava, chairman, Maruti Suzuki India, said. According to him, battery-powered vehicles at present have many limitations for users of small cars, including price and charging facilities, and are more suitable for those with higher income levels. His comments come against the backdrop of Suzuki Motor Corp committing investment in biogas.

"Biogas is the best fuel as it is renewable and has zero emission. It's the best solution for small cars in India. Depending on the way various technologies develop, particularly the way the battery prices come down, the situation may

change in the future," Bhargava told ET on the sidelines of the Vibrant Gujarat Global Summit.

Unlike homegrown manufacturers such as Tata Motors and Mahindra & Mahindra, which are largely banking on electric vehicles to achieve carbon neutrality, the local arm of the Japanese car maker is looking at multiple technologies including hybrids, EVs and bio-CNG to achieve the goal.



It would launch its first EV in FY25 as part of a plan to have a portfolio of half a dozen EVs at various price points by 2030. As of now, Tata Motors Tiago.ev and MG Motor India's Comet are the only EVs that have their prices starting from below ₹10 lakh. Even Maruti's first pure electric offering will have a premium price positioning.

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On a mission against petrol, diesel: Gadkari

New Delhi: Union road transport minister **Nitin Gadkari** said on Thursday that he is on a mission to drive out petrol and diesel from India like 'Quit India' movement.



Speaking at the Vibrant Gujarat summit, the minister said there is a need to increase production and use of clean and alternative fuels to check air pollution and reduce India's dependence on imported crude. "I travel in hydrogen, electric and flex-fuel cars to advertise alternative fuel. Like we had a Quit India movement to drive away Britishers, I am on a mission to drive out petrol and diesel from the country," he said.

Gadkari said the country is facing air pollution and transport sector contributes nearly 40% to it. "Huge import bill to get crude to meet our requirement is an economic challenge. We need to find pollution free and indigenous fuel that's cost effective," he said. TNN