

Monthly Summary of Ministry of Petroleum and Natural Gas for the month of June, 2021

1 Hon'ble Minister for Petroleum and Natural Gas & Steel Shri Dharmendra Pradhan joined a dialogue on **“Policy Dialogue on Investment, Disinvestment and Transition”** at **BNEF Summit** on **29th June 2021**.

Hon'ble Minister spoke about the resurgence in India's oil demand, reform agendas of PM Modi and its role in enabling a demand-driven economic recovery in the post-pandemic phase and the need to develop new business models for monetization of stranded and un-monetized assets/discoveries. Government of India has created a dynamic business climate in India to attract more investment technology for a secured energy future for India.

Hon'ble Minister also shared his views on India's energy transition, including thrust on developing a biofuel sector of the 21st century. He also spoke on how despite the oil price volatilities & the challenges it poses to smart economic recovery, India still remains one of the bright spots for oil demand growth.

2. Hon'ble Minister for Petroleum and Natural Gas & Steel Shri Dharmendra Pradhan met **Mr. Didier Casimiro, first Vice President Rosneft, Russia** on **29th June 2021** and got to know about a road show being organized by Rosneft on Vostok oil project in New Delhi.

During the meeting they reviewed bilateral oil & gas investment made by Indian PSUs in Russia's E&P sector and also Rosneft's investment in India's downstream sector.

Hon'ble Minister had expressed confidence that Indian oil and gas companies and Rosneft would further expand a mutually-beneficial partnership in the growing energy partnership between India and Russia.

3. Hon'ble Minister for Petroleum and Natural Gas & Steel Shri Dharmendra Pradhan overviewed a presentation on **25th June 2021** by **team IHS Markit** on global oil market outlooks, demand, supply and consumption trends, oil price forecasts, implications of the second wave of the Covid pandemic on economic recovery as well as on India's clean energy transition.

Hon'ble Minister also exchanged perspectives with Dr. Daniel Yergin on realities of a fossil-free future, importance of reasonable pricing, accelerating India's energy transition through integrated energy planning and on addressing issues of energy affordability and security.

4 Hon'ble Minister for Petroleum and Natural Gas & Steel Shri Dharmendra Pradhan held a productive meeting with Secretary General **H.E. Mohammad Barkindo SG, OPEC** on **24th June 2021**. He had a discussion on recent oil market developments, trends in oil demand recoveries, economic growth forecasts and overcoming energy challenges.

Hon'ble minister conveyed his deep appreciation to OPEC, SG Dr. Barkindo and to key partner countries—Saudi Arabia & the UAE, for their support to India during the second wave of the Covid pandemic, especially with supplies of medicines, ISO containers, LMO and vital petroleum products. He also took the opportunity to express India's deep concern on increasing crude oil prices and its impact on consumers as well as on smart economic recovery. He emphasized that high crude prices were adding significant inflationary pressure on India.

Hon'ble Minister reiterated his request of phasing-out production cuts and also emphasized that crude price range remain within reasonable band, which will be in the collective interests of both consumers and producers and will encourage a consumption-led recovery.

5. Hon'ble Minister for Petroleum and Natural Gas & Steel Shri Dharmendra Pradhan had a meeting with Dr. Fatih Birol, ED, IEA on 22nd June 2021. They had fruitful discussions on intensifying collaboration under India-IEA strategic partnership framework for India's energy security and to ensure access to affordable & sustainable energy to all citizens.

Dr. Fatih Birol complimented the leadership of Prime Minister Shri Narendra Modi in advancing the E20 target year from 2030 to 2025, and for releasing the roadmap for implementing it.

Hon'ble Minister during his discussion with Dr. Birol had also agreed to collaborate further in strengthening natural gas sector, waste-to-energy programmes, biofuels, including advancing EBP targets, and in deploying renewables and other future fuels, like hydrogen in India's energy mix and in developing low-carbon pathways.

6 Hon'ble Minister for Petroleum and Natural Gas & Steel Shri Dharmendra Pradhan had an interaction with **H.E. Mr Joseph Mc Monigle, SG, IEF** through VC on **17th June 2021**, they had a meaningful discussion on further advancing collaborations with IEF and Dialogue in an institutional format.

Hon'ble Minister conveyed his concern on rising crude prices and its negative impact on the fragile global economic recovery, and need for price stability and also discussed about India hosting the next IEF Asian Energy Ministerial meeting and Roundtable in 2022.

7. The **first meeting on India – US Joint Hydrogen Task Force** was held on **17th June 2021**. The meeting was co-chaired by Dr. P.C. Maithani, Adviser, MNRE and Dr. Kenneth Vincent, Director, US DOE. During the meeting , there was a discussion on High-Level Priorities for the Public-Private Hydrogen Task Force

8. The **5th India – Kuwait Joint working group on hydrocarbons** meeting was held on **17th June 2021** ,the Indian side was co-chaired by Joint Secretary (IC) ,Ministry of Petroleum and Natural gas. During the meeting both sides had discussion on bilateral hydrocarbon trades, sourcing of crude oil & LPG.

They also discussed enhancing the two way investment in hydrocarbon sector through collaboration in Indian Strategic Petroleum Reserves Program and Participation of Indian E & P companies in Kuwait.

9. In the Month of June, more than 5.3 lakh new LPG connections were issued. As on 30th June, 2021, 27.27 crore LPG consumers are availing subsidy under PAHAL scheme. Till date, more than 1.08 crore customers have given up their LPG subsidy under 'GiveItUp' campaign.

10. The number of LoIs issued and distributorships commissioned in the month of June, 2021 on Industry basis are 5 and 13, respectively.

11. Domestic crude oil production during June, 2021 was 2478 TMT which is 2.4% lower than target for the month and 1.9% lower when compared with production of June, 2020. Natural gas production during June, 2021 was 2769 MMSCM which is 19.1% higher when compared with production of June, 2020 but 5.5% lower than the monthly target.

12. During June, 2021, the price of the Indian Basket of Crude oil varied between \$69.17 and \$ 74.24 per barrel and the average price was \$ 71.98 per barrel as compared to average price of \$ 66.95 per barrel in May, 2021.

13. As per the Refinery Gate Price (RGP), OMCs are expected to incur NIL under recovery on sale of PDS Kerosene and subsidy (DBTL) amount of Rs. 89.34 crore on sale of domestic LPG during the month of June, 2021. The expected under recoveries/subsidy for the F.Y. 2021-22 in respect of PDS Kerosene and Domestic LPG (Under DBTL) is NIL and Rs 1072 crore respectively. There is no subsidy to the consumers on subsidized domestic LPG (at Delhi market) as on 1st June, 2021. There is NIL under recovery on PDS Kerosene effective from 1st June, 2021.

14. During the period April- May, 2021, OMCs have procured 549 KL of biodiesel for blending with diesel. OMCs have floated Expression of Interest (EoI) for procurement of Biodiesel produced from UCO across 300 locations in the country. OMCs have received offers for setting up 51 Biodiesel Plants with a production capacity of approx 39 cr. Litres/annum. Against this 71 KL of Bio diesel has been received by the OMCs.

15. For Ethanol Supply Year (ESY) 2020-21 Oil Marketing Companies (OMCs) floated a tender for 458 crore litre against which LoI's for 355.46 crore litre have been issued as on 28.06.2021. Suppliers have since supplied 176.32 crore litre till 28.06.2021 enabling 7.84% average blending percentage.
