

# Gail Eyes Stake in US LNG Projects Amid Supply Risk

State-run utility seeking to diversify, secure long-term deals amid Hormuz disruptions

**Kalpana Pathak**

**Mumbai:** Gail (India) is in discussions to buy a minority stake in an LNG export project in the US as the state-run gas utility seeks to diversify supplies and secure long-term LNG supply amid the Strait of Hormuz crisis, said industry executives aware of the development.

"The company is in talks with nearly four LNG export projects to secure long-term supplies," said a senior industry executive aware of the discussions. "It is open to opportunities to invest in these projects as it looks to strengthen supply security and meet rising domestic gas demand."

Gail didn't respond to an email query.

The company currently has an LNG portfolio of about 16.56 million tonnes per annum (MMTPA), sourced from the US, Qatar, and Australia, among other markets.

In its FY26 annual report, Gail said heightened tensions around the Hormuz since late February is significantly impacting India's LNG supplies as about 52% of imports are from Qatar and the UAE.

"The disruption resulted in a roughly 25% reduction in India's LNG imports," Gail said.

The company is hence looking to further diversify its LNG sourcing markets. It has an LNG sourcing pact with Sabine Pass in the US and a tolling agreement with Cove Point, giving it access to LNG production there.

Despite the Hormuz crisis, Gail has been able to optimise its US LNG cargoes through shipping arrangements and swaps to bring a larger share of these volumes to India while reducing transportation costs.

"With growing gas demand in India, Gail is



## ALTERNATIVE ROUTE

**Gail has a sourcing pact with Sabine Pass in the US and a tolling agreement with Cove Point, giving it access to LNG production**

bringing most of the US volumes to India through an optimal mix of own ship charters and swap optimisation," said the executive cited above. Gail imported 132 LNG cargoes in FY26, including seven spot cargoes, to meet growing downstream demand.

The company also signed two LNG sale and purchase pacts during the year. It signed an agreement with Vitol Singapore for around 1 MMTPA starting 2026 and another with QatarEnergy Trading for about 0.8 MMTPA starting 2025.

Gail is also undertaking hedging strategies to manage commodity price risks and is an active participant on the Indian Gas Exchange.

Separately, the company has diversified its domestic gas procurement. During 2025-26, it procured about 334 million standard cubic metres (MMSCM) through the Indian Gas Exchange, its highest-ever volume.



# GAIL Explores Stake Buy in US LNG Project

**Kalpana Pathak**

**Mumbai:** State-run gas utility GAIL India is in talks with three to four US liquefaction and liquefied natural gas (LNG) export projects to acquire a minority stake in one of them, as it seeks to diversify supplies and secure long-term LNG sourcing for India following the Strait of Hormuz crisis, said industry executives aware of the development.

“The company is in talks with nearly four LNG export projects to secure long-term supplies. It is open to opportunities to invest in these projects as it looks to strengthen supply security and meet rising domestic gas demand,” said a senior industry executive aware of the discussions. GAIL India did not respond to an email seeking comment until press time. GAIL already has an LNG portfolio of about 16.56 MMTPA, sourced from the US, Qatar, Australia and other markets.

GAIL said in its FY26 annual report that tensions around the Strait of Hormuz hit India’s LNG supplies, with 52.5% of imports sourced from Qatar and the UAE.

## THE WIDER ANGLE.



PARAG BALAKRISHNAN

**I**t's the ultimate sellers' market for crude oil. Yet Saudi Arabia's oil giant Aramco has just slashed the flagship crude price for Asian buyers to \$5 a barrel below the Dubai/Oman benchmark. This isn't wild generosity on the part of the Saudis. It's effectively a rebate to compensate buyers for the extraordinary costs and risks of getting the oil out of the Gulf.

The *Wall Street Journal* reckons VLCCs, the giant tankers that carry two million barrels of crude, are charging as much as \$40 million for a round trip in and out of the Gulf through the Strait of Hormuz. Even crews are cashing in, with Indian and other sailors getting bonuses of up to \$25,000, equivalent to a full year's normal salary, for the journey.

But here's the surprise. Despite all the danger and disruption, Gulf oil is flowing again, with shipments at 80 per cent of pre-war levels thanks to US naval protection and strikes that knocked out Iranian radar and communications along the waterway.

Around three million barrels a day (bpd) from Middle Eastern producers reached India in September, with Saudi Arabia, Iraq and Kuwait once again supplying large quantities. That's pushed total crude imports to 5.3 million bpd, the highest this year and broadly back to pre-war levels. The Gulf producers, India's main suppliers before cheap Russian oil flooded the market following the Ukraine invasion, are suddenly back in business.

So where does that leave Russia, whose oil helped keep India humming through the worst months of the Hormuz crisis? In June and July, Russia supplied roughly half of India's crude, with purchases peaking at 2.65 million bpd in July. By September, Russian imports dropped to 1.75 million bpd, their lowest since April.

Part of the explanation is there was simply more Middle Eastern oil available. "Middle East barrels regained share as availability and logistics improved," says Sumit Ritolia, senior analyst at trade consultancy Kpler.

But something else happened. China came roaring back into the market for Russian oil. During the early stages of the Hormuz crisis, China sharply reduced its crude purchases just as the



rest of Asia was scrambling for supplies. Beijing entered the crisis with enormous oil stockpiles and appears to have relied heavily on those reserves while its refineries cut back production.

China is now buying aggressively again, putting it into direct competition with India for Russian barrels. Traditionally, the two countries have bought somewhat different Russian grades. China takes large quantities of ESPO crude shipped from Russia's Pacific ports, while India has become the dominant buyer of Urals crude shipped from western Russia.

But China has also been looking for Urals. That means Indian refiners suddenly have a formidable rival for the very barrels they have come to depend on. When India first started massively buying Russian oil in 2022, Moscow desperately needed new customers for

**China is now buying aggressively again, putting it into direct competition with India for Russian barrels**

crude that could no longer easily be sold in Europe because of Western sanctions. Russian crude came with such hefty discounts that it remained a bargain even after paying to ship it thousands of extra kilometres to Indian refineries.

### TIGHT MARKET

That bargain has largely disappeared. Russian oil that once came at a steep discount has at times been selling at a premium in today's exceptionally tight market. Yet India cannot simply walk away from Russia. It imports close to 90 per cent of the crude it consumes and needs enormous quantities every day. There simply aren't many producers capable of replacing Russian volumes at short notice.

And that brings us to the multibillion-dollar question hanging over India's oil trade: what does Washington do next? The US has threatened up to 100 per cent sanctions on countries buying Russian energy, putting India and China, the two biggest Russian crude purchasers, in the firing line. Beijing has plenty of ways to retaliate. India is a much easier target, particularly when New Delhi and

Washington are at a trade stalemate.

That raises the possibility India could once again come under intense US pressure to cut its Russian purchases further. Fortunately for India, more Gulf oil is getting through.

For Indian refiners, the turmoil has created winners and losers. Reliance Industries is one of the biggest winners. Its giant Jamnagar complex buys crude, turns it into petrol, diesel and other fuels and sells those products. With refining margins soaring, it's become an extremely lucrative business.

India's state-owned refiners face a much tougher situation. Indian Oil, BPCL and HPCL are having to buy increasingly expensive crude and fuel on world markets. But petrol and diesel prices at Indian pumps haven't risen to match those higher costs. That means they're being forced to absorb the difference.

A few months ago, the overriding worry was whether India could find enough crude. Now India is having to juggle its old suppliers in the Gulf, its crucial new supplier in Russia, a resurgent China competing for the same barrels and the worry of US sanctions.

## West Asia crisis pushes up ATF costs, Govt considers price stabilisation fund

ASHOKE RAJ ■ New Delhi

The Government is examining the possibility of bringing back a price stabilisation mechanism for Aviation Turbine Fuel (ATF) as rising jet fuel prices put increasing pressure on airlines.

Civil Aviation Minister K Ramamohan Naidu said the Government is discussing with airlines and oil marketing companies (OMCs) the impact of higher ATF prices, particularly amid continuing geopolitical tensions in West Asia.

Speaking on the sidelines of a conference in New Delhi on Tuesday, Naidu said the surge in fuel prices linked to the West Asia situation has



Representative image

become a significant concern for the aviation sector.

ATF is one of the largest components of airline operating costs, accounting for roughly 40 per cent of total expenses. A sustained

increase in fuel prices can therefore put considerable pressure on airline finances and ticket prices.

A senior Government official said authorities are considering whether to revive an

ATF price stabilisation fund. Details of the proposal, including its structure and funding mechanism, were not immediately available.

The Government had earlier introduced a one-time support mechanism for the sector. In June, the Union Cabinet approved budgetary assistance of up to ₹10,000 crore for OMCs to help stabilise ATF prices and relieve domestic airlines. However, airlines showed little interest in using the facility, and the scheme has since lapsed.

The issue has gained renewed attention after InterGlobe Aviation (IndiGo) decided to increase fuel surcharges on domestic and international flights. The

airline attributed the move to elevated and volatile ATF prices amid geopolitical developments in the West East.

IndiGo said the latest month-on-month increase in fuel prices had exceeded 14 per cent, pushing ATF costs to levels among the highest recorded over the past decade.

Airlines have also called for changes to the way jet fuel is priced in India. Last month, the Federation of Indian Airlines (FIA), which represents Air India, IndiGo and SpiceJet, urged the Civil Aviation Ministry to reconsider the existing pricing formula.

The industry body has

argued that domestic ATF should be priced based on the actual cost of fuel, along with a reasonable margin, rather than being linked primarily to international benchmark prices.

According to the FIA, higher fuel expenses, combined with geopolitical disruptions and a weaker rupee, are putting substantial pressure on airline cash flows and the financial viability of carriers.

With fuel costs remaining volatile, the Government's discussions with airlines and OMCs could determine whether it introduces a revised stabilisation mechanism and how it structures any future support.



## IEA to decide details of G7 diesel and oil stocks

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**Rome/London:** The governing board of the International Energy Agency (IEA) is expected to decide at an October 14-15 meeting the details of the diesel and crude oil stocks release announced by the Group of Seven last week, two people close to the matter said. G7 countries agreed last Friday to release 100 million barrels of diesel and crude oil from emergency reserves and pledged to refrain from energy export restrictions after pressure from US President Donald Trump. However, they did not provide the volumes of crude, diesel and other products to be released or say which countries would participate. REUTERS

• ECONOMICS

## G7 to release 100 mn barrels of crude, oil products: Will this curb diesel prices?

Sukalp Sharma

New Delhi, October 6

LATE LAST week, the Group of Seven (G7) countries agreed to release 100 million barrels of crude oil and petroleum products from emergency reserves, including substantial volumes of diesel, amid apparent pressure from US President Donald Trump.

With diesel prices at US pumps reaching record levels, Trump had been pressuring Europe to release its diesel stockpiles, and even warned that he could ban diesel exports amid a global supply crunch and soaring prices of the fuel.

Following the G7 announcement, Trump — who wants to lower diesel prices ahead of the midterm polls in the US in November — announced that the country won't ban exports of its diesel. Interestingly, Trump added that a diesel export ban was never really on the table, although he himself had publicly stated over the past few days that he was inclined towards it.

### Why diesel prices are rising

US and European diesel prices surged in recent weeks amid the highly constrained fuel movement through the Strait of Hormuz as well as attacks on Russia's oil and gas infrastructure.

Diesel is among the most important petroleum fuels globally due to its use in transportation, agriculture, construction, and other industries. This also makes it the most politically sensitive fuel amid the ongoing geopolitical crises.

While G7's steps won't do much to deal with the structural problems that the diesel market is grappling with, they are expected to put some downward pressure on international diesel prices, at least in the short-term, according to industry experts.

The extent and duration of relief will largely depend on whether global diesel flows from West Asia and Russia improve hereon.

### DIESEL EXPORT BAN WON'T HELP U.S.

● The US is a major diesel exporters. These have surged amid the supply squeeze from West Asia and Russia.

● The fuel's prices in US are spiking. But restricting diesel exports, as Trump threatened, wouldn't have helped.

● That's because of regional disparities within US in production and supply. Also, US prices are linked to international ones.

### Effect on India

For India, these developments are broadly positive. A lower international diesel price would help consumers, particularly bulk and industrial buyers who are supposed to pay prices in line with global rates.

Retail consumers, meanwhile, continue to get diesel much below international prices as public sector fuel retailers are absorbing the

hit for this segment. Any cool-off in diesel prices will also reduce these companies' heavy under-recoveries on retail fuel sales. If bulk diesel rates decline, it would be a positive for the Indian economy as inflationary pressure would be eased to some extent.

But higher international supply could squeeze the super-normal margins of standalone Indian refiners — who don't have much exposure to retail fuel sales — as well as large diesel exporters, which are predominantly private sector refiners like Reliance Industries and Nayara Energy.

### The G7 decision: Shoring up supply

The G7 last week agreed to coordinate, through the International Energy Agency (IEA), the release of 100 million barrels of crude oil and petroleum products over four months, including "front-loaded substantial diesel release" in the first 20 days. The countries also agreed to examine additional diesel releases if required by market conditions.

The G7 wants a substantial quantity of diesel to reach the market within days, instead of being spread out over the four-month period, which shows that the tightness in diesel flows is among the most immediate pressure points in the global energy market. But there is a limit to what reserve releases can accomplish on their own. They are not endless and their release can at best be a temporary solution.

Europe has become increasingly dependent on diesel imports from beyond the region over the past few years as it moved away from Russian fuel amid the war in Ukraine. The West Asia war has further exacerbated the supply situation for Europe, which now depends heavily on American diesel.

## SOARING FUEL COSTS

# Govt may consider ATF price stabilisation fund for airlines

NEW DELHI, Oct 6: Amid rising jet fuel prices, the government is considering whether to revive the price stabilisation fund and is also in discussions with airlines as well as oil marketing companies on the high ATF costs.

Aviation Turbine Fuel (ATF) accounts for around 40 per cent of an airline's operational expenses, and with the continuing West Asia turmoil, fuel prices have been on the rise.

"One of the most important things is how the West Asia crisis is putting a big burden on ATF prices. We are in discussions with airlines and OMCs (Oil Marketing Companies)," Naidu said on the sidelines of a conference in the national capital on Tuesday.

The government is considering whether to have the price stabilisation fund for the ATF, according to a senior official.



Specific details could not be immediately ascertained.

In June, the Union Cabinet cleared a one-time budgetary support not exceeding Rs 10,000 crore for Oil Marketing Companies (OMCs) to provide ATF price stabilisation in order to provide support for domestic airlines.

However, airlines were not keen on availing the fund,

which has now lapsed.

On Monday, the country's largest airline IndiGo announced a hike in fuel surcharge for domestic and international flights in the wake of rising jet fuel prices.

IndiGo had said ATF prices have remained volatile in recent months, especially following the geopolitical situation in the Middle East.

According to the airline, the continuous rise in fuel prices, with the latest month-on-month increase exceeding 14 per cent, has taken ATF costs to levels that are amongst the highest in the last decade.

Last month, the Federation of Indian Airlines (FIA) sought a review of the existing jet fuel pricing formula, saying that domestic ATF should be priced on the actual cost of fuel plus a reasonable margin rather than international benchmark pricing.

FIA represents Air India, IndiGo and SpiceJet.

The unprecedented increase in fuel costs, compounded by geopolitical disruptions and rupee depreciation, is placing significant pressure on airline cash flows and viability, it had said in a letter to the civil aviation ministry. – PTI

## Russian oil vs US, India's dilemma

India should prioritise Russian oil supplies over protecting access to American markets if forced to choose, political economist Gautam Sen told ANI, warning that energy disruption could inflict greater economic damage.

“It is better to accept the punishment of loss of markets,” the former London School of Economics faculty member said.

Sen argued that abandoning Russian crude would force refiners towards alternative supplies, potentially raising energy costs in a tight global market.

India imports around 88% of its crude requirements, leaving inflation, the rupee and its import bill exposed to oil shocks.

The US accounts for about 20.75% of India's merchandise exports, worth over \$92 billion.

Sen described trade negotiations as deadlocked, but said the impasse could end, underscoring India's balance between energy security and export access.

—ANI

## GILTS END HIGHER AS OIL FALLS NEARLY 3%

Government bond prices ended higher on Tuesday as Brent crude oil prices fell below the psychologically crucial level of \$100 per barrel, dealers said. A fall in US Treasury yields during the day also supported Indian bond prices on Tuesday, they added. Most traders maintained caution ahead of the key rate decision by the Reserve Bank of India's Monetary Policy Committee on Wednesday.

The 10-year benchmark 6.94%, 2036 bond ended at ₹98.26, or a 7.1928% yield, com-

pared with its previous close of ₹98.14, or a 7.2108% yield, on Monday. The bond moved between 7.19% and 7.23% on Tuesday. Total turnover in the government securities market remained subdued as traders refrained from taking aggressive bets ahead of the Monetary Policy Committee meeting outcome. At 1700 IST, trade volume stood at ₹376.15 billion, compared with ₹325.70 billion at the end of Indian gilt market hours on Monday, data from the Clearing Corp. of India showed. **-Informist**

mint

# Ecuador, India in talks for sale of crude oil, critical minerals

Ramita Mishra

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NEW DELHI

**E**cador is in talks to increase supplies of crude oil, copper and critical minerals to India and buy medical products from state-run HLL Lifecare Ltd, Fernando Buchelli, the South American country's ambassador to India, said in an interview.

The plan involves inviting Indian companies to invest in these sectors in Ecuador, which has 8.273 billion barrels of crude oil reserves, the 18th-largest in the world. Ecuador is in talks to sign agreements with India's ministry of mines, the health ministry and HLL Lifecare, said Buchelli.

India, the world's third-largest energy buyer, has been scouting for energy supplies beyond West Asia in the wake of the war in the region and increasing imports from South American countries including Venezuela and Brazil. About 50% of India's crude oil imports, 54% of LNG imports and 90% of LPG imports were



Fernando Buchelli, Ecuador's ambassador to India.

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sourced from West Asia and routed through the Strait of Hormuz before the war.

"Ecuador is not only a country to make business, but also a real partner—precisely to provide more oil, precisely to provide more minerals, precisely to buy more products for India," said Buchelli.

Indian Oil Corp, the country's largest refiner, bought its first Ecuadorean crude cargo for end-March delivery, *Reuters* reported on 14 January. India and Ecuador had a total trade of \$574.16 million in

FY26, down 14% from \$668.53 million in FY25, according to the commerce ministry.

"Ecuador has been an oil producer since 1973. We are exporting and producing 100 million barrels per day," Buchelli said. "We are also discovering new places to get the oil. But not only oil, we could also provide copper. As a big economy, India is developing high technology. Every time you will need more copper, more rare minerals. And we are able to produce."

*Mint* earlier reported that India plans to set up a six-month strategic reserve of critical minerals, including lithium, cobalt, nickel, copper and rare earth elements as it looks to shield its fast-growing green energy and manufacturing sectors from supply disruptions and price swings.

"A few months ago, we had a meeting with the ministry of mines... and we are starting to try to negotiate an MoU in order to have cooperation. So, our future cooperation and support is minerals...," he said.

*For an extended version of this story, go to livemint.com.*

# The Great Diversification: How India's HNIs Will Invest in a World of Geopolitical Fragmentation



**Bhaskar Hazra**  
Joint MD & CEO,  
Systematix Private  
Wealth

The investment conversation with India's wealthy is changing. The question is no longer simply what should I own but increasingly where should my wealth be exposed, and what risks am I willing to concentrate?

Elevated US interest rates, uncertainty around the dollar, oil shocks and a weakening rupee have brought currency and geographic exposure into sharper focus. For Indian HNIs, the answer is not choosing India over the world, or vice versa, but owning both intelligently.

Currency can no longer be a secondary consideration in wealth planning. Families with future dollar liabilities, such as overseas education,

property or international lifestyles, face a structural mismatch if their wealth is held entirely in rupees. A weaker rupee increases these obligations, even when domestic investments perform well.

The objective is not to predict currency movements but to align a portion of wealth with future liabilities. While the greenback faces a more fragmented global monetary landscape, it remains the dominant reserve currency. Global exposure can therefore help portfolios withstand periods of rupee weakness and international volatility.

## **Global diversification is about access**

I believe India offers compelling opportunities across consumption, financialisation, manufacturing, infrastructure and services. However, defining themes such as AI, advanced semiconductors, hyperscale computing and global healthcare innovation remain concentrated internationally.

International allocation is therefore not merely a hedge but an access strategy.

In my view, true diversification is not about owning multiple global funds with similar exposures but it is

spreading risk across geographies, currencies, sectors, economic cycles and asset classes. Mind you global diversification does not imply weaker conviction in India. That is because the domestic consumption, infrastructure, formalisation and rising household financialisation continue to support its strong growth prospects.

Oil remains a vulnerability. Sustained price increases can pressure inflation, the current account and the rupee simultaneously. This reinforces the case for diversification without diminishing India's long-term investment opportunity.

Therefore, the portfolio of the future now must be India-led, but no longer India-only.

## **From product distribution to portfolio architecture**

For private wealth managers, the opportunity lies in moving beyond offering offshore investments as an additional product. Global investing requires understanding the family's entire balance sheet, including tax, succession, liquidity, residency and currency considerations.

Wealth managers must increasingly address four questions: How much should be global? In which currency?

Through which structure? And for what objective?

Their role is evolving from product distribution to portfolio architecture.

## **From asset allocation to risk allocation**

A typical portfolio may hold equities, bonds, alternatives and real estate and still be concentrated in one geography, currency or economic outcome.

For the next generation of Indian HNIs, diversification will be less about counting asset classes and more about understanding how wealth responds to inflation, currency depreciation, interest rate cycles and geopolitical shocks.

The Great Diversification is not about moving away from India. It is about moving beyond the idea that wealth should have a single geographic home.

The future of Indian private wealth will be India-led, globally diversified and built around family objectives, liabilities and time horizons rather than products.

For wealth managers, this is an opportunity to become not merely investment providers, but the architects of a family's global balance sheet.

## Govt may consider ATF price stabilisation fund for airlines amid soaring fuel costs

Amid rising jet fuel prices, the government is considering whether to revive the price stabilisation fund and is in discussions with airlines and oil marketing companies (OMCs) on high Aviation Turbine Fuel (ATF) costs.

ATF accounts for around 40% of an airline's operational expenses, and with continuing West Asia turmoil, fuel prices

have been on the rise.

"One of the most important things is how the West Asia crisis is putting a big burden on ATF prices. We are in discussions with airlines and OMCs," Naidu said on the sidelines of a conference in the national capital on Tuesday.

The government is considering whether to have a price stabilisation fund for

ATF, according to a senior official. Specific details could not be immediately ascertained.

In June, the Union Cabinet cleared a one-time budgetary support not exceeding ₹10,000 crore for OMCs to provide ATF price stabilisation in order to support domestic airlines. However, airlines were not keen on availing of the fund, which has lapsed. **-PTI**

# Sheer Energy India Brings With It



**Fatih Birol**

**Paris:** As India continues to rise up the list of the largest economies on the planet, the role of energy in powering its ascent comes into the spotlight. India's energy sector journey offers valuable insights for other countries.

Since 2015, India has provided power connections to the households of over 300 mn people. At the same time, with Pradhan Mantri Ujjwala Yojana, over 500 mn Indians have gained access to modern gas supplies for cooking, moving away from unhealthy traditional fuels.

India has also made a paradigm shift in the way it lights homes, offices and factories, with the government distributing 370 mn highly efficient light bulbs under the UJALA scheme to replace older energy-guzzling bulbs. At the same time, India tapped its immense solar potential to install 160 GW of solar panels in a decade. To put this in perspective, it took India 60 yrs to install an equivalent amount of power generation capacity from all other sources of electricity combined. These steps have been taken aga-

inst a challenging backdrop of geopolitical flux, the pandemic and recent energy crises. What's more, India was not dealt the easiest hand when it comes to energy. It has been a net importer of energy, confronting it with supply risks beyond its shores. The country is also hungry for industrial development, which requires vast amounts of energy.

As Prime Minister Modi reaches 25 yrs in executive office, it's an opportunity to step back and examine India's energy journey under his stewardship. Over the past decade, India has skilfully pursued multiple complementary strategies and objectives across different fuels and technologies to strengthen its energy position. Its achievements are the result of thoughtful planning and careful consideration. And the underlying policies have become case studies for other countries, which IEA regularly highlights in

its reports and discussions.

Global energy markets remain severely strained amid the Strait of Hormuz crisis, and environmental risks are intensifying. In these difficult circumstances, the measures India has been taking to diversify its energy mix and supplies can bring greater resilience to its energy system.

India's power capacity from renewables has quadrupled over the past decade, enabling the country to reach its target of 50% of total power capacity coming from non-fossil sources 5 yrs earlier than planned. The growth of its renewable capacity is the second fastest in the world, a position it is expected to hold through 2030.

At the same time, reflecting its commitment to diversified energy supplies, India is pursuing 10× growth in its nuclear power capacity by 2047. Importantly, India is also developing the supply chains and skills it needs to succeed in these industries. The National Critical Mineral Mission, for example, emphasises on developing supplies of the raw materials that are used in the manufacturing of solar panels and batteries. Likewise, existing policies promote domestic manufacturing of these energy technologies.

In parallel, India has been increasing its petroleum refining capacity to strengthen its fuel supply security and its position as an

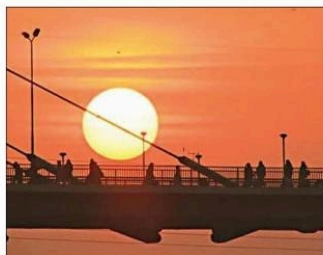
exporter of petroleum products such as diesel — a strategy validated by the scramble for such products among countries around the world amid the Hormuz crisis. India is also among the world's largest biofuels producers, with production more than quintupling since 2020.

India is moving towards greater self-sufficiency. But no country is an energy island. Trade and cooperation remain vital. Recognising the need for global cooperation, India has enhanced international engagement, establishing several significant global institutions such as International Solar Alliance and Global Biofuels Alliance.

Furthermore, as discussions began in 2024 towards India becoming a full IEA member, Prime Minister Modi made an emphatic case for India's role in international energy governance, stating that 'IEA will benefit when India plays a bigger role in it'.

IEA analysis shows that India will account for the largest increase in energy demand of any country or region in the world over the coming decades. As India secures the energy it needs and continues to invest in energy technology manufacturing, it is increasingly becoming a pivotal actor in global energy trade and technology development.

*The writer is executive director, International Energy Agency (IEA)*



**Let there be more light**

## Oil shock hits producers, threatens consumers

Indian producers could bear the first blow from the Iran conflict as higher oil costs lift wholesale inflation, before businesses pass the pressure to consumers, World Bank senior economist Ran Li said on Tuesday.

Li identified oil imports and prices as the principal channel transmitting the conflict's economic impact to India. "The main channel from the Iran conflict will be through the import of oil and then through the price," she said.

Wholesale inflation had already surged since June, exposing industrial producers to higher input costs. A subsequent rise in consumer prices could weaken spending, although resilient domestic demand may cushion the impact.

The warning comes as the World Bank raised its forecast for India's growth in financial year 2027 to 7.1%.

Li identified the Iran conflict and an El Nino related rainfall deficit as two major risks to that outlook.

The conflict's inflationary effects were becoming clearer in August data and could intensify during the second half of the financial year, she said.

Rainfall was around 12-15% below the historical average, prompting the World Bank to downgrade its agriculture forecast.

Weaker farm output could weigh on rural incomes and consumption.

However, India's economy has proved more resilient than expected, supported by timely government responses and buffers accumulated over the past decade.

Investment indicators also performed better than expected, potentially offsetting part of the pressure from higher oil prices. —ANI

# Wall St hits record peaks, AI fuels rally

Wall Street's technology rally gathered fresh momentum on Tuesday, driving the S&P 500 and Nasdaq to record highs as easing Treasury yields and cheaper oil strengthened overall investor confidence before quarterly earnings. The S&P 500 rose 43.17 points, or 0.56% to 7,817.12. The Nasdaq gained 173.61 points, or 0.63% to 27,650.92, while the Dow climbed 243.69 points to 51,511.59.

Nvidia advanced 1.2%, bringing its valuation close to \$6 trillion. Meta, Tesla and Amazon also gained, while Apple and Alphabet slipped around 0.2% each.

The benchmark Treasury yield fell 2.1 basis points to 5.28%, easing pressure on equity valuations.

The 30-year yield held at 5.66%.

Oil dropped more than two per cent as resilient Middle Eastern exports and a G7 emergency stockpile release

calmed supply fears.

Energy shares fell 0.6%.

Investors are positioning for third-quarter earnings next week.

LSEG estimates point to profit growth exceeding 30% across S&P 500 companies, powered largely by artificial intelligence businesses.

AMD rose almost one per cent after outlining plans to expand chip supplies in 2027.

Constellation Energy surged 12.9% following a 3,590-megawatt power agreement with Google. Option Care Health jumped 32.9% on a takeover valued at about \$5.8 billion, including debt.

Nine S&P sectors advanced, led by utilities and healthcare. Traders priced a 78% probability of unchanged Federal Reserve rates this month, while December tightening remained largely anticipated.

—Business Desk

# Stock mkts surge for 2nd day as crude slips below \$100/bbl

Market benchmark indices Sensex and Nifty ended sharply higher on Tuesday, extending their rally for the second straight session, as a decline in crude oil prices below \$100 per barrel and buying in bank stocks and Reliance Industries added to investor optimism.

The 30-share BSE Sensex jumped 685.34 points, or 0.95%, to settle at 73,067.81.

The 50-share NSE Nifty climbed 220.35 points, or 0.98%, to end at 22,776.10.

"Coupled with strong Q2 business updates from financials and retail along with supportive global cues, the decline in oil prices improved investor sentiment and supported a rebound from the oversold levels," Vinod Nair, Head of Research, Geojit Investments Ltd, said.

"Indian equities extended their rebound for a second consecutive session on

| NSE NIFTY TOP GAINERS |                    |          |
|-----------------------|--------------------|----------|
| October 6, 2026       |                    |          |
| %                     |                    | POINTS   |
| +12.84                | Trent              | 2,906.00 |
| +3.94                 | BSE                | 3,305.00 |
| +3.82                 | Kotak Bank         | 431.90   |
| +3.42                 | Nestle India       | 1,341.40 |
| +3.09                 | Hindustan Unilever | 1,095.20 |

Tuesday, with benchmark indices closing higher as further decline in crude oil prices eased some of the macroeconomic pressure weighing on sentiment," Ponmudi R, CEO of Enrich Money, an online trading and wealth tech firm, said.

"Crude oil prices slipped below the \$100 mark after a large G7 stockpile release and alternative supplies through pipelines helped offset disruptions to vessel movements through the Strait of Hormuz," he added. **-PTI**

## CAS: Nifty briefly rises 2% to zoom past 23,000 level

The Closing Auction Session (CAS) continued to see sharp swings on F&O expiry as Nifty surged a whopping 2% during indicative close to zoom past 23,000-mark before settling at 23,776.1 (1% higher), Moneycontrol reported. Bank Nifty rose 1.55% to cross 55,500-mark before settling at 55,128.4 (0.76% higher). The sharp swings come at a time when a report said markets regulator SEBI is likely to stop using closing auctions to calculate derivatives settlement prices for at least a year, in a partial reversal of new mechanisms it has introduced for setting the closing prices of key stocks and derivative contracts.

## **FIA seeks review of existing ATF pricing formula**

**PTI**

**NEW DELHI**

The Federation of Indian Airlines (FIA) is seeking a review of the existing jet fuel pricing formula, stating that domestic Aviation Turbine Fuel should be priced on the actual cost of fuel plus a reasonable margin rather than international benchmark pricing.

The unprecedented increase in fuel costs, compounded by geopolitical disruptions and rupee depreciation, is placing significant pressure on airline cash flows and viability, it said.

In a letter to the Civil Aviation Ministry late last month, the FIA also stated that "if timely relief is not available, the airlines may be compelled to withdraw from several unsustainable routes." Air India, IndiGo, and SpiceJet are members of the FIA. **-PTI**

## कच्चा तेल \$100 के नीचे, झूमा शेयर बाज़ार



■ पीटीआई, मुंबई: कच्चे तेल की कीमतें घटकर 100 डॉलर प्रति बैरल से नीचे आने, बैंक शेयरों और रिलायंस इंडस्ट्रीज में हुई खरीदारी से मंगलवार को बाजार में लगातार दूसरे दिन तेजी जारी रही। सेंसेक्स 685.34 अंक (0.95%) की छलांग लगाकर 73,067.81 के स्तर पर बंद हुआ। वहीं, 50 शेयरों वाला निफ्टी 220.35 अंक (0.98%) बढ़कर 22,776.10 के स्तर पर बंद हुआ। सेंसेक्स में ट्रेड के शेयर में सबसे ज्यादा 12.78 फीसदी का उछाल दर्ज किया गया।