



## GAIL observes Swachhata Pakhwada 2026

PIONEER NEWS SERVICE  
■ New Delhi

As part of the nationwide observance of Swachhata Pakhwada 2026 (1-15 July), GAIL (India) Limited, a Maharatna Public Sector Enterprise under the Ministry of Petroleum & Natural Gas, has undertaken a series of cleanliness, hygiene and community engagement initiatives across its offices, plants, project sites and operational locations throughout the country.

The fortnight-long campaign reflects GAIL's continued commitment towards promoting environmental responsibility, public participation and sustainable practices in alignment with the vision of Swachh Bharat Mission. During the observance, GAIL organised a wide range of activities designed to encourage cleanliness as a collective responsibility while creating lasting awareness across communities.

These initiatives included cleanliness drives, Swachhata Pledge ceremonies, awareness rallies, tree plantation programmes, waste segregation campaigns, health check-up camps, painting competitions, Waste-to-Wealth competitions, distribution of dustbins at public institutions, hygiene awareness programmes in schools and community outreach activities across multiple locations. Deepak Gupta,

CMD, GAIL, and Ayush Gupta, Director (HR), GAIL, along with GAIL employees, participated in a cleanliness drive at Bhikaji Cama Place, New Delhi, as part of the Swachhata Pakhwada initiative.

The participation of the CMD reflects GAIL's strong commitment to cleanliness, hygiene, and the upkeep of its facilities and surrounding areas. Swachhata Pakhwada is being observed with great enthusiasm across GAIL's offices and operating units, reinforcing the organisation's dedication to fostering a clean, healthy, and sustainable work environment.

A significant focus of this year's observance was on engaging young minds through schools and educational institutions.

Students actively participated in painting competitions, cleanliness awareness rallies, tree plantation drives, street plays and creative sustainability activities that promoted responsible waste management and environmental stewardship. Through these initiatives, GAIL sought to encourage behavioural change and foster a deeper understanding of cleanliness and conservation among the next generation.

Recognising that cleanliness and well-being go hand in hand, GAIL also organized dedicated health check-up camps for contractual workers engaged in housekeeping and essential support services.



## **GAIL reinforces commitment to cleanliness**

AS PART OF the nationwide observance of Swachhata Pakhwada 2026, GAIL (India) has undertaken a series of cleanliness, hygiene and community engagement initiatives across its offices, plants, project sites and operational locations throughout the country.

—FE BUREAU & AGENCIES

# गेल के स्वच्छता पखवाड़े का समापन



मेरठ। पेट्रोलियम एवं प्राकृतिक गैस मंत्रालय के निर्देश पर गेल गैस लिमिटेड द्वारा संचालित स्वच्छता पखवाड़े का समापन गुरुवार को हो गया। इस अवसर पर सांसद अरुण गोविल और डीएम डॉ वीके सिंह ने पौधरोपण करके हरियाली और स्वच्छता का संदेश दिया। गेल गैस लिमिटेड के जीएम विनय कुमार ने बताया कि कार्यालय, सार्वजनिक स्थलों और विद्यालयों आदि में पौधरोपण किया गया। प्रबंधक संजय त्यागी, मुकेश वर्मा, पारितोष जोशी, राघव रमन झा मौजूद रहे।

# Govt softens fuel efficiency targets in new draft policy

FROM PAGE 1

This is a bank passbook-like system in which companies that meet targets earn credits, while those that fall short accumulate debits that attract penalties. “CAFE 2027 provides ease of doing business by introducing flexible compliance mechanisms,” the new draft said.

To be clear, carmakers are allowed to purchase credits from peers and competitors to meet fuel efficiency targets in other countries also, but the proposal to purchase credits from the regulator itself is unprecedented.

Every automaker will have a passbook for each of the fiscal years from 2028 to 2032. A positive credit balance would indicate that the company's average annual fuel efficiency numbers are below the maximum cap. A positive debit balance, in contrast, would indicate that the company's average annual fuel efficiency



Supercredits were cut down to 1.1 for flex-fuel vehicles. PTI

exceeds the cap set for it.

While the passbook will be maintained annually, penalties will be imposed at the end of two block periods, spanning three years (2027-28 to 2029-30) and two years (2030-31 to 2031-32), respectively.

At the end of each block period, the regulator will calculate penalties based on the debits in each automaker's passbook. Automakers can use credits in their passbook, as well as those purchased from

the government, to offset these debits.

“The regulator has tried to play a balanced role in offering a flexible compliance pathway as well as trying to ensure ease of doing business by not setting too stringent of targets,” said Sharif Qamar, associate director in the Transport and Urban Governance Division of TERI, a think tank.

“However, these norms will take EVs to around 14-15% penetration, which means that the regulator-driven boost will be lagging behind the market growth rate we are currently witnessing,” he added.

Electric cars grew 84% in FY26 to nearly 200,000 units as per Federation of Automobile Dealers Association.

CAFE norms were first notified in 2015, and went into effect in 2017. The first iteration lasted five years until 2022, followed by the second, which has been in effect since.

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## CAFE-III

# Govt proposes tighter fuel efficiency rules for passenger vehicles

MPOST BUREAU

### NEW DELHI:

The Ministry of Power has released the draft Corporate Average Fuel Economy (CAFE)-III norms for public consultation, proposing tougher fuel efficiency and carbon dioxide (CO<sub>2</sub>) emission standards for passenger vehicles from April 1, 2027. The proposed rules will apply to M1 category passenger vehicles manufac-

tured or imported for sale in India between 2027-28 and 2031-32. The government has invited comments from automakers, industry stakeholders and the public until August 6, after which the final norms will be notified.

The proposed CAFE-III framework is intended to improve the fuel efficiency of passenger vehicles while lowering fleet-wide carbon emissions over the next five years. It will replace the existing CAFE-II norms, which are due to end on March 31, 2027.

Under the draft, fleet-average fuel consumption targets will become progressively stricter, reducing from 3.996 litres per 100 km, equivalent to 94.76 gCO<sub>2</sub>/km, in 2027-28 to 3.3273 litres per 100 km, or 78.90 gCO<sub>2</sub>/km, by 2031-32. The ministry said the phased approach is meant to give

### TAKEAWAYS

» CAFE-III will replace existing CAFE-II norms after March 31, 2027

» Fuel consumption target tightens from 3.996 to 3.3273 litres per 100 km

» CO<sub>2</sub> target falls from 94.76 to 78.90 gCO<sub>2</sub>/km by 2031-32

» Draft introduces Carbon Neutrality Factors for ethanol, biofuels and CBG

## Govt proposes

original equipment manufacturers (OEMs) a predictable regulatory roadmap, allowing them to gradually introduce more fuel-efficient models.

For the first time, the draft introduces Carbon Neutrality Factors (CNFs) that recognise the carbon-neutral benefits of ethanol, biofuels and Compressed Bio-Gas (CBG). It proposes an 8% CNF for the current level of ethanol blending, while reductions for CBG and other biofuels will depend on prevailing blending levels. These reductions will be applied to declared tailpipe CO<sub>2</sub> emissions before compliance is assessed.

Manufacturers will also be able to claim compliance benefits of up to 9 gCO<sub>2</sub>/km for approved fuel-saving technologies, subject to a maximum benefit of 1 gCO<sub>2</sub>/km for each technology. The proposal continues volume-based super credits for Battery Electric Vehicles, Range-Extended Electric Vehicles, Plug-in Hybrid Electric Vehicles, Strong Hybrid Electric Vehicles and Flex-Fuel Vehicles while calculating fleet-average fuel consumption, with higher incentives continuing for fully electric vehicles than strong hybrids.

The draft proposes a credit and debit system under which manufacturers exceeding their targets can earn compliance credits that

may be carried forward within compliance blocks. Companies missing their targets may meet obligations through carry-forward provisions, voluntary pooling with other manufacturers or by purchasing compliance credits from the Bureau of Energy Efficiency. Credits will be valued at Rs 2,500 each initially, with the price increasing by Rs 500 every year. Unused credits will expire at the end of a compliance block.

Compliance will be assessed in two phases, comprising an initial three-year block followed by a two-year block. Manufacturers selling fewer than 1,000 passenger vehicles annually will remain exempt, while companies failing to meet the norms will face penalties under the Energy Conservation Act. During consultations, some automakers sought a separate category for small cars, while others argued that revised emission calculations already provide sufficient relief for lighter vehicles. Industry discussions have largely supported the proposed framework, with SIAM president Shailesh Chandra earlier describing it as "balanced" and aligned with the goal of improving fuel efficiency while reducing emissions.

Continued on P6

# Sales of petrol & diesel surge in first half of July

**Petrol sales by IOC, BPCL & HPCL climbed 22.9% to 1.63 MT during July 1-15 against 1.33 MT in a year ago period**

## OUR CORRESPONDENT

NEW DELHI: Petrol and diesel sales by India's three state-run fuel retailers rose sharply in the first half of July, helped by below-normal monsoon rainfall that boosted fuel demand from farmers and motorists, preliminary sales data showed on Thursday.

Petrol sales by Indian Oil Corp (IOC), Bharat Petroleum Corp Ltd (BPCL) and Hindustan Petroleum Corp Ltd (HPCL) climbed 22.9 per cent to 1.63 million tonnes (MT) during July 1-15, compared with 1.33 MT in the corresponding period a year earlier.

The volume was also 26.7 per cent higher than 1.29 million tonnes sold during the first half of July 2024 and 38.6 per cent above the level recorded in the same period of 2023. Compared with the first half of June, however, petrol sales fell 4.4 per cent from 1.71 million tonnes.

Diesel sales, a key indicator of economic activity in India, rose 20.9 per cent year-on-year to 3.46 million tonnes in the first fortnight of July from 2.87 million tonnes a year earlier.

The volume was 18.4 per cent higher than in the corresponding period of 2024 and



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13.9 per cent above the first half of July 2023. On a month-on-month basis, diesel sales declined 12.1 per cent from 3.94 million tonnes in the first half of June.

Fuel sales typically moderate with the onset of the monsoon, which reduces demand for running agricultural irrigation pumps as well as slows vehicular movement. But this year, the monsoon rains arrived late, which led to farmers using

diesel to run pumps to irrigate farms. Month-on-month, the sales in July is lower because June is typically the time when holiday travel picks up due to school and college holidays.

Jet fuel (ATF) sales inched up marginally by 0.7 per cent to 315,400 tonnes during July 1-15, but were 10.3 per cent lower than 351,400 tonnes sold in the first half of June.

Liquefied petroleum gas (LPG) sales continued to fall,

## HIGHLIGHTS

» Diesel sales rose 20.9% year-on-year to 3.46 MT in first fortnight of July from 2.87 MT a year earlier

» The volume was 18.4 per cent higher than in the corresponding period of 2024 and 13.9 per cent above the first half of July 2023

» ATF sales rose by 0.7% to 315,400 tonnes during July 1-15, but were 10.3% lower than 351,400 tonnes sold in the first half of June

dropping 17.5 per cent to 1.14 million tonnes.

LPG sales have been on a decline since the onset of the West Asia crisis disrupted supplies, leading to the imposition of consumption restriction in certain sectors like hotels and restaurants.

The curbs were lifted this month, and sales saw a 1.7 per cent rise over 1.12 million tonnes consumed in the first half of June, the data showed.

# Higher oil imports drive widening trade deficit despite resilient exports: Equirus Securities

*Research says oil imports remain the principal driver of the wider trade deficit, while electronics exports continue to outperform*

NEW DELHI: India's widening merchandise trade deficit in June reflects an import-led expansion rather than weakening export competitiveness, with higher oil imports accounting for nearly half of the monthly deficit, according to an analysis by Equirus Securities.

The research notes that merchandise exports remained healthy during June, but imports continued to outpace exports. Merchandise exports rose 15.5 per cent year-on-year to \$40.4 billion, while imports increased 31 per cent to \$70.8 billion, widening the merchandise trade deficit to \$30.4 billion

from \$28.2 billion in May and \$19.1 billion a year ago. During the first quarter of FY27, the merchandise trade deficit reached \$86.8 billion, around 28 per cent higher than the corresponding period last year, as stronger domestic demand and commodity price pressures kept imports elevated.

According to the report, petroleum imports remained the principal driver of the wider trade deficit. Petroleum, Oil and Lubricants (POL) imports increased 40 per cent year-on-year to \$19.3 billion, while the net oil deficit rose 55 per cent to \$14.4 billion, contributing

nearly half of the merchandise trade deficit in June. Fertiliser imports also increased sharply ahead of the Kharif season, reflecting stronger demand and higher global fertiliser input prices.

Gold imports moderated to \$2.0 billion, declining 42 per cent month-on-month as both global prices and demand softened. After adjusting for the correction in gold prices, implied import volumes contracted by around 35 per cent during the month.

However, the non-oil, non-gold trade deficit widened to \$14.0 billion, up 77 per cent

## CLOSER LOOK

» POL imports rose 40% year-on-year to \$19.3 bn, while net oil deficit rose 55% to \$14.4 bn, contributing nearly half of merchandise trade deficit in June

» Fertiliser imports also increased sharply ahead of the Kharif season, reflecting stronger demand and higher global fertiliser input prices

» However, the non-oil, non-gold trade deficit widened to \$14.0 billion, up 77 per cent year-on-year

year-on-year, indicating that underlying consumption and re-export demand remained firm.

The report identifies electronics as one of the strongest

performing export categories during the month. Engineering goods exports increased 20.7 per cent year-on-year, gems and jewellery exports rose 34.6 per cent, chemicals exports grew

19.4 per cent and electronics exports increased 18.9 per cent. According to Equirus Securities, India's position as the chosen substitute to China in the electronics supply chain continues to strengthen. Readymade garment exports, however, declined 11.3 per cent year-on-year and continued to face the impact of disruptions across GCC markets, which account for around 11 per cent of India's apparel exports.

The research also notes that the services cushion is moderating. The services surplus eased to \$15.1 billion in June from \$21.5 billion in January

2026. Services exports grew by around 3 per cent during June and declined 1 per cent sequentially, while average services export growth during the first quarter of FY27 moderated to 6 per cent from 10 per cent in the corresponding period last year.

On the geographical front, exports to the United States remained broadly flat during the first quarter of FY27, while exports to Vietnam, China and Indonesia recorded strong growth. According to the report, the spillover from the West Asia crisis remained evident, with exports to Iran, Kuwait and Qatar declining

sharply, while exports to the UAE and the Netherlands, both important re-export hubs, also moderated. The report notes that the shift towards Asian markets is increasingly being driven by manufacturing exports, including smartphones to China, engineering products to Vietnam and pharmaceuticals to Indonesia.

Looking ahead, Equirus Securities believes that lower global crude prices could reduce pressure on the oil import bill if prices remain around current levels. Softer gold imports could provide additional support. MPOST

# Russia remains India's top oil supplier

Russian crude supply sees sharp rise after falling in early this year, Venezuela re-enters list of India's top oil suppliers



**6.7%**  
of India's oil imports Venezuela accounted for in FY18. It was among India's top 6 suppliers till FY20

**20%**  
of global oil and LNG trade passes through the Strait of Hormuz

**OIL IMPORTS FROM RUSSIA RISE TO 2.73 MBPD IN JUNE**

Imports from Russia rose from 1.07 mn barrels per day (mbpd) in Feb to 2.73 mbpd in Jun. As of Jul 15, imports stood at 2.59 mbpd. Russia is supplying 4 times more oil than Saudi Arabia

**CRUDE OIL IMPORTS FROM VENEZUELA REMAIN STABLE**

Imports from Venezuela remained stable at 0.27 mbpd in May and 0.28 mbpd in June before rising to 0.34 mbpd by July 15



RAKESH KUMAR @ New Delhi

AMID the over 100-day crisis in West Asia that disrupted global crude oil trade and threatened supplies through the Strait of Hormuz, Russia retained its position as India's largest crude oil supplier, while Venezuelan crude made a comeback, re-entering the list of India's top five crude suppliers.

According to Kpler data, Russia not only remained India's top crude supplier throughout 2026 but also witnessed a sharp rebound in supplies after moderating in the early part of the year. Imports from Russia rose from 1.07 million barrels per day (mbpd) in February to a high of 2.73 mbpd in June. As of July 15, imports stood at 2.59 mbpd. Russia is now supplying nearly four times as much crude as Saudi Arabia, India's second-largest supplier during the month.

Kpler data shows imports from Russia stood at 1.19 mbpd in January before easing to 1.07

mbpd in February. In March, when the United States eased restrictions on certain Russian crude cargoes already at sea, India's imports jumped sharply to 2.05 mbpd. Imports moderated to 1.72 mbpd in April before rising again to 2.14 mbpd in May and peaking in June.

India has significantly increased purchases of discounted Russian crude since the outbreak of the Russia-Ukraine war in 2022. Russia has remained India's largest crude supplier for most of this period. The country has faced criticism from the United States and several European nations for continuing to import discounted Russian crude. More recently, the US imposed an additional 25% tariff on imports from India and announced sanctions on major Russian energy companies, including Rosneft and Lukoil, in an effort to discourage purchases of Russian oil.

While Russian crude continued to dominate India's import

basket, Venezuelan oil returned after the easing of US restrictions on Venezuelan oil exports in early 2026.

Imports from Venezuela resumed in April at 0.28 mbpd. Supplies remained largely stable at 0.27 mbpd in May and 0.28 mbpd in June before rising to 0.34 mbpd by July 15, the highest level recorded this year.

Venezuela was once a key crude supplier to India, accounting for 6.7% of the country's crude imports in FY18 and consistently ranking among India's top six suppliers until FY20.

Venezuelan heavy crude is particularly suitable for complex refineries such as those operated by Reliance Industries and Nayara Energy, which are designed to process heavier and sour crude grades efficiently.

The Strait of Hormuz, through which nearly 20% of the world's oil and LNG trade passes, saw severe disruptions during the West Asia conflict, prompting major oil-importing countries, including India, to diversify their sourcing strategies.

# Russia to continue to meet half of India's crude imports in July, Aug

**Rishi Ranjan Kala**  
New Delhi

India's July 2026 crude oil imports from Russia are expected to at least maintain June's rally when barrels from Moscow accounted for half of New Delhi's monthly shipments as domestic refiners topped up supplies amidst see-sawing geopolitical uncertainty in West Asia.

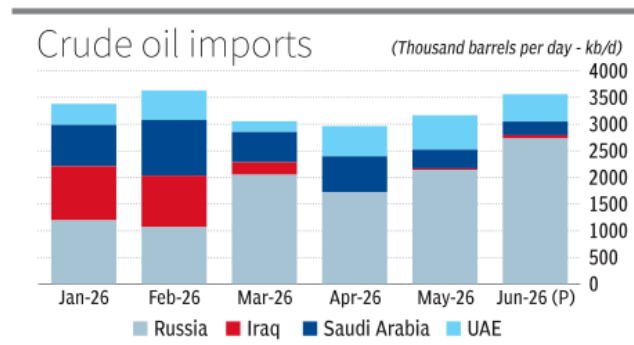
Refiners and traders said that July crude oil imports are likely to follow June's cue as refiners now leverage Russian barrels to hedge against sudden supply disruptions. Besides, cargoes for July mostly would have been booked in the second half of March and April.

"July imports will surpass

5 million barrels per day (mb/d) with Russia accounting for around 2.6-2.7 mb/d. August can also follow the same trajectory as first half supplies are largely done. West Asian producers' share is rising with suppliers using alternate routes such as Sohar port in Oman and the UAE's Fujairah and Khor Fakkan ports. However, they are yet to pick up steam," explained a senior official with a refiner.

Kpler emphasised that Russian crude had become India's strongest energy security hedge, particularly since the SoH disruptions.

Russian barrels have enabled Indian refiners to maintain high refinery run rates, ensure uninterrupted fuel supplies, and avoid the



disruptions experienced by several other Asian refining systems (excluding China), added the real time data and analytics provider.

## KEY SUPPLIER

This growing importance is reflected in import trends, emphasised Sumit Ritolia, Kpler's Kpler's Lead Re-

search Analyst for Refining & Modeling. "Russian crude imports rose to around 2.6 mbd in June, accounting for more than 50 per cent of India's crude imports, and have been steadily increasing since March. July arrivals are also tracking at healthy levels and could match or even exceed June's

volumes," he told *business-line*. Currently, Moscow accounts for the majority of India's medium sour grade supply, which dipped at the beginning of 2026 with almost 50 per cent of the crude oil coming from West Asia via the Strait of Hormuz.

However, West Asian share dwindled to roughly 30 per cent from March 2026 onwards as the February 28 attack on Iran by the US led to the latter closing the SoH leading to the largest disruption in energy supplies in history. However, August may also witness some displacement of Russian barrels as Saudi Aramco cut August prices of Arab Light by \$11 a barrel from last month, which is the highest in over two decades. Besides, Saudi

Arabia and the UAE have already increased supply from alternate routes.

For instance, Saudi Arabia is supplying crude oil from the Red Sea port of Yanbu, which is connected through the East-West pipeline that bypasses the SoH. However, a refiner said this route is logistically expensive due to longer travel time to India, which could shift some focus back to Russian crude oil that is available in plenty due to drone attacks on refineries by Ukraine.

"Russian crude remains competitive source of supply for Indian refiners, and under current market conditions, it is difficult to see those volumes disappearing from the system in the near term," Ritolia said.

## INBRIEF



### Windfall tax on diesel, ATF up, levy on petrol exports cut

The Centre has increased the windfall gains tax on exports of diesel and ATF, while lowering the levy on petrol for the fortnight beginning July 16. The Special Additional Excise Duty (SAED) on diesel exports has been hiked to ₹15.5 a litre from ₹8.5 a litre. Similarly, SAED on ATF exports has been raised to ₹14.5 per litre from ₹7.5 per litre. However, the export duty on petrol has been cut to ₹2.5 per litre, from ₹4 per litre. PTI

## War-induced momentum for energy self-reliance



**ASHWANI  
MAHAJAN**

Following the peace agreement between the US and Iran after the roughly three-and-a-half-month-long Gulf conflict, the Strait of Hormuz—a vital conduit for massive crude oil shipments—has reopened. It is worth noting that the closure of the Strait of Hormuz not only disrupted oil transit but also caused a drastic surge in oil prices. Crude oil prices, which hovered around US \$70-80 per barrel before the war, spiked to as high as US \$126 per barrel during the conflict. Although prices fluctuated, they largely remained in the vicinity of US \$100 per barrel. The public was affected not only by shortages resulting from supply disruptions but also by rising inflation worldwide, driven by soaring oil prices. Even though the US is self-sufficient in petroleum supplies, it was also not immune to the impact of these high prices. Against this backdrop, a global conversation—including within India—began regarding the need to reduce dependence on imported crude oil. The primary question that arose was: Is fuel self-reliance achievable?

Currently, India relies on foreign sources for approximately 88 per cent of its crude oil and imports 50 per cent of its gas requirements. The

sudden shortage of these commodities following the blockade of the Strait of Hormuz impacted not only prices but also businesses ranging from small restaurants and roadside tea vendors to gas-dependent industrial establishments. Consequently, the country began deliberating on how to achieve self-reliance in fuel and energy.

The seven appeals Prime Minister Narendra Modi made to the nation to conserve foreign exchange—such as using public transport, carpooling and working from home—directly pointed towards reducing the country's dependence on petroleum products. However, it must be understood that while we can save foreign exchange in the short term by consuming less energy, energy self-reliance is the only viable option for the long term. Biogas can emerge as a significant alternative to petroleum gases. India possesses abundant resources—such as cattle dung, agricultural residues and household waste—that can be used to produce biogas, yet we are currently utilising only about 5 per cent of this potential. Naturally, with concerted efforts, biogas plants could be established at the village or village-cluster level. This would not only meet local fuel needs and reduce reliance on imported gas but also significantly lower fuel costs. Moreover, with minor modifications, vehicles can also be made to run on biogas.

While petrol and diesel have long been considered indispensable for vehicles in the country, we must recall that just a decade ago, India was facing power shortages. Today, however, the entire



nation enjoys 24-hour electricity supply, and a surplus of power is being recorded, especially during off-peak hours. Concurrently, there has been a massive expansion in renewable energy generation capacity.

Renewable energy capacity, which stood at a mere 35 gigawatts in 2014, has now surpassed 200 gigawatts, with an additional 25 to 30 gigawatts of capacity being added annually. Although rising energy prices had previously motivated us to strive for energy self-reliance, the further price hikes and supply disruptions caused by the war have accelerated these efforts. Thanks to the establishment of substantial power generation capacity, India has become virtually self-reliant in the energy sector; in fact, we even generate surplus electricity during off-peak hours. Increased incentives in the form of subsidies for residential solar installations have started boosting power generation capaci-

ty even more. The government is striving to ramp up domestic production of solar and wind energy equipment, which will further enhance the potential for expanding power generation capacity. Therefore, the time has come to shift from petrol- and diesel-powered vehicles to electric vehicles. We can readily adopt electric buses, trucks, cars and scooters.

This could lead to substantial savings in petrol and diesel, thereby reducing dependence on overseas sources and conserving valuable foreign exchange. Traditionally in India, automobiles used to run on either petrol or diesel and later on CNG. In the last few years, the use of hybrid cars has also increased, where fuel consumption is lower, as vehicles run partially on petrol and partially on batteries. In more recent times, the use of electric vehicles has started increasing. The popularity of EVs can be seen from the fact that, in June 2026, the share of EVs in the scooter segment increased to more than 10 per cent, while electric cars constituted nearly 8 per cent of total car sales, and this has continuously been increasing over time. Before the war, in January 2026, the share of electric cars in total automobile purchases was hardly 3.6 per cent. Beyond transportation, we can also make greater use of electric cooking appliances, such as induction cooktops. New developments in research on nuclear power generation in the country could further strengthen our energy security. The government is giving a major push to biogas production; furthermore, research and

development are facilitating the compression of biogas, making its use in vehicles feasible. Such experiments are already proving successful. Overall, it can be said that while efforts towards energy self-reliance were already underway, the conflict between the US and Iran—and the resulting surge in oil prices and supply disruptions—has provided a significant impetus to this goal. We must not allow this momentum to slow down. The country needs to undertake comprehensive and organised efforts to eliminate its dependence on imported crude oil. Simultaneously, a shift in the mindset of the general public is essential. Entrepreneurs must be encouraged to invest in the energy sector, and the active participation of young people in research and development (R&D) activities must be ensured.

Developing an extensive charging infrastructure is also imperative to popularise electric cars and other electric vehicles across the country. Although there is adequate electricity generation, power supply is frequently interrupted in many areas due to deficiencies in the grid system. The government needs to make concerted efforts to resolve this issue. Despite these challenges, none of them are insurmountable. With well-planned policies, strong willpower and coordinated efforts, India can drastically reduce its dependence on foreign crude oil over the next decade. This is the need of the hour.

The writer is the National Co-convenor of the Swadeshi Jagaran Manch and a former Professor at PGDAV College, University of Delhi

# Vessels to and from India among top applicants for Hormuz passage

Three-week data from June 17 shows 40% of vessels seeking to cross Hormuz were to or from India and China

**Sukalp Sharma**  
New Delhi, July 16

MERCHANT VESSELS to and from India were among the top applicants for passage through the Iran-recommended routes to cross the Strait of Hormuz in the three weeks following the June 17 US-Iran peace MoU, as per Iranian data.

According to Persian Gulf Strait Authority (PGSA), set up by Iran to regulate the flow of maritime traffic through the Strait of Hormuz, over 200 non-Iranian vessels coordinated with it to receive passage permits and insurance coverage during the three week period.

Among the transit requests to exit the Persian Gulf received by the Islamic Republic's PGSA

## Hormuz passage

The share of the rest of Asia was 29%, while that for Intra-region (in the Persian Gulf) movements was 22%. The share of the rest of the world was 8%.

To enter the Persian Gulf, of all transit requests, India topped the list of origins with a 21% share, followed by China at 19%. Other Asian countries had a combined share of 20%, Intra-region movement requests accounted for 24%, while the rest of the world had a share of 16%.

The PGSA didn't provide the absolute number of transit requests received. This data also doesn't include vessels that crossed or attempted to cross the strait without seeking Tehran's permission.

Post these three weeks after the MoU, tensions resurfaced in the region, leading to a significant drop in maritime traffic. While vessel movements have not completely stopped, they are sharply down following the resurgence of conflict around the critical trade artery. On its part, Iran and the PGSA maintain that the strait is closed.

The data is in line with trade patterns considering India and China have traditionally been

the major destination for cargo, particularly energy shipments, exiting the strait, with the rest of Asia making up a bulk of the remaining traffic.

Around 40% of India's crude oil imports, 60% of its LNG imports, and a whopping 90% of its LPG imports came from West Asia through the strait. The country's dependence on imports stands at over 88% for oil, 60% for LPG, and about 50% for natural gas, which is imported as LNG.

Before the war broke out late February, the Strait of Hormuz usually accounted for a fifth of global oil and LNG flows. Given the high dependence on West Asia for energy and other imports like fertilisers, it was expected that vessel traffic between India and the Persian Gulf would pick up.

What is now playing out in the Strait of Hormuz is a battle between Iran and the US to effectively control the waterway. The US and its allies have been encouraging vessels to use the strait's waters hugging Oman as an alternative to Tehran-designated lanes.

The stark differences in the MoU's interpretation and the

vagueness in its terms have now emerged as the flashpoints between Tehran and Washington. Maritime data shows that ever since last week's fare-up, which followed Iran's targeting of a few vessels taking the Omani route through the strait, even the vessels crossing the strait are mostly doing so using paths designated by Iran.

During the war, Iran actively regulated the flow of vessels through the strait, allowing only a handful to pass, that too using routings dictated by it. Following the June MoU with the US, Iran continued to insist that vessels cross the strait only through the routings designated by it, and that too after seeking permission from the PGSA. Tehran also plans to impose a service fee for transits, but at a later date.

Earlier this week, US president Donald Trump even proposed a 20% charge by the US Navy to facilitate safe passage of commercial ships through the strait, only to backtrack the very next day.

According to the data released by the PGSA, of the 200-plus transit applications it received in the three weeks following the MoU, 53% were for exiting the Persian Gulf, while 47% were to enter the Gulf. The PGSA said that it ap-

proved 79% of the applications, while 14% were under process as of July 14. It said that the average time taken to process the transit applications was 50 hours. As for requests by type of vessels, tankers had the highest share at 41%, followed by bulk carriers at 27%. Container ships, LNG carriers, and service vessels accounted for 18%, 2%, and 1%, respectively, with other vessel types accounting for an 11% share.

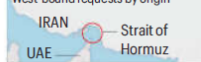
According to vessel tracking data from commodity market analytics firm Kpler, there were just 14 vessel crossings on Sunday (July 12), down from 24 on July 11 and 19 on July 10. As per data from S&P Global, the last time ship transits were lower than this level was on June 14, three days before the US and Iran inked their peace deal MoU.

There are reports that transits have grown slightly over the past three days, but most pertain to Iran-linked vessels. Since mid-June, vessel movements through the strait had risen meaningfully, even crossing 90 on June 24, with the average being between 40 and 50 on most days in the three weeks that followed the MoU. Industry data shows. But these were still lower than the pre-war levels of up to 140 daily transits.

### Transit requests

| Origin/destination | West-bound | East-bound |
|--------------------|------------|------------|
| India              | 21%        | 20%        |
| China              | 19%        | 21%        |
| Other Asia         | 20%        | 29%        |
| Intra-region       | 24%        | 22%        |
| Other World        | 16%        | 8%         |

East-bound requests by destination  
West-bound requests by origin



SOURCE: PERSIAN GULF STRAIT AUTHORITY

set up recently by Tehran, those bound for India had a 20% share, second only to China's 21%.

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Hindustan Times 100

# Govt eases fuel efficiency targets in new draft policy

Manas Pimpalkhare & Ayaan Kartik

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**NEW DELHI:** The Centre has eased fuel efficiency targets for carmakers in its latest draft of the corporate average fuel efficiency (CAFE) III norms released on Thursday, following push-back from the industry on the steep targets outlined in the previous draft released last September. The new draft, which has been released for public consultation for 21 days, relaxes overall fleet fuel efficiency targets by 7-10%, making compliance relatively easier for manufacturers with larger, less fuel-efficient models.

It also introduces a system for carmakers to buy credits from the government to help meet their targets, and removes benefits for small cars that were mentioned in the previous draft.

“CAFE 2027 introduces year-on-year clearly defined targets for a five-year horizon. This methodology will provide motivation for continuous technology adoption and product planning across the compliance period. CAFE 2027 also strengthens recognition of renewable fuels’ contribution to lifecycle carbon reduction,” the draft said.

Primary among the changes



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was a tweak in the ‘supercredit’ style of incentives for clean vehicles. Supercredits—accounting multipliers that allow cleaner vehicles to count as more than one vehicle for compliance purposes—were cut down to 1.1 for flex-fuel vehicles from 1.5 in the previous draft. Flex-fuel vehicles can run on any mix of petrol and ethanol. Supercredits for strong hybrid cars were also reduced to 1.6 from 2.

Supercredits for other vehicle categories remain unchanged, including for electric vehicles at 3, meaning every electric car would be counted as three cars.

Similar counting exercises will be done for other cleaner vehicles, including strong

hybrids, plug-in hybrids, range-extended electric vehicles, strong hybrid flex-fuel vehicles, and flex-fuel vehicles, proportionate to their respective supercredits proposed in the policy.

The new draft on Thursday also introduced a credit-debit system, which, in a global first, allows carmakers to purchase credits from the regulator Bureau of Energy Efficiency (BEE) under the Union power ministry, if they fail to meet fuel efficiency targets. Mint first reported in April about BEE proposing such a system to India’s carmakers.

This is a bank passbook-like system in which companies that meet targets earn credits, while

those that fall short accumulate debits that attract penalties. “CAFE 2027 provides ease of doing business by introducing flexible compliance mechanisms,” the new draft said.

To be clear, carmakers are allowed to purchase credits from peers and competitors to meet fuel efficiency targets in other countries also, but the proposal to purchase credits from the regulator itself is unprecedented.

Every automaker will have a passbook for each of the fiscal years from 2028 to 2032. A positive credit balance would indicate that the company’s average annual fuel efficiency numbers are below the maximum cap. A positive debit balance, in contrast, would indicate that the company’s average annual fuel efficiency exceeds the cap set for it. While the passbook will be maintained annually, penalties will be imposed at the end of two block periods, spanning three years (2027-28 to 2029-30) and two years (2030-31 to 2031-32), respectively.

At the end of each block period, the regulator will calculate penalties based on the debits in each automaker’s passbook. Automakers can use credits in their passbook, as well as those purchased from the government, to offset these debits.

# Indian Refiners Confident of a ‘Trump Put’ to Keep Oil Flowing

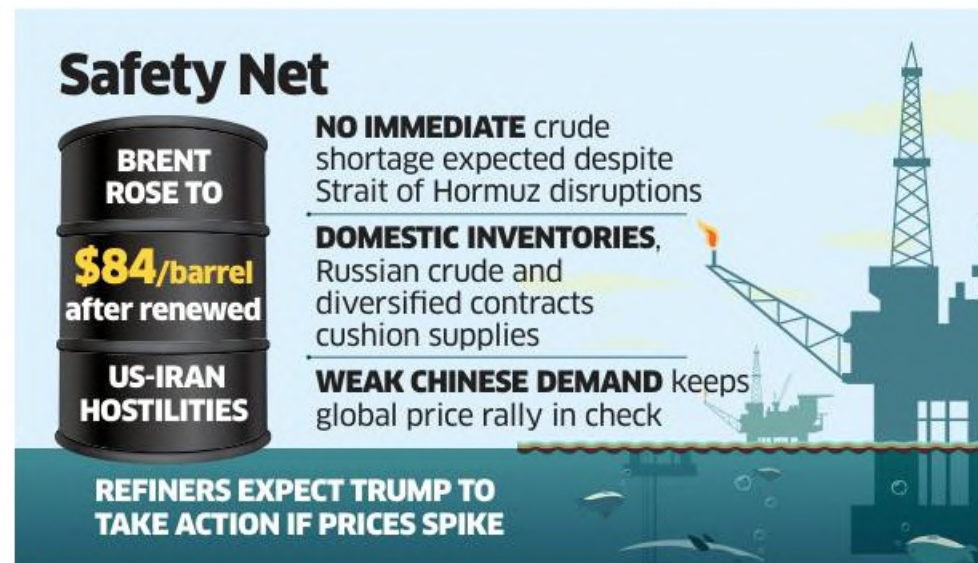
Local inventory, deals with non-Gulf suppliers add strength; cos bet on POTUS to prevent shocks

Sanjeev Choudhary

**New Delhi:** Indian refiners are betting that US President Donald Trump’s recent pattern of offsetting oil supply disruptions by opening alternative supply routes will prevent a full-blown supply crunch or a sustained price spike despite the renewed conflict in West Asia.

The resumption of US-Iran hostilities pushed Brent crude to \$84 a barrel on Monday from last week’s low of \$72. Prices have since stabilised around that level, even as attacks have continued and shipping through the Strait of Hormuz has been disrupted.

Refining executives do not expect any immediate shortage of



crude. Their confidence stems from stronger domestic inventory levels, contracted supplies from non-Gulf producers and greater availability of Russian crude following refinery outages caused by Ukrainian attacks.

Another key reason is their belief that Trump will act to ease global supplies if the market begins to fear a shortage, as he has done in the recent past. “If one route closes, he

would open another,” said an executive, referring to Trump’s decision to waive sanctions on Russian and Iranian oil in recent months after the conflict disrupted Gulf supplies and pushed prices above \$100 a barrel. Trump will allow Russian oil to flow freely into global markets until shipping through the Strait of Hormuz becomes easier, he said.

“Trump would not want a price spike ahead of the US midterm

elections,” another executive said. If prices begin to spiral, he could pause military action, declare that the operation has achieved its objectives or signal progress towards a more durable agreement with Iran, the executive said. “Either by easing sanctions to boost physical supplies or by signalling de-escalation, he would try to calm the market.”

Refiners are, however, closely watching China, whose subdued crude demand has helped keep supplies comfortable for India and others and limited the price rally in recent months.

China’s oil imports fell for a fourth straight month in June, with crude arrivals 35-40% below the 2025 average. China lifted fuel export restrictions in early July following the US-Iran interim agreement in June, a move expected to support higher refinery runs and crude imports.

Executives said a rebound in Chinese buying in the coming weeks could tighten the global crude market and put upward pressure on prices.

# Ethanol, A Fuel, Not THE Fuel of Choice

## Consumer choice + environmental outcome

India's ethanol programme is being presented as a runaway success. Gains are real: lower crude oil imports, forex savings, higher incomes for farmers and sugar mills, and an E20 blending target achieved ahead of schedule. As an energy security strategy, it has undeniable merit. But good policy becomes bad policy when success turns it into dogma. Ethanol is no longer being promoted as one option in the decarbonisation toolkit, but as *the* solution. It isn't. Every litre of ethanol delivers less energy than petrol, meaning motorists travel fewer kilometres on a tank. Consumers are effectively being asked to pay the same—or more—for fuel that offers lower mileage. If that's the intended trade-off, it should be stated openly, not murmured behind blending mandates.



The bigger concern lies beyond the fuel pump. India's ethanol story has shifted from sugarcane to maize, with grain now driving production and reshaping agricultural markets. Land is moving away from pulses and oilseeds towards maize, while food, feed and fuel compete for the same crop. The re-

sult is mounting pressure on food prices, rising edible oil and pulse imports, greater stress on groundwater and ecosystems, and fresh distortions in cropping patterns.

Yes, India needs to clean up vehicular pollution and bump up energy security. But the goal should be cleaner mobility and diversification, not just higher ethanol consumption. That means allowing hybrids, EVs, cleaner ICE and sustainable biofuels to compete on environmental merit. Consumers shouldn't face a false choice: buy ethanol-laden fuel or pay more for the 'normal' stuff. Public policy must protect consumer choice and be driven by measurable environmental outcomes. Not by replacing one rigid dependence with another.

# Moisture-absorbing nature of ethanol is contaminating fuel, claim petrol dealers

**Jagriti Chandra**  
NEW DELHI

Petrol pump owners claim ethanol's hygroscopic nature or affinity towards water is leading to contamination of E20 stock during monsoons and in coastal areas since existing underground storage tanks were designed for conventional petrol, not higher ethanol blends. The claims come amid viral videos on social media purportedly showing customers collecting what appears to be muddy water, rather than E20 from fuel dispensers.

One such video involved a Toyota Hycross car, which allegedly broke down shortly after refuelling. The automaker blamed fuel contamination as the car was E20 compliant. The maker of the video was later among at least 3 against whom an FIR was filed.

Three petrol pump owners shared concerns over the roll out of E20 with *The Hindu* on the condition of anonymity.

"The underground tanks that store fuel often have some amount of water due to ingress during rains or moisture or condensation or from the fuel tanker that brings petrol to the petrol pump. Now, when the water content in the entire E20 stock in underground tanks exceeds 0.5%, ethanol binds with water because of its hygroscopic nature or affinity for water. This results in phase separation where water-ethanol mixture settles at bottom of the tank, while the petrol forms a separate layer above," said an industry veteran.

As fuel is drawn by the



Moisture absorption by ethanol may contaminate E20 fuel.

dispensing unit from the bottom of the underground tank, some vehicles may end up being dispensed with this water-rich mixture instead of E20.

"As a result, vehicles may not start, or breakdown after a distance. We come to know about contamination only when such customers come to us with complaints," said a dealer.

Automotive experts say, such contaminated fuel can independently cause fuel injector to malfunction, poor driveability, fuel pump failures and in severe cases, engine damage.

Pump owners said the concerns were compounded in coastal areas where sub-soil water can further contaminate E20 if seals on underground tanks are not properly in place.

## Fear of corrosion

A pump owner also feared underground tanks and pipelines made of mild steel could turn susceptible to corrosion because of ethanol's tendency to absorb water, potentially adding to fuel contamination. Some said OMCs replaced seals and washers in petrol dispensing units with neoprene rubber in preparation for E20 rollout.

Dealers also said there was a need for creating awareness among vehicle owners to prevent disputes at fuel stations and motorists should be advised on the need for protecting vehicles from rain as well as during washing to prevent water ingress in fuel tanks but the oil marketing companies (OMCs) were actively dissuading them from displaying any informational boards.

"Some petrol pumps had hoardings saying E20 was being dispensed on government order, but OMCs were offended and ordered for them to be removed," said one of the petrol pump operators.

The dealers said they had been instructed to check underground storage tanks for water contamination thrice a day with the frequency increasing to once every two hours in monsoons. Many pumps use a dipstick coated with water-finding paste that turns red in the presence of water. If contamination is detected, the dealer informs the oil marketing company (OMC), which deploys personnel to drain the water from the tank using a hand pump.

Dealers said they were unhappy with the financial burden of the process. They pointed out while they buy the entire stock of E20 from OMCs, they must bear the losses when any contaminated portion was to be discarded.

## Zero tolerance

IOCL said in a statement that it has zero tolerance policy to contamination. Inspections and testing are being carried out on a regular basis, it added.

# स्वर्णिम अध्याय : देश को आज मिलेगी पहली स्वदेशी हाइड्रोजन ट्रेन

नई दिल्ली/ चंडीगढ़/ जींद, एंजैसी। भारतीय रेलवे के इतिहास में शुक्रवार को एक स्वर्णिम अध्याय जुड़ने जा रहा है। प्रधानमंत्री नरेंद्र मोदी हरियाणा के जींद रेलवे स्टेशन से देश की पहली स्वदेशी 'हाइड्रोजन-पावरड' यात्री ट्रेन को हरी झंडी दिखाकर रवाना करेंगे। यह ट्रेन जींद और सोनीपत के बीच 89 किलोमीटर रूट पर चलेगी।

इस ऐतिहासिक शुरुआत के साथ ही भारत दुनिया के उन चुनिंदा देशों के विशिष्ट क्लब में शामिल हो जाएगा, जहाँ पर्यावरण के अनुकूल हाइड्रोजन ट्रेनें संचालित हो रही हैं।

गुरुवार को एक आधिकारिक बयान में बताया गया कि प्रधानमंत्री मोदी शुक्रवार को हरियाणा, चंडीगढ़ और पंजाब के दौरे पर रहेंगे।

**89** किमी लंबे जींद-सोनीपत रूट पर संचालन होगा

**हेरिटेज ट्रेनों में भी यह तकनीक उपयोग होगी**

भारतीय रेलवे इस महत्वाकांक्षी परियोजना से प्राप्त अनुभवों का उपयोग भविष्य में अपनी ऐतिहासिक 'हेरिटेज ट्रेनों' (जैसे कालका-शिमला रूट) को भी ग्रीन हाइड्रोजन तकनीक से लैस करने में करेगी। यह कदम देश को शून्य कार्बन उत्सर्जन और आत्मनिर्भरता की ओर तेजी से आगे बढ़ाएगा।

**हाइड्रोजन ट्रेन की विशेषताएं**

**1**  **शून्य कार्बन उत्सर्जन**  
यह ट्रेन डीजल के बजाय हाइड्रोजन और हवा से मिलने वाली ऑक्सीजन की रासायनिक क्रिया से बिजली बनाती है। उप-उत्पाद के रूप में भाप और गर्मी निकलती है।

**2**  **ट्रेन में व्यापक यात्री क्षमता**  
सामान्यतः दुनिया के दूसरे देशों में दो से चार कोच वाली हाइड्रोजन ट्रेनें चलाई जाती हैं। भारतीय ट्रेनसेट में 10 कोच हैं, जिसमें 2,600 यात्रियों के बैठने की क्षमता है।

**3**  **बहुस्तरीय सुरक्षा चक्र मौजूद**  
इस ट्रेन में आधुनिक लीक डिटेक्टर, फ्लेम डिटेक्टर और ऑटोमैटिक शट-ऑफ सिस्टम लगे हैं। ये स्वचालित प्रणालियां परिचालन के दौरान असामान्यता दिखने पर हाइड्रोजन सप्लाई बंद कर देंगी।

**4**  **तेज रफ्तार**  
हाइड्रोजन ट्रेन में 3,200 हॉर्सपावर का शक्तिशाली प्रोपल्शन सिस्टम लगाया गया है। जानकारी के अनुसार, इस ट्रेन की परिचालन गति 75 किमी/घंटा है जो 110 किमी/घंटा तक बढ़ाई जा सकती है।

**5**  **एकीकृत इकोसिस्टम**  
हाइड्रोजन ट्रेन की रिफ्यूलिंग के लिए हरियाणा के जींद में देश की सबसे बड़ी रेलवे हाइड्रोजन रिफ्यूलिंग और स्टोरेज सुविधा स्थापित की गई है।

**हरियाणा को मिलेंगी 14700 करोड़ की परियोजनाएं**

प्रधानमंत्री जींद में 14,700 करोड़ की कई परियोजनाओं का उद्घाटन और आधारशिला रखेंगे। इनमें 9,680 करोड़ से बना फोर लेन दिल्ली-अमृतसर-कटरा एक्सप्रेसवे (पैकेज एक से पांच) है।

**चंडीगढ़ को कई सौगात देंगे**

इसके बाद प्रधानमंत्री चंडीगढ़ में 4,700 करोड़ से अधिक की परियोजनाओं का उद्घाटन का करेंगे। अधिकारियों ने बताया कि पीजीआई चंडीगढ़ में एडवांस्ड मंदर एंड चाइल्ड सेंटर और एडवांस्ड न्यूरोसाइंसेज सेंटर का उद्घाटन करेंगे।

