



FIPI

Federation of Indian Petroleum Industry



POLICY &
ECONOMIC
REPORT

OIL & GAS MARKET



February
2026

Table of Contents

Executive Summary	3
Economy in Focus.....	6
Lessons from Economics.....	23
Oil Market	25
Crude oil price – Monthly Review	25
Indian Basket Crude oil price	27
Oil production situation	27
Oil demand situation.....	28
Global petroleum product prices	29
Petroleum products consumption in India	31
Natural Gas Market.....	33
Natural Gas Price – Monthly Review.....	33
Key developments in Oil & Gas sector.....	39
Key Policy developments/Significant news in Energy sector	40

List of Figures & Tables

Figure 1: Global GDP growth.....	6
Figure 2: Contributions to global growth.....	7
Figure 3: Trade growth.....	7
Figure 4: Global CPI inflation projections	8
Figure 5: Job openings that require new skills are associated with higher pay	9
Figure 6: Global economy has shown resilience to tariff shocks.....	10
Figure 7: U.S. IT investment at its all-time high	11
Figure 8: Annual GDP estimates along with Y-o-Y growth rates.....	13
Figure 9: Sector-wise growth rates (%) of real GVA in FY 2024-25 and 2025-26	13
Figure 10: Total Trade during January 2026	16
Figure 11: Total Trade during April-January 2025-26	16
Figure 12: Benchmark price of Brent, WTI and Dubai crude	26
Figure 13: Indian crude oil basket price in \$ per bbl.....	27
Figure 14: Refining Margins (\$/bbl)	30
Figure 15: Singapore crack Spreads vs. Dubai (\$/bbl)	30
Figure 16: Global natural gas price trends (\$/mmbtu)	34
Figure 17: Domestic natural gas price January'25–26 (\$/mmbtu)	36
Figure 18: Domestic natural gas Gross production (Qty in MMSCM)	37
Figure 19: LNG imports (Qty in MMSCM)	38
Figure 20: Sectoral Consumption of Natural Gas (Qty in MMSCM) in January 2026	38
<hr/>	
Table 1: Trade during January 2026.....	15
Table 2: Crude oil price in February, 2026.....	26
Table 3: Non-DoC liquids production in 2026, mb/d	28
Table 4: World Oil demand, mb/d	29
Table 5: Singapore FOB, refined product prices (\$/bbl) in January 2026	31
Table 6: Petroleum products consumption in India, January 2026 and Year till Date (YTD).....	32
Table 7: Gas price, January 2026	34
Table 8: Gas price, GCV Basis	35

Executive Summary

According to World Bank, global growth is estimated to have averaged 2.7 percent in 2025, 0.4 percentage point above June projections, in part because of stronger than-expected growth in major economies. The growth is forecast to edge down to 2.6 percent in 2026, driven by a notable slowdown in demand for traded goods and softening domestic demand in many major economies. It is then set to pick up slightly to 2.7 percent in 2027, as domestic demand benefits from earlier monetary policy easing and trade improves amid declining uncertainty.

After remaining at 1.7 percent in 2025, growth in advanced economies is expected to edge down to 1.6 percent this year, as the effects of higher trade barriers weigh on activity, and remain at that pace in 2027.

Growth in Emerging Market and Developing Economies (EMDEs) was stronger than expected in 2025, at an estimated 4.2 percent. Activity in China proved more robust than anticipated, mostly on account of fiscal stimulus and increased shipments to non-U.S. markets. Growth in EMDEs is forecast to decelerate to an average of 4 percent in 2026–27, as the projected slowdown in China is partly offset by a gradual pickup in other EMDEs next year.

In case of India, highlights of first Advance Estimates of Gross Domestic Product, 2025-26 are given below:-

- Real GDP has been estimated to grow by 7.4% in FY 2025-26 against the growth rate of 6.5% during FY 2024-25.
- Nominal GDP is estimated to grow at 8.0% in FY 2025-26.
- Buoyant Growth in Services Sector has been found to be a major driver in the estimated Real GVA growth rate of 7.3% in FY 2025-26.
- Financial, Real Estate & Professional Services and Public Administration, Defence & Other Services in the Tertiary Sector have been estimated to attain a substantial growth rate of 9.9% at Constant Prices in FY 2025-26.
- Trade, Hotels, Transport, Communication & Services related to Broadcasting Sector has been estimated to grow by 7.5% at Constant Prices in FY 2025-26.
- Manufacturing and Construction in the Secondary Sector has been estimated to achieve a growth rate of 7.0% at Constant Prices in FY 2025-26.
- Agriculture & Allied Sector (3.1%) and Electricity, Gas, Water Supply & Other Utility Services Sector (2.1%) have seen moderate growth rate in GVA at Constant Prices during FY 2025-26.
- Real Private Final Consumption Expenditure (PFCE) has been estimated to attain a growth rate of 7.0% during FY 2025-26.
- Gross Fixed Capital Formation (GFCF) has been estimated to have 7.8% growth rate at Constant Prices during FY 2025-26, compared to 7.1% growth rate in previous FY.

The food inflation for January has estimated to be 2.13 per cent, and housing at 2.05 per cent. The retail inflation, under the old series with base year 2012, was 4.26 per cent in January 2025 and 1.33 per cent in December. Headline inflation in rural areas during January was 2.73 per cent and in urban India 2.77 per cent, according to NSO data. The new series released by the National Statistics Office (NSO) under the Ministry of Statistics & Programme Implementation has increased the number of goods from 259 to 308 and services from 40 to 50 to provide a better picture of the price situation. According to the new CPI series, Telangana had the highest inflation at 4.92 per cent, followed by Kerala and Tamil Nadu.

The HSBC Flash India PMI Composite Output Index, which measures the month-on-month change in the combined output of India's manufacturing and service sectors, indicated continued strong growth momentum across the private sector. India's private sector activity strengthened further in February, with the HSBC Flash India PMI Composite Output Index rising to 59.3 from 58.4 in January, marking the strongest rate of expansion in three months, according to data released by HSBC.

According to HSBC, the acceleration in growth was driven primarily by a quicker increase in factory production, while the services sector maintained a broadly similar pace of expansion as seen at the start of the 2026 calendar year.

India's foreign exchange (forex) reserves rose sharply by \$8.6 billion to a record high of \$725.7 billion in the week ended February 13, 2026, as per the latest Reserve Bank of India (RBI). According to RBI, the value of gold reserves, a key component of foreign exchange reserves, increased by 4.990 billion dollars to 128.466 billion dollars. Foreign Currency Assets (FCA), the largest component of forex reserves, increased by 3.550 billion dollars to 573.603 billion dollars. FCA includes the dollar, along with several other major global currencies such as the yen, euro, and pound, whose value is expressed in dollars. The value of SDRs (Special Drawing Rights) increased by 103 million dollars to 18.924 billion dollars.

India's total exports (Merchandise and Services combined) for January 2026 is estimated at US\$ 80.45 Billion, registering a growth of 13.17 percent vis-à-vis January 2025.

As far as oil and gas industry is concerned, benchmark crude oil prices surged in January as a number of supply outages tightened physical crude markets and geopolitical tensions rose between Iran and the United States. While prices gave back a few dollars at the start of February on reports of progress in ongoing negotiations to de-escalate the tensions, they quickly reversed course after the United States advised ships to steer clear of Iranian waters when navigating the Strait of Hormuz.

Hedge funds and other money managers turned bullish in January, raising their net long positions sharply, particularly in ICE Brent, where positions reached a four-month high. The increase in net long across ICE Brent, NYMEX WTI, and ICE WTI reflects a rapid shift in risk appetite by speculators, underpinned by sizeable financial inflows over the month. This repositioning was driven by a combination of market-driving factors. Supply disruptions and heightened geopolitical risks boosted price expectations, while stronger physical market signals reinforced confidence in underlying fundamentals. The rally in net long

positions was amplified by accelerated short covering in both ICE Brent and NYMEX WTI, as speculators rushed to close previously accumulated bearish positions.

Crude spot markets rebounded firmly in January, as prices recovered following several consecutive months of declines. The rebound was primarily driven by easing selling pressure in futures markets. In addition, heightened geopolitical developments in several key producing regions added a risk premium to the market. Supply disruptions in some regions further tightened spot market conditions, particularly in the Atlantic Basin. Unplanned oil supply outages in the Caspian region, together with adverse weather conditions in the US, raised concerns over near-term oil supply availability.

Natural Gas spot prices at the US Henry Hub benchmark averaged \$7.72 per million British thermal units (MMBtu) in January 2026. Henry Hub's natural gas prices continued their upward momentum for a fifth consecutive month in January, rising by 81.2%, m-o-m. Prices rallied on the back of colder weather, which lifted demand for residential heating in the month. At the same time, supply was limited amid production outages in key regions. According to data from the US Energy Information Administration (EIA), average weekly natural gas storage decreased by 12.6%, m-o-m, in January. Prices also benefited from higher LNG demand, though export capacity was limited due to some outages. Prices were up by 86.9%, y-o-y.

Economy in Focus

1. A snapshot of the global economy

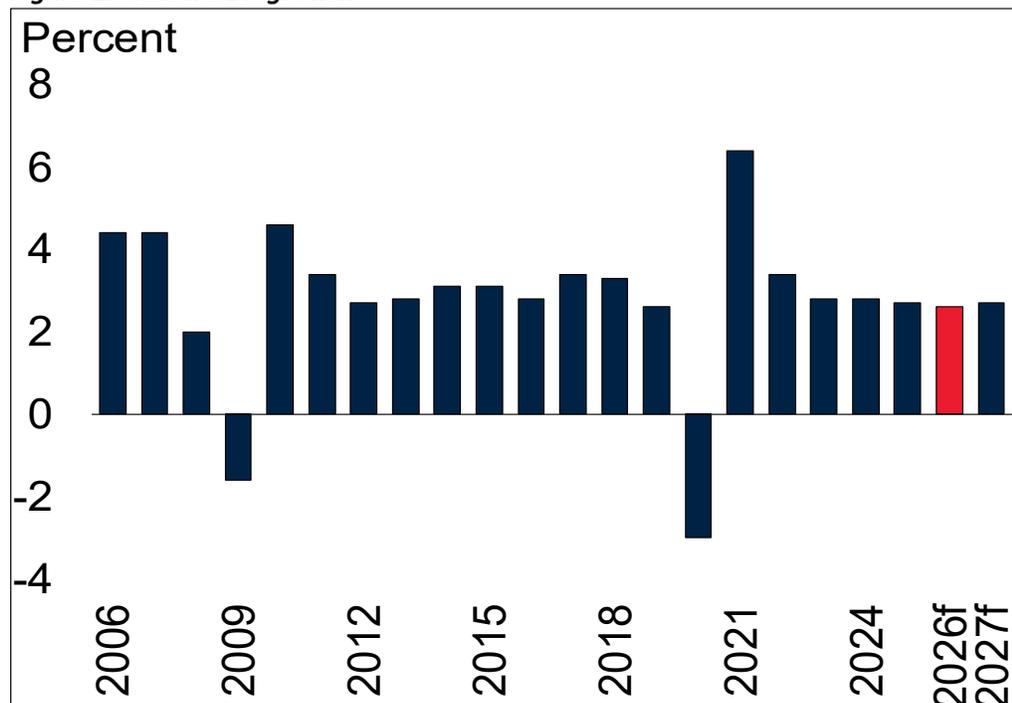
Global economic growth

According to World Bank, global growth is estimated to have averaged 2.7 percent in 2025, 0.4 percentage point above June projections, in part because of stronger than-expected growth in major economies. The growth is forecast to edge down to 2.6 percent in 2026, driven by a notable slowdown in demand for traded goods and softening domestic demand in many major economies. It is then set to pick up slightly to 2.7 percent in 2027, as domestic demand benefits from earlier monetary policy easing and trade improves amid declining uncertainty.

After remaining at 1.7 percent in 2025, growth in advanced economies is expected to edge down to 1.6 percent this year, as the effects of higher trade barriers weigh on activity, and remain at that pace in 2027.

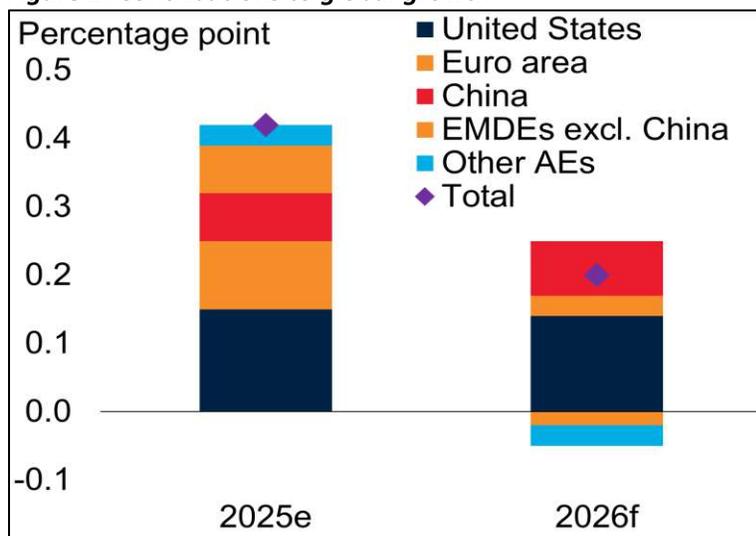
Growth in Emerging Market and Developing Economies (EMDEs) was stronger than expected in 2025, at an estimated 4.2 percent. Activity in China proved more robust than anticipated, mostly on account of fiscal stimulus and increased shipments to non-U.S. markets. Growth in EMDEs is forecast to decelerate to an average of 4 percent in 2026–27, as the projected slowdown in China is partly offset by a gradual pickup in other EMDEs next year.

Figure 1: Global GDP growth



Source - World Bank

Figure 2: Contributions to global growth



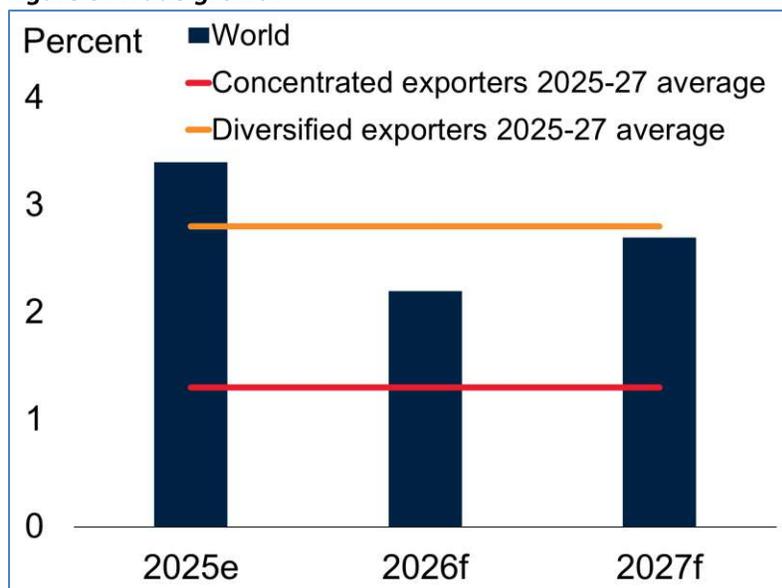
Source - World Bank

Global Trade

Growth in global goods and services trade is expected to slow further this year, from 3.4 percent in 2025 to 2.2 percent in 2026, as the front-loading that supported trade in 2025 fades. Global trade growth in 2025 is 1.6 percentage points higher than June expectations, reflecting stronger stockpiling than anticipated. In turn, the unwinding of this temporary boost, along with delayed tariff effects, has resulted in a 0.2 percentage point downgrade to the trade growth projection in 2026.

In 2027, trade growth is expected to firm to 2.7 percent, broadly in line with global output growth, as the impact of tariff hikes diminishes and policy uncertainty recedes. Countries with more diversified export destinations are expected to experience stronger trade growth over the forecast horizon.

Figure 3: Trade growth



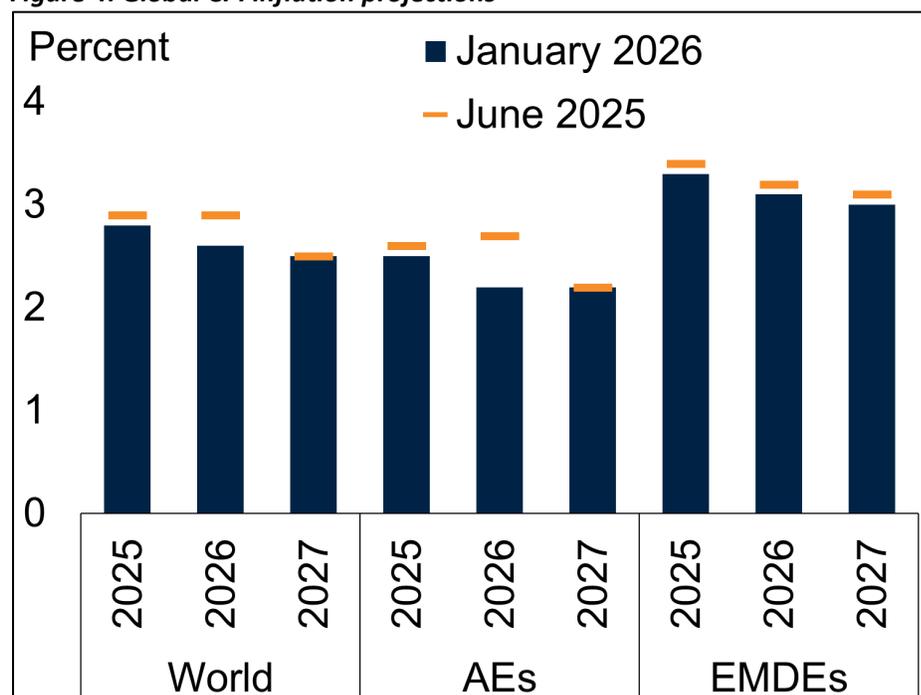
Source - World Bank

Global inflation

Global headline inflation edged up last year, to an estimated 3.2 percent, reflecting a pickup in some advanced economies, while it generally moderated in EMDEs. Global core inflation eased gradually, reflecting slowing wage growth as labor demand softened. Goods price inflation rose modestly in advanced economies in 2025, and more so in the United States where higher tariffs came into effect. In contrast, goods inflation declined in many EMDEs as demand for tradables eased following intensive stock-building earlier in the year.

Services price inflation continued to outpace goods inflation last year, though it has eased alongside weakening labour markets. The adoption of new AI-related technologies in some service companies appears to have boosted productivity, suggesting the potential for further reduction in price pressures, particularly in advanced economies. Going forward, global inflation in 2026 is projected at 2.6 percent, 0.3 percentage point lower than previously expected. However, the outlook remains uncertain because of the magnitude and scope of trade policy shifts. In the United States, the inflationary impact of tariffs is projected to peak in early 2026, as the passthrough of tariff increases reaches completion, while inflation in other advanced economies is anticipated to soften amid slowing activity and moderating external demand.

Figure 4: Global CPI inflation projections



Source - World Bank

2. New Skills and AI Are Reshaping the Future of Work

As AI and digital technologies transform today’s workplace even those at the forefront of innovation are not immune to disruption as recent job cuts at major technology companies show.

New skills, new tasks, and entirely new occupations are being created alongside automation, offering alternative pathways for prosperity. For workers, finding or keeping a job will increasingly depend on the ability to update skills or learn new ones. IMF’s latest analysis of millions of online vacancies reveals the scale of the demand for new skills: one in 10 job postings in advanced economies and one in 20 in emerging market economies now require at least one new skill.

Professional, technical, and managerial roles are seeing the most demand for new skills, particularly in IT, which accounts for more than half of this demand. Sector-specific capabilities are also trending. Healthcare, for instance, is seeing a surge in telecare and digital health skills, while marketing increasingly demands expertise in social media.

With nearly 40 percent of global jobs exposed to AI-driven change, concerns about job displacement and declining opportunities for some groups are becoming more acute. This underscores the need for proactive and comprehensive policymaking that prepares the labor force for the future of work and ensures the gains from AI are broadly shared.

Higher Wages, Mixed Job Effects

Employers pay more for workers who acquire emerging skills. In the United Kingdom and the United States job postings that include a new skill tend to pay about 3 percent more. There is an even greater premium for openings with four or more new skills. These roles can pay up to 15 percent more in the United Kingdom and 8.5 percent more in the United States.

Figure 5: Job openings that require new skills are associated with higher pay



Source - IMF

This wage bump can boost the local economy, IMF research shows. Workers with more money in their pockets spend more at local businesses, which in turn hire more staff to meet demand. In the US, for example regions with higher adoption of new skills saw employment rise by 1.3 percent for each 1 percentage point increase in the share of job postings that require new skills over the past decade.

The picture for AI-related skills is even more complex. While these skills command wage premiums, they have not contributed to employment growth so far, like other new skills have. In fact, employment levels in AI-vulnerable occupations are lower in regions with high demand for AI skills—3.6 percent lower after five years than in regions with less demand for these skills. That’s a challenge for young people starting their careers as entry-level jobs have higher exposure to AI. These findings align with emerging evidence from the US that generative AI adoption reduces entry-level hiring—especially when tasks can be automated.

3. Global Economy Shakes Off Tariff Shock Amid Tech-Driven Boom

Global economic growth continues to show notable resilience despite significant US-led trade disruptions and heightened uncertainty. IMF’s latest projections indicate that global growth will hold steady at 3.3 percent this year, an upward revision of 0.2 percentage points compared to October estimates, with most of the improvement accounted for by the United States and China.

This surprising strength reflects a confluence of factors, including easing trade tensions, higher-than-expected fiscal stimulus, accommodative financial conditions, the agility of the private sector in mitigating trade disruptions and improved policy frameworks especially in emerging market economies.

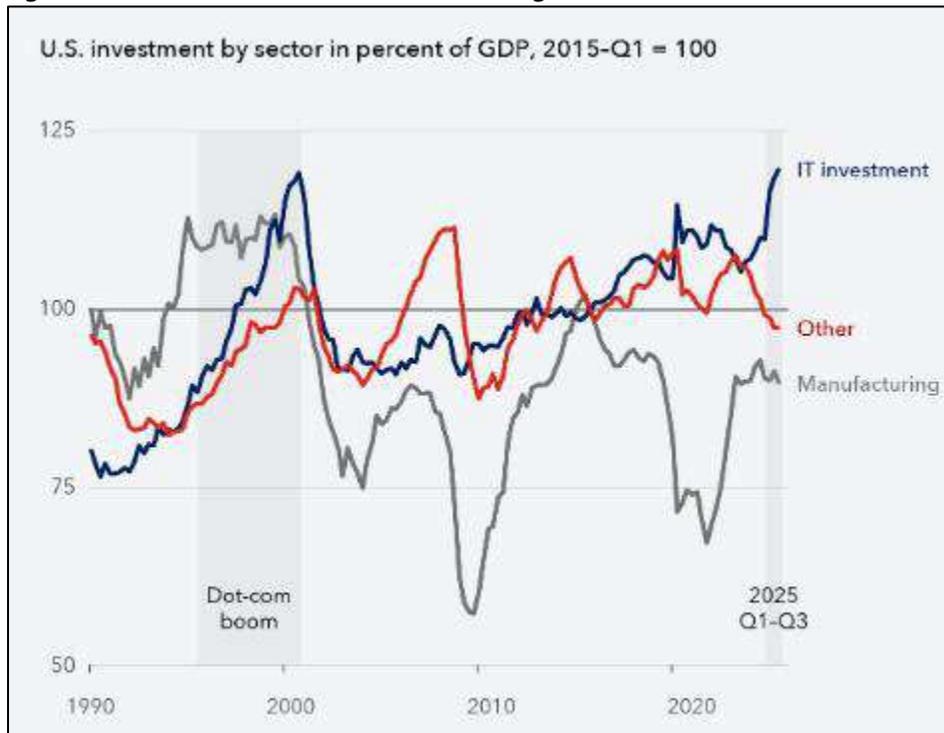
Figure 6: Global economy has shown resilience to tariff shocks



Source - IMF

Another key driver of this resilience is the continued surge in investment in the information technology sector—especially in artificial intelligence. While manufacturing activity remains subdued, IT investment as a share of US economic output has surged to the highest level since 2001, providing a major boost to overall business investment and activity. Although this IT surge has been concentrated in the United States, it is also generating positive spillovers globally, most notably to Asia’s technology exports.

Figure 7: U.S. IT investment at its all-time high



Source - IMF

4. Global electricity demand is set to grow strongly to 2030, underscoring need for investments in grids and flexibility- IEA

Global power demand is set to grow by more than 3.5% per year on average over the rest of this decade, with electricity generation from renewables, natural gas and nuclear all expanding to keep pace, according to an IEA report.

According to the report, electricity demand is on course to grow at least 2.5 times as fast as overall energy demand through 2030 as the Age of Electricity takes hold. This is driven by rising industrial use of electricity, the continued uptake of electric vehicles, higher air conditioning use and the expansion of data centers and AI. While emerging and developing economies remain the main engines of electricity demand growth, consumption from advanced economies is also rising after 15 years of stagnation – contributing to a fifth of the total increase in power demand through 2030.

The report finds that global electricity generation from renewables – boosted by record deployment of solar PV – is now in the process of overtaking generation from coal, after virtually drawing level with it in 2025 based on the latest available data. Nuclear power output also rose to a new record. The momentum

behind low-emissions sources of generation continues to 2030, by which time renewables and nuclear are together set to generate 50% of global electricity, up from 42% today.

Natural gas-fired output is also set to grow through 2030, supported by rising electricity demand in the United States and the continuing shift from oil to gas for power in the Middle East. Coal-fired generation loses ground globally as renewables expand, returning to 2021 levels by the end of the decade. As a result, global CO₂ emissions from electricity generation are expected to remain roughly flat between now and 2030.

The report emphasizes that these trends – growing demand, an increasingly weather-dependent mix of power generation sources, and evolving electricity consumption patterns and technologies – require a rapid and efficient expansion of both electricity grids and system flexibility. Today, more than 2,500 gigawatts worth of projects – encompassing renewables, storage, and projects with large loads, such as data centers – are currently stalled in connection queues worldwide.

As the expansion of grids advances, deploying grid-enhancing technologies and implementing regulatory reforms that enable more flexible grid connections and usage could allow for the integration of up to 1,600 gigawatts of queued projects in the near term. Together, these measures would allow the grid to be used more efficiently and unlock substantial capacity.

5. Indian Economy

India's economic growth

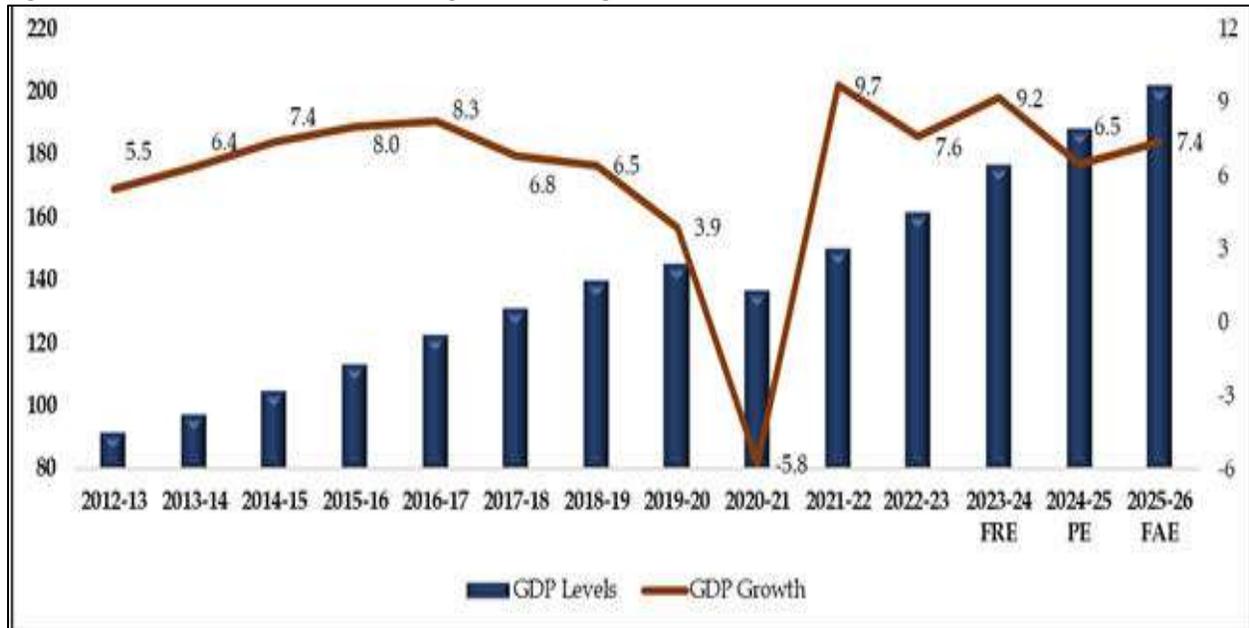
First Advance Estimates of Gross Domestic Product, 2025-26- Key highlights are given below:-

Key Highlights:

- Real GDP has been estimated to grow by 7.4% in FY 2025-26 against the growth rate of 6.5% during FY 2024-25.
- Nominal GDP is estimated to grow at 8.0% in FY 2025-26.
- Buoyant Growth in Services Sector has been found to be a major driver in the estimated Real GVA growth rate of 7.3% in FY 2025-26.
- Financial, Real Estate & Professional Services and Public Administration, Defence & Other Services in the Tertiary Sector have been estimated to attain a substantial growth rate of 9.9% at Constant Prices in FY 2025-26.
- Trade, Hotels, Transport, Communication & Services related to Broadcasting Sector has been estimated to grow by 7.5% at Constant Prices in FY 2025-26.
- Manufacturing and Construction in the Secondary Sector has been estimated to achieve a growth rate of 7.0% at Constant Prices in FY 2025-26.

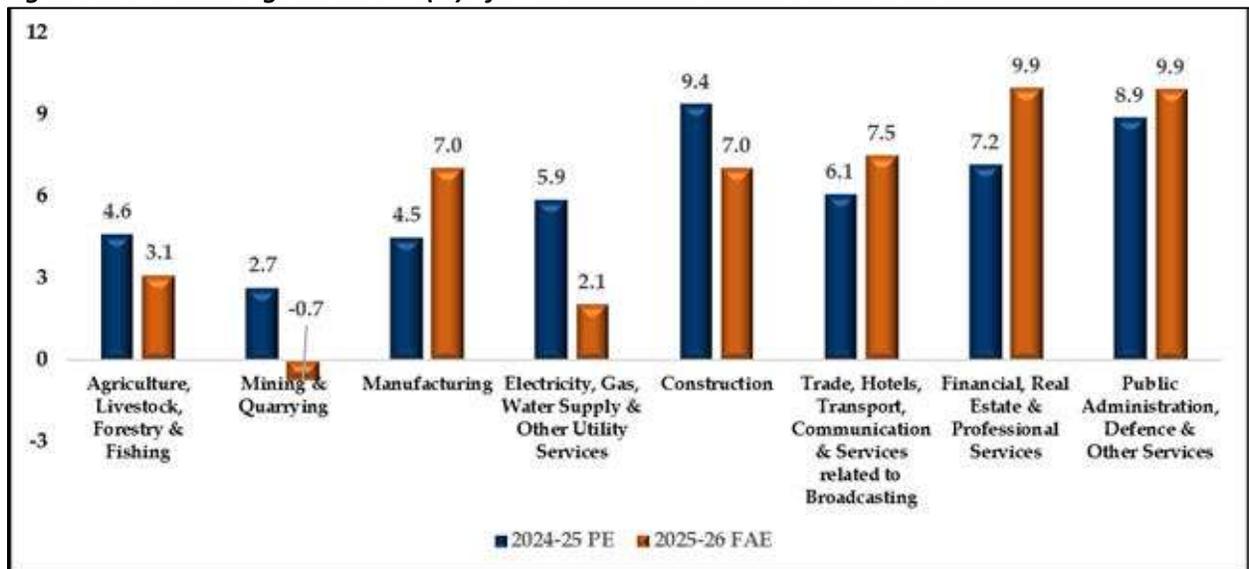
- Agriculture & Allied Sector (3.1%) and Electricity, Gas, Water Supply & Other Utility Services Sector (2.1%) have seen moderate growth rate in GVA at Constant Prices during FY 2025-26.
- Real Private Final Consumption Expenditure (PFCE) has been estimated to attain a growth rate of 7.0% during FY 2025-26.
- Gross Fixed Capital Formation (GFCF) has been estimated to have 7.8% growth rate at Constant Prices during FY 2025-26, compared to 7.1% growth rate in previous FY.

Figure 8: Annual GDP estimates along with Y-o-Y growth rates



Source - NSO, MoSPI

Figure 9: Sector-wise growth rates (%) of real GVA in FY 2024-25 and 2025-26



Source - NSO, MoSPI

Inflation in India

- The food inflation for January has estimated to be 2.13 per cent, and housing at 2.05 per cent. The retail inflation, under the old series with base year 2012, was 4.26 per cent in January 2025 and 1.33 per cent in December. Headline inflation in rural areas during January was 2.73 per cent and in urban India 2.77 per cent, according to NSO data.
- The new series released by the National Statistics Office (NSO) under the Ministry of Statistics & Programme Implementation has increased the number of goods from 259 to 308 and services from 40 to 50 to provide a better picture of the price situation.
- According to the new CPI series, Telangana had the highest inflation at 4.92 per cent, followed by Kerala and Tamil Nadu.
- According to the data, the top 5 items with low inflation in January were garlic, onion, potato, arhar, tur dal, and peas. On the other hand, high inflation was in silver jewellery, tomato, coconut-copra, gold, diamond, platinum jewellery, and coconut oil.

India PMI

- The HSBC Flash India PMI Composite Output Index, which measures the month-on-month change in the combined output of India's manufacturing and service sectors, indicated continued strong growth momentum across the private sector.
- India's private sector activity strengthened further in February, with the HSBC Flash India PMI Composite Output Index rising to 59.3 from 58.4 in January, marking the strongest rate of expansion in three months, according to data released by HSBC.
- According to HSBC, the acceleration in growth was driven primarily by a quicker increase in factory production, while the services sector maintained a broadly similar pace of expansion as seen at the start of the 2026 calendar year.
- The data showed that private sector companies in India reported faster increases in total new orders and international sales during February. This improvement in demand encouraged companies to recruit additional staff and increase output levels. Businesses also expressed improved optimism toward growth prospects, reflecting confidence in sustained economic activity in the coming months. However, the expansion was accompanied by rising inflationary pressures, as both input costs and selling prices increased at faster rates.
- The manufacturing sector showed particularly strong performance, with the HSBC Flash India Manufacturing PMI rising to 57.5 in February from 55.4 in January. The reading remained well above the neutral threshold of 50.0 and its long-run average of 54.2, indicating strong expansion in manufacturing activity. The HSBC Flash India Services PMI Business Activity Index stood at 58.4

in February, slightly lower than January's final reading of 58.5, but still indicating strong expansion in services activity.

India's external position

India's forex reserves

India's foreign exchange (forex) reserves rose sharply by \$8.6 billion to a record high of \$725.7 billion in the week ended February 13, 2026, as per the latest Reserve Bank of India (RBI).

According to RBI, the value of gold reserves, a key component of foreign exchange reserves, increased by 4.990 billion dollars to 128.466 billion dollars. Foreign Currency Assets (FCA), the largest component of forex reserves, increased by 3.550 billion dollars to 573.603 billion dollars. FCA includes the dollar, along with several other major global currencies such as the yen, euro, and pound, whose value is expressed in dollars. The value of SDRs (Special Drawing Rights) increased by 103 million dollars to 18.924 billion dollars.

India's foreign trade position

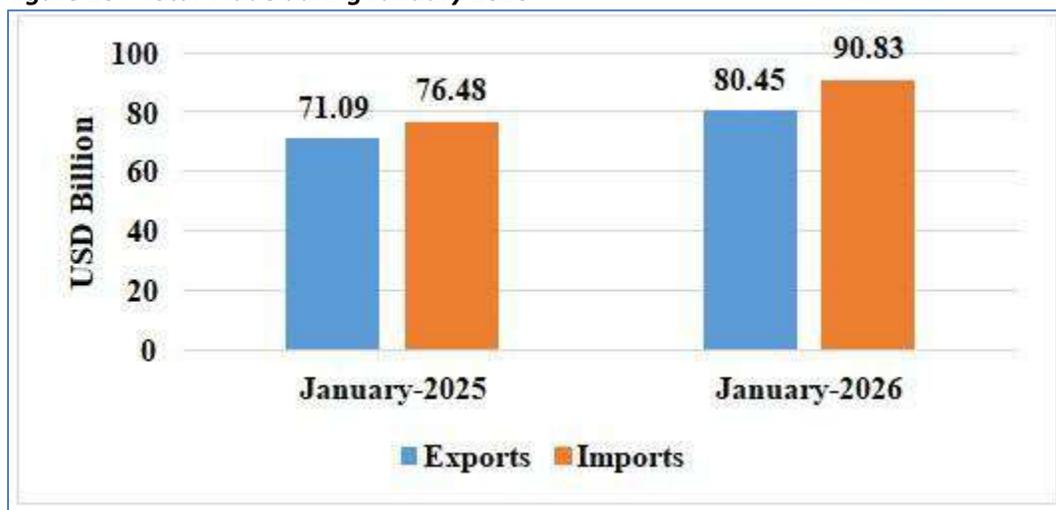
- India's total exports (Merchandise and Services combined) for January 2026 is estimated at US\$ 80.45 Billion, registering a growth of 13.17 percent vis-à-vis January 2025.
- Total imports (Merchandise and Services combined) for January 2026 are estimated at US\$ 90.83 Billion, registering a growth of 18.76 percent vis-à-vis January 2025.

Table 1: Trade during January 2026

		January 2026 (USD Billion)	January 2025 (USD Billion)
Merchandise	Exports	36.56	36.34
	Imports	71.24	59.77
Services	Exports	43.90	34.75
	Imports	19.60	16.71
Total Trade (Merchandise + Services)	Exports	80.45	71.09
	Imports	90.83	76.48
	Trade Balance	-10.38	-5.39

Source - Ministry of Commerce & Industry

Figure 10: Total Trade during January 2026



Source - Ministry of Commerce & Industry

India's total exports during April-January 2025-26 is estimated at US\$ 720.76 Billion registering a growth of 6.15 percent. Total imports during April-January 2025-26 is estimated at US\$ 823.41 Billion registering a growth of 6.54 percent.

Figure 11: Total Trade during April-January 2025-26



Source - Ministry of Commerce & Industry

- Exports of Other Cereals (88.49%), Coffee (36.03%), Iron Ore (31.54%), Meat, Dairy & Poultry Products (17.92%), Marine Products (13.29%), Engineering Goods (10.37%), Petroleum Products (8.55%), Mica, Coal & Other Ores, Minerals Including Processed Minerals (6.35%), Fruits & Vegetables (1.77%), Cereal Preparations & Miscellaneous Processed Items (1.12%), Man-Made Yarn/Fabs./Made-Ups Etc. (1.01%), Drugs & Pharmaceuticals (0.96%) and Electronic Goods (0.32%) record positive growth during January 2026 over the corresponding month of last year.

- Imports of Pulses (-46.94%), Newsprint (-29.33%), Chemical Material & Products (-24.6%), Iron & Steel (-18.77%), Coal, Coke & Briquettes, Etc. (-16.56%), Project Goods (-14.78%), Wood & Wood Products (-8.35%), Organic & Inorganic Chemicals (-7.62%), Transport Equipment (-5.27%), Pearls, Precious & Semi-Precious Stones (-2.64%), Textile Yarn Fabric, Made-Up Articles (-2.41%) and Petroleum, Crude & Products (-0.24%) record negative growth during January 2026 over the corresponding month of last year.
- Services exports is estimated to grow by 10.57 percent during April-January 2025-26 over April-January 2024-25.
- Top 5 export destinations, in terms of change in value, exhibiting growth in January 2026 vis a vis January 2025 are U Arab Emts (29.27%), China P Rp (55.65%), Hong Kong (98.72%), Netherland (20.47%) and Italy (32.1%).
- Top 5 export destinations, in terms of change in value, exhibiting growth in April-January 2025-26 vis a vis April-January 2024-25 are China P Rp (38.37%), U S A (5.85%), U Arab Emts (9.56%), Spain (48.39%) and Hong Kong (30.72%).
- Top 5 import sources, in terms of change in value, exhibiting growth in January 2026 vis a vis January 2025 are Switzerland (836.85%), U Arab Emts (48.38%), China P Rp (16.67%), U S A (23.71%) and U K (75.38%).
- Top 5 import sources, in terms of change in value, exhibiting growth in April-January 2025-26 vis a vis April-January 2024-25 are China P Rp (13.82%), U Arab Emts (12.03%), U S A (13.87%), Hong Kong (27.02%) and Singapore (14.2%).

6. AI Impact Summit 2026 Concludes with Adoption of New Delhi Declaration

The AI Impact Summit 2026, held in New Delhi on 18–19 February, concluded with the adoption of the **New Delhi Declaration on AI Impact**, marking a significant milestone in global cooperation on artificial intelligence.

The Declaration has been endorsed by 91 countries and international organisations, reflecting a broad-based global consensus on leveraging AI for economic growth and social good.

A Shared Global Vision for AI

Guided by the principle of “*Sarvajan Hitaya, Sarvajan Sukhaya*” (Welfare for all, Happiness for all), the Declaration underscores that the benefits of AI must be equitably shared across humanity.

It emphasizes:

- Strengthening international cooperation and multistakeholder engagement
- Respecting national sovereignty
- Advancing AI through accessible, and trustworthy frameworks

Seven Pillars (Chakras) of Action

The Declaration is structured around **seven key pillars**, forming the foundation of global AI cooperation:

- a) Democratizing AI Resources
- b) Economic Growth & Social Good
- c) Secure & Trusted AI
- d) AI for Science
- e) Access for Social Empowerment
- f) Human Capital Development
- g) Resilient, Efficient & Innovative AI Systems

Major Global Deliverables Announced

The Summit delivered a series of voluntary, collaborative global initiatives, including:

- a) **Charter for the Democratic Diffusion of AI**
 - Promotes affordable access to foundational AI resources
 - Supports locally relevant innovation ecosystems
- b) **Global AI Impact Commons**
 - A platform to scale and replicate AI use cases globally
 - Enables cross-country collaboration for development impact
- c) **Trusted AI Commons**
 - Repository of tools, benchmarks, and best practices
 - Supports development of secure and trustworthy AI systems
- d) **International Network of AI for Science Institutions**
 - Facilitates global scientific collaboration
 - Enhances AI-driven research capabilities
- e) **AI for Social Empowerment Platform**
 - Enables knowledge exchange and scalable solutions
 - Focuses on equitable AI adoption
- f) **AI Workforce Development Playbook & Reskilling Principles**

- Supports AI skilling, reskilling, and literacy
- Prepares nations for an AI-driven economy

g) Guiding Principles on Resilient & Efficient AI

- Focus on energy-efficient AI systems
- Supported by a Playbook on AI Infrastructure Resilience

Focus on Economic Growth and Efficiency

The Declaration highlights:

- The role of AI in driving economic transformation
- Importance of open-source and accessible AI ecosystems
- Need for energy-efficient AI infrastructure
- Expanding AI's role in science, governance, and public service delivery

Strengthening Global Cooperation

Participants reaffirmed their commitment to:

- Advancing shared global priorities in AI governance
- Promoting voluntary, non-binding frameworks
- Translating vision into action through continued collaboration

The Summit is expected to catalyse long-term international partnerships and position AI as a key driver of economic growth.

7. India needs \$14.23 trillion investment by 2070 to achieve 98% clean power: NITI report

India requires cumulative investments of \$ 14.23 trillion in the power sector, including renewables, storage, and transmission, by 2070 under a net zero scenario, where non-fossil fuel-based generation will be 98 per cent, according to the NITI Aayog report.

The report stated that India's development and climate goals increasingly hinge on one system: electricity. As India moves toward Viksit Bharat 2047 and Net Zero 2070, the power sector's growth will determine whether growth can be both inclusive and sustainable.

Reliable, affordable, and progressively cleaner electricity is essential to improve living standards, raise productivity, and unlock a low carbon transition across transport, buildings, and industry, it stated. With nearly 258 GW of renewable energy capacity installed by December 2025, India has emerged as the world's fourth-largest renewable energy market, reflecting the scale and momentum of its clean energy

expansion, the report, 'SCENARIOS TOWARDS VIKSIT BHARAT AND NET ZERO SECTORAL INSIGHTS: POWER', noted.

To quantify pathways that couple development with cleaner power, this study models India's electricity transition through 2070 under two lenses: a Current Policy Scenario extending today's trajectory, and an ambitious Net-Zero Scenario aligned with national 2070 net-zero goals. India's energy transition will be defined by rapid electrification across the economy, pushing electricity demand onto a much steeper trajectory.

- Electricity's share in final energy is projected to increase from 21 per cent in 2025 to nearly 40 per cent in the Current Policy Scenario (CPS) and 60 per cent in the Net Zero Scenario (NZS) by 2070, driven by high EV penetration, greater use of electric industrial heat (heat pumps/electric boilers), and a shift toward electric cooking.
- As a result, per-capita electricity consumption increases from 1,400 kWh in 2025 to 7,000 - 10,000 kWh by 2070, moving toward levels seen in advanced economies such as France and the Republic of Korea, it stated. By 2070, total installed capacity is projected to be nine times in current policy scenario and 14 times in net-zero scenario.
- The capacity mix shifts decisively toward Variable Renewable Energy (VRE): the share of RE capacity (utility + captive) grows from about 43 per cent in 2025 to about 90-93 per cent by 2070. Solar PV becomes the backbone with capacity reaching 3250 GW - 5500 GW under two scenarios; onshore wind exceeds 1,000 GW, with offshore wind of about 50-70 GW as identified potential is tapped, it stated.
- Battery storage is projected to expand from negligible levels today to about 1,300-1,400 GW under Current Policy Scenario and 2,500-3,000 GW under Net Zero Scenario by 2070, while pumped hydro reaches around 150-160 GW. These resources are critical for adequacy, managing variability, and maintaining reliability in a renewables-dominated grid.
- Nuclear energy emerges as a strategic pillar of India's long-term power transition, scaling from 8.8 GW in 2025 to over 300 GW by 2070, providing firm, dispatchable, low-carbon power that is essential for maintaining system reliability in a renewables-dominated grid.

Cumulative investment requirements reach approximately \$ 8.79 trillion in Current Policy Scenario and \$ 14.23 trillion in Net Zero Scenario by 2070, it stated.

8. India Shines as 'Country of the Year' at BIOFACH Germany 2026, Showcasing Organic Strength and Global Leadership

India has been designated as the Country of the Year at BIOFACH 2026, the world's leading trade fare for organic products, held from 10th to 13th February 2026 at Nuremberg. The Agricultural and Processed Food Products Export Development Authority (APEDA), under the Ministry of Commerce and Industry, Government of India, is organizing India's participation with a prominent and high-impact presence, highlighting the country's rich agricultural heritage and its growing stature as a reliable global supplier of organic products. Trade visitors are being provided insights into Indian organic products, value creation models, and partnership opportunities.

BIOFACH Germany is the world's largest and most influential exhibition dedicated exclusively to organic food and agriculture. APEDA has been participating in BIOFACH for more than a decade and has consistently maintained a strong presence at the event.

At the inaugural ceremony of BIOFACH 2026, attended by Federal Minister of Agriculture, Food and Regional Identity, Government of Germany, Mr. Alois Rainer; Director-General, Agriculture and Rural Development, European Commission, Ms. Elisabeth Werner; and other delegates from leading organic-producing countries, Secretary, Department of Commerce, Government of India, Shri Rajesh Agrawal, highlighted India's position as one of the world's leading producers of organic products. He underlined the key amendments made in India's organic regulation, the National Programme for Organic Production (NPOP), which further strengthen the credibility of India's organic framework.

He also emphasised the complementarities between India and the European Union bloc, noting their combined demographic and economic strength. Referring to the successful conclusion of negotiations of the India–European Union Free Trade Agreement, he stated that the agreement would enhance bilateral trade and investment ties, strengthen resilient supply chains and support sustainable growth. He also called for the early conclusion of the Mutual Recognition Agreement on organics between India and the European Union to further expand organic trade.

The India Country Pavilion was inaugurated by Secretary, Department of Commerce, Government of India, Shri Rajesh Agrawal, in the presence of Additional Chief Secretary, Government of Manipur, Shri Vivek Dewangan; Minister (Personnel), Embassy of India, Berlin, Dr. Mandeep Singh Tuli; Consul General of India, Munich, Shri Shatrughna Sinha; Secretary, Industry, Government of Arunachal Pradesh, Shri Hage Tari; Secretary, Trade and Commerce, Government of Arunachal Pradesh, Shri Taru Talo; Secretary (Agriculture), Government of Madhya Pradesh, Shri Nishant Warwade; Chairman, APEDA, Shri Abhishek Dev; Joint Secretary, Ministry of Commerce and Industry, Shri Saket Kumar; Joint Secretary, Ministry of Cooperation, Shri Raman Kumar; and Secretary, Horticulture, Government of Mizoram, Mrs. Maria C.T. Zuali, along with other senior dignitaries from the Government of India and State Governments.

Curated by APEDA, the India Pavilion spans 1,074 square metres and hosts 67 co-exhibitors, including organic product exporters, Farmer Producer Organisations (FPOs), cooperatives, organic certification and testing laboratories, state government organisations, and commodity boards. The pavilion showcases a wide range of organic products such as rice, oilseeds, herbs, spices, pulses, cashew, ginger, turmeric, large cardamom, cinnamon, mango puree, essential oils, tea, coffee, and millets. India's participation at BIOFACH 2026 represents a significant expansion over previous editions, with a 50 per cent increase in area and participation, making India the top non-European Union exhibitor and among the top five exhibiting countries at the event. This reflects the steady growth of Indian organic exports, rising international demand and increased participation from exporters and state institutions.

Exhibitors from more than 20 Indian States, including Assam, Meghalaya, Manipur, Arunachal Pradesh, West Bengal, Madhya Pradesh, Maharashtra, Rajasthan, Gujarat, Haryana, Uttar Pradesh, Uttarakhand, Jammu and Kashmir, Delhi, Karnataka, Kerala, Tamil Nadu and Telangana, are participating in the exhibition, highlighting region-specific organic produce and value-added products.

9. NMP 2.0 Expected to Boost India's GDP by ₹40 Lakh Crore: NITI Aayog

The government's asset monetization initiative under the National Monetization Pipeline (NMP) 2.0 is expected to increase country's GDP by 40 lakh crore rupees over the next 5 to 10 years. NITI Aayog's report has highlighted that asset monetization is expected to play a key role in boosting infrastructure investment and supporting economic growth by unlocking value from existing public assets and reinvesting the proceeds into new infrastructure projects.

According to the report, the Central Government's proceeds from asset monetization during the period financial year 2026 to financial year 2030 under NMP 2.0 are expected to be approximately 4.6 lakh crore rupees. NITI Aayog also said that NMP 2.0 aims to achieve 16.72 lakh crore rupees through monetization of assets across 12 sectors during the five-year period. This target includes private sector investment of 5.8 lakh crore rupees.

The report emphasized that asset monetization under NMP 2.0 will help accelerate infrastructure development, increase private sector participation, and strengthen the country's long-term economic growth prospects by enabling higher capital investment and improved utilization of public assets.

Lessons from Economics

Skill Imbalance Index

The International Monetary Fund (IMF) Skill Imbalance Index, released in January 2026, measures the gap between the demand for new skills (often AI-related) and their supply, using the US as a benchmark. It helps classify countries into those with high demand/low supply (needing training) or high supply/low demand (needing innovation).

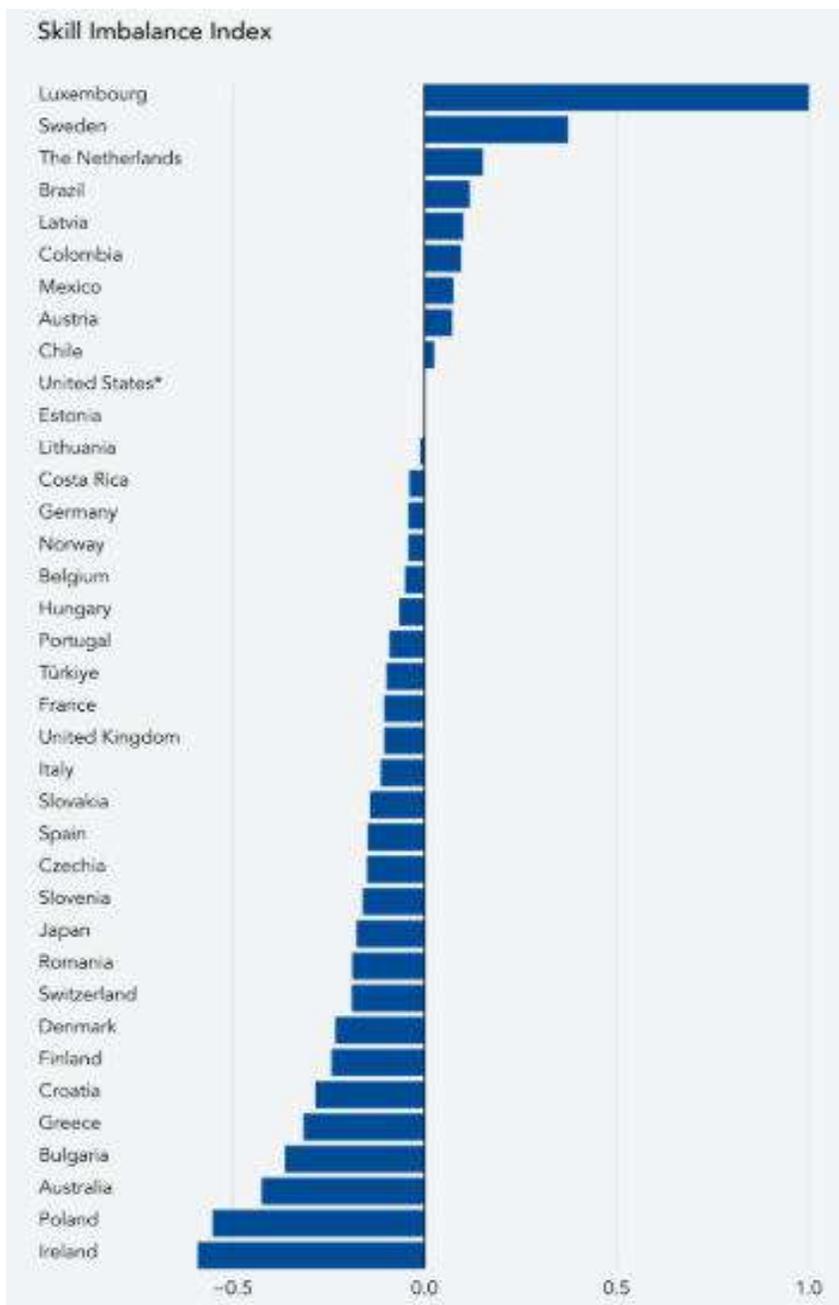
Key Aspects of the Skill Imbalance Index

- **Purpose:** The index assesses how effectively labour markets are adapting to new, especially AI-driven, skills, which are reshaping employment and wages.
- **Methodology:** It compares the relative weight of potential new skill demand versus supply, identifying, for example, that 1 in 10 job vacancies in advanced economies requires at least one new skill, a rate twice that of emerging markets.
- **Key Findings (2026):**
 - **Leading Countries:** Finland, Ireland, and Denmark are among the top countries positioned to supply new skills due to high investment in education.
 - **Impact:** The index helps identify countries that need to invest in STEM education (high demand/low supply) versus those that need to encourage companies to absorb available talent (high supply/low demand).
 - **Global Disparities:** The index highlights significant cross-country differences, with advanced economies facing different challenges compared to emerging markets. Many northern and western European countries face relatively higher potential demand for new skills but can also leverage relatively strong domestic supply of recent graduates with the potential to provide relevant skills. On the other end of the spectrum, many emerging economies exhibit both weaker potential demand and more limited supply, while southern and eastern European economies fall somewhere in between
- **Policy Implications:** The tool aims to guide policy in bridging skill gaps, particularly as AI advances, with recommendations focused on enhancing education and fostering innovation

Skill Readiness Index- To capture opportunities and quality of education that shapes a country's ability to supply new skill dimensions, a new Skill Readiness Index covering 24 countries is developed, combining: -

- the share of graduates able to supply new IT and non-IT skills,
- an indicator that measures the share of adults aged 25–65 who participated in job-related learning, and
- workforce proficiency measured by the OEC's Programme for the International Assessment of Adult Competencies literacy and numeracy scores.

These three components are normalized and equally weighted to provide a single index of readiness, where higher values reflect a larger pool of graduates, more frequent retraining opportunities, and a workforce with stronger foundational skills. The broader nature of this index makes it suitable to assess countries' forward-looking adaptability to technological and social changes.



Source - IMF

Note- Skill Imbalance index is a difference between projected new skill demand and share of graduates with new skills both relative to US; positive values indicate demand exceeds supply, while negative indicates the opposite.

Oil Market

Crude oil price – Monthly Review

Benchmark crude oil prices surged in January as a number of supply outages tightened physical crude markets and geopolitical tensions rose between Iran and the United States. While prices gave back a few dollars at the start of February on reports of progress in ongoing negotiations to de-escalate the tensions, they quickly reversed course after the United States advised ships to steer clear of Iranian waters when navigating the Strait of Hormuz.

Hedge funds and other money managers turned bullish in January, raising their net long positions sharply, particularly in ICE Brent, where positions reached a four-month high. The increase in net long across ICE Brent, NYMEX WTI, and ICE WTI reflects a rapid shift in risk appetite by speculators, underpinned by sizeable financial inflows over the month. This repositioning was driven by a combination of market-driving factors. Supply disruptions and heightened geopolitical risks boosted price expectations, while stronger physical market signals reinforced confidence in underlying fundamentals. The rally in net long positions was amplified by accelerated short covering in both ICE Brent and NYMEX WTI, as speculators rushed to close previously accumulated bearish positions.

Crude spot markets rebounded firmly in January, as prices recovered following several consecutive months of declines. The rebound was primarily driven by easing selling pressure in futures markets. In addition, heightened geopolitical developments in several key producing regions added a risk premium to the market. Supply disruptions in some regions further tightened spot market conditions, particularly in the Atlantic Basin. Unplanned oil supply outages in the Caspian region, together with adverse weather conditions in the US, raised concerns over near-term oil supply availability. Strong crude demand for February-loading programmes, including from European buyers, supported spot prices in the Atlantic Basin. Global refinery throughput remained relatively strong in January at around 83.4 mb/d, although it edged slightly lower, m-o-m, which nonetheless helped sustain buying interest in the spot market. Price gains were partially capped by weaker refining margins across major refining hubs, particularly in Europe, as well as large builds in US petroleum product stocks. Spot crude prices strengthened relative to futures, widening their premium as the market priced in potential supply disruptions. North Sea Dated remained at a premium to ICE Brent's front-month contract monthly in January, with the spread widening by \$0.95/b, m-o-m, to a premium of \$2.00/b.

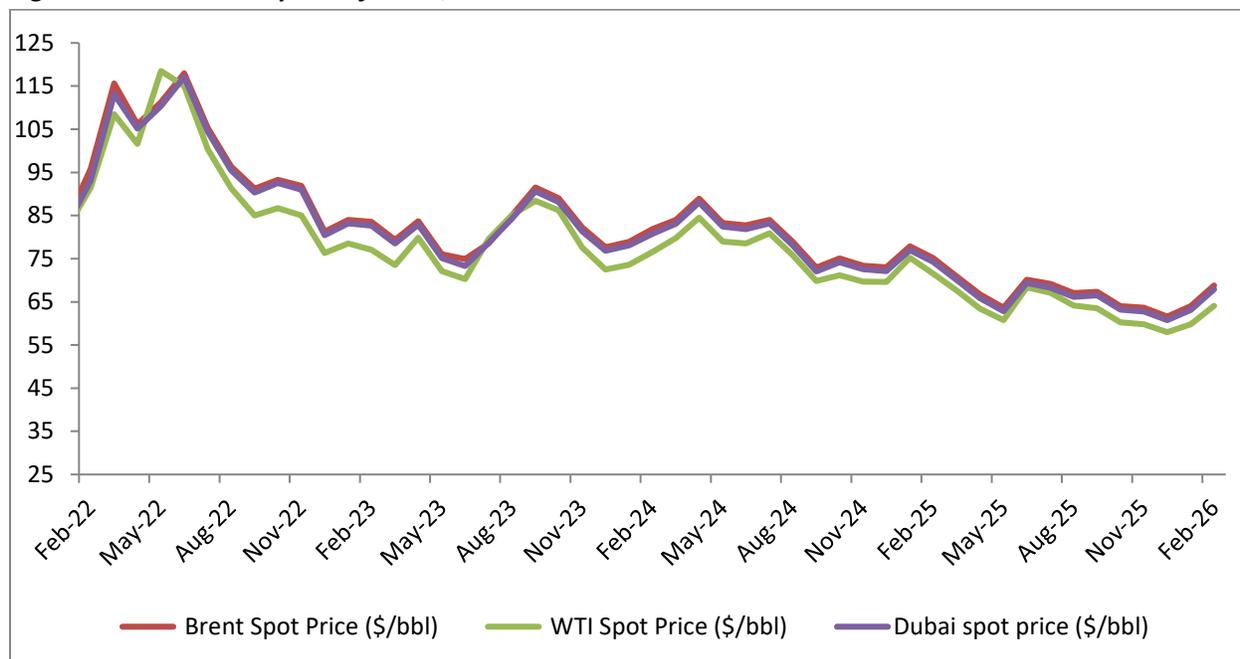
The premiums of light sweet crude over medium sour crude widened further in Asia and Europe, where light sweet crudes continued to outperform medium and heavy sour grades for a second consecutive month, although the spread remained little changed in the USGC. Strong demand for light sweet crude, particularly in the Atlantic Basin – following supply outages in the Caspian region – boosted the value of sweet grades. In addition, the stronger performance of light distillate margins, especially naphtha, relative to heavier products contributed to the widening spread between sweet and sour crude. Meanwhile, buying interest from some Asian refiners for medium- and heavy-sour grades softened amid ample supply and a weak fuel oil market, thereby adding downward pressure on sour crude values.

In January, the OPEC Reference Basket (ORB) value rose by \$0.61/b, month-on-month (m-o-m), to average \$62.31/b. The ICE Brent front-month contract rose by \$3.10/b, m-o-m, to average \$64.73/b, and the NYMEX WTI front-month contract increased by \$2.39/b, m-o-m, to average \$60.26/b. The GME Oman front-month contract rose by \$0.83/b, m-o-m, to average \$62.79/b. The forward curves of oil futures prices strengthened, with the front end of the curves for both ICE Brent and NYMEX WTI moving into

stronger backwardation, reflecting a shift in traders’ perception of the short-term fundamentals. Oil supply outages, the risk of supply disruptions, easing selling pressure from speculators, and robust physical market fundamentals supported front-month contracts. The market structure of GME Oman was little changed, m-o-m.

Brent crude ranged an average to \$69.14 a barrel and WTI ranged to \$64.32 per barrel in the month of February 2026.

Figure 12: Benchmark price of Brent, WTI and Dubai crude



Source - World Bank

- Brent crude price averaged \$69.14 per bbl in February 2026, up by 8.0% on a month on month (MoM) and down by 8.0% on year on year (YoY) basis, respectively.
- WTI crude price averaged \$64.32 per bbl in February 2026, up by 7.6% on a month on month (MoM) and down by 10.0% on year on year (YoY) basis, respectively.
- Dubai crude price averaged \$68.28 per bbl in February 2026, up by 8.1% on a month on month (MoM) and down by 8.1% on year on year (YoY) basis, respectively.

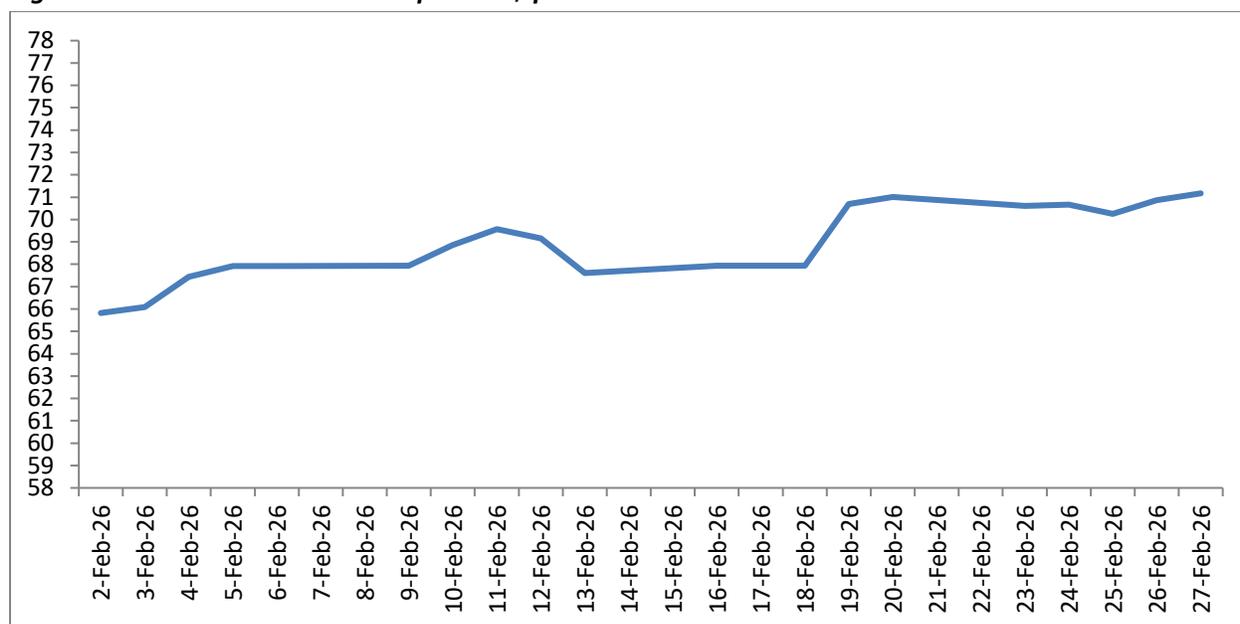
Table 2: Crude oil price in February, 2026

Crude oil	Price (\$/bbl)	MoM (%) change	YoY (%) change
Brent	69.14	8.0%	-8.0%
WTI	64.32	7.6%	-10.0%
Dubai	68.28	8.1%	-8.1%

Source - World Bank

Indian Basket Crude oil price

Figure 13: Indian crude oil basket price in \$ per bbl



Source - PPAC

- Indian crude basket price averaged \$68.87 per barrel in February 2026, up by 9.2% on Month on Month (M-o-M) and down by 10.9% on a year on year (Y-o-Y) basis, respectively.

Oil production situation

- Non-DoC liquids production (i.e. liquids production from countries not participating in the DoC) is forecast to grow by about 0.6 mb/d to average 54.8 mb/d in 2026. The main drivers of liquids production growth are expected to be the US, Brazil, Canada, and Argentina.
- In 2027, non-DoC liquids production is also forecast to grow by 0.6 mb/d to average 55.4 mb/d. The main drivers for liquids supply growth are expected to be Brazil, Canada, Qatar, and Argentina. DoC NGLs and non-conventional liquids are forecast to grow by 0.1 mb/d in 2026, to average about 8.8 mb/d. An additional growth of about 0.1 mb/d is expected in 2027, to average 8.9 mb/d. DoC crude oil production in January decreased by 439 tb/d, m-o-m, averaging 42.45 mb/d, as reported by available secondary sources.

Table 3: Non-DoC liquids production in 2026, mb/d

Non-OPEC liquids production	2025	1Q26	2Q26	3Q26	4Q26	2026
Americas	28.29	27.95	28.41	28.72	28.94	28.51
<i>of which US</i>	22.22	21.78	22.40	22.50	22.59	22.32
Europe	3.60	3.62	2.51	3.49	3.59	3.55
Asia Pacific	0.41	0.41	0.38	0.39	0.38	0.39
Total OECD	32.30	31.98	32.31	32.60	32.91	32.45
China	4.62	4.67	4.67	4.57	4.57	4.62
India	0.82	0.83	0.82	0.82	0.83	0.82
Other Asia	1.62	1.62	1.59	1.58	1.58	1.59
Latin America	7.55	7.90	7.92	7.98	8.11	7.98
Middle East	1.99	2.01	2.03	2.04	2.05	2.03
Africa	2.27	2.25	2.24	2.24	2.31	2.26
Other Eurasia	0.36	0.36	0.36	0.36	0.36	0.36
Other Europe	0.09	0.09	0.09	0.09	0.09	0.09
Total Non-OECD	19.32	19.74	19.71	19.69	19.90	19.76
Total Non-DoC production	51.61	51.72	52.03	52.28	52.80	52.21
Processing gains	2.54	2.57	2.57	2.57	2.57	2.57
Total Non-DoC liquids production	54.15	54.29	54.60	54.85	55.37	54.78

Source - OPEC monthly report, February 2026

- From the above table, it can be inferred, that the total non-DoC liquids production is expected to reach 54.78 mb/d by 2026.
- The non-DoC liquids production (i.e. liquid production countries not participating in the Declaration of Cooperation) is forecast to grow by about 0.6 mb/d to average in 2026.

Oil demand situation

- The global oil demand growth forecast for 2026 remains at about 1.4 mb/d, y-o-y, unchanged from last month's assessment. The OECD is forecast to increase by 0.15 mb/d, while the non-OECD is forecast to grow by about 1.2 mb/d.
- In 2027, global oil demand is forecast to grow by about 1.3 mb/d, y-o-y. The OECD is forecast to grow by 0.1 mb/d next year, while the non-OECD is forecast to grow by about 1.2 mb/d, y-o-y.

Table 4: World Oil demand, mb/d

	2025	1Q26	2Q26	3Q26	4Q26	2026	Growth	%
Total OECD	45.91	45.27	45.73	46.67	46.55	46.06	0.15	0.33
<i>~ of which US</i>	20.81	20.45	20.74	21.36	21.11	20.92	0.11	0.53
Total Non-OECD	59.22	60.31	59.84	60.34	61.33	60.46	1.23	2.09
<i>~ of which India</i>	5.65	5.89	5.92	5.57	6.10	5.87	0.22	3.89
<i>~ of which China</i>	16.88	17.00	16.70	17.30	17.29	17.07	0.20	1.13
Total world	105.13	105.58	105.57	107.01	107.88	106.52	1.38	1.32

Source - OPEC monthly report, February 2026

Global petroleum product prices

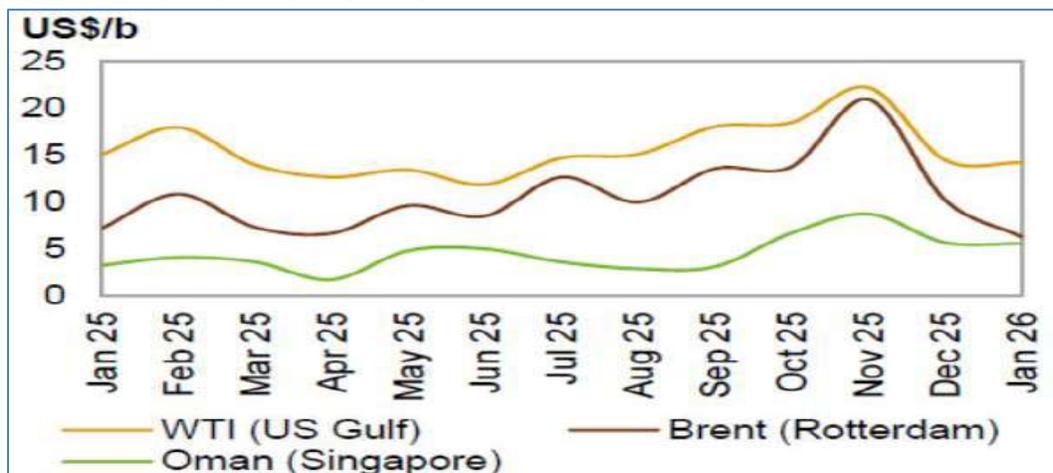
USGC refining margins against WTI declined to a seven-month low in January but remained at relatively healthy levels compared to margins registered at Rotterdam and Singapore. Residual fuel was the primary source of weakness as the geopolitical risk premium on heavy products eased, removing the bullish market sentiment that had previously supported residual fuel markets. The second source of weakness was gasoil, as seaborne imports remained elevated, while gasoil exports eased, m-o-m, due to higher market competition. The downturn in gasoil and fuel oil crack spreads outweighed the gains registered in the naphtha, jet/kerosene and gasoline segments. Moreover, seasonal demand-side pressures further contributed to poor product-market performance in the USGC.

Severe winter weather in January caused operational disruptions across the Midwest and Gulf Coast refineries. This led to a surge in US offline capacity, weighing on the country's January refinery intakes. However, the decline in product output was insufficient to offset the seasonal decline in demand.

According to preliminary data, refinery intake in the USGC decreased by 470 tb/d, m-o-m, to average 16.72 mb/d in January. USGC margins against WTI averaged \$14.15/b, down 31¢, m-o-m, and down 87¢, y-o-y.

Rotterdam refinery margins against Brent registered the largest m-o-m decline relative to the USGC and Singapore. Weaker product fundamentals amid subdued product demand suppressed product crack spread performance, with losses across the barrel. According to S&P data published on 29 January, total Amsterdam-Rotterdam-Antwerp oil product stocks rose 7.3%, m-o-m, but were 9.0% lower, y-o-y. Gasoline led declines in Northwest Europe's product market, owing to reduced exports. Healthy gasoline availability across regions and seasonally lower gasoline demand added pressure on European product markets. Fuel oil also declined, pressured by a lengthening balance on the back of rising residual fuel flows into the Atlantic Basin.

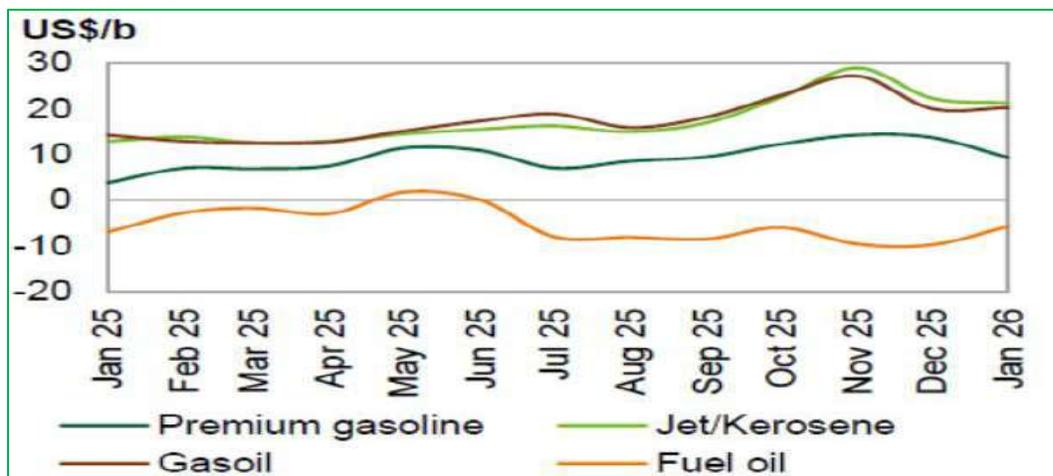
Figure 14: Refining Margins (\$/bbl)



Source - Argus and OPEC

The Southeast Asia gasoline 92 crack spread against Dubai fell, pressured by healthy availability amid strong flows from South Korea, which offset lower exports from China. Going forward, gasoline fundamentals in the region are expected to firm up, as the Chinese Lunar New Year, Eid festivities, and the start of the heavy spring refinery maintenance season in the Atlantic Basin are expected to support gasoline demand. The margin averaged \$9.35/b in January, down \$4.34/b, m-o-m, but up \$5.50/b, y-o-y.

Figure 15: Singapore crack Spreads vs. Dubai (\$/bbl)



Source - Argus and OPEC

The Singapore gasoil crack spread increased slightly as the deficit from lower gasoil flows from China offset the decline in exports to Europe and higher output from South Korea and Japan. These dynamics helped keep regional gasoil balances in check, while winter temperatures across regions provided additional optimism for gasoil markets ahead of the upcoming heavy refinery maintenance season. The Singapore gasoil crack spread against Dubai averaged \$20.25/b, up 17¢/b, m-o-m, and up \$5.99/b, y-o-y.

Table 5: Singapore FOB, refined product prices (\$/bbl) in January 2026

Singapore product prices	Price (\$/b)	MoM (%) change	YoY (%) change
Naphtha	59.59	1.3%	-18.5%
Premium gasoline (unleaded 95)	72.95	-5.6%	-15.9%
Regular gasoline (unleaded 92)	71.42	-5.6%	-15.4%
Jet/Kerosene	83.36	-1.2%	-10.8%
Gasoil/Diesel (50 ppm)	82.38	0.2%	-13.5%
Fuel oil (180 cst 2.0% S)	82.01	0.4%	-13.3%
Fuel oil (380 cst 3.5% S)	56.32	7.8%	-23.5%

Source - OPEC

Petroleum products consumption in India

Monthly Review:

- Overall consumption of all petroleum products in January 2026 with a volume of 21.10 MMT registered a growth of 5.30% on volume of 20.46 MMT in January 2025.
- MS (Petrol) consumption during the month of January 2026 with a volume of 3.51 MMT recorded a growth of 6.13% on volume of 3.31 MMT in January 2025.
- HSD (Diesel) consumption during the month of January 2026 with a volume of 7.99 MMT recorded growth of 3.27% on volume of 7.74 MMT in the month of January 2025.
- LPG consumption during the month of January 2026 with a volume of 3.03 MMT registered a growth of 6.65% over the volume of 2.84 MMT in the month of January 2025.
- ATF consumption during January 2026 with a volume of 0.828 MMT registered a growth of 5.50% over the volume of 0.784 MMT in January 2025.
- Bitumen consumption during January 2026 with a volume of 0.797 MMT registered growth of 3.94% over volume of 0.767 MMT in the month of January 2025.
- Kerosene consumption registered growth of 8.58% during the month of January 2026 as compared to January 2025.

Table 6: Petroleum products consumption in India, January 2026 and Year till Date (YTD)

Consumption of Petroleum Products (P)	Monthly			Year till Date	
	Consumption in '000 MT	MoM (%) change	YoY (%) change	Consumption in '000 MT	YoY (%) change
LPG	3,033	-1.6%	6.6%	28,048	7.77%
Naphtha	1,024	2.2%	-10.9%	9,768	-12.31%
MS	3,511	-1.3%	6.1%	35,438	6.36%
ATF	828	5.6%	5.5%	7,590	1.90%
SKO	38	-9.5%	8.6%	378	10.08%
HSD	7,992	-5.6%	3.3%	78,325	3.08%
LDO	83	8.9%	9.7%	832	21.45%
Lubricants & Greases	405	-5.2%	1.8%	4,027	6.41%
FO & LSHS	567	-0.1%	3.4%	5,254	-4.45%
Bitumen	797	-12.9%	3.9%	6,918	6.21%
Petroleum coke	1,811	-1.1%	-4.5%	16,851	-7.95%
Others	962	0.6%	4.4%	8,753	-13.09%
TOTAL	21,050	-3.0%	2.9%	2,02,181	1.54%

Source - PPAC

Year Till Date: 1st April 2025 – 31st March 2026

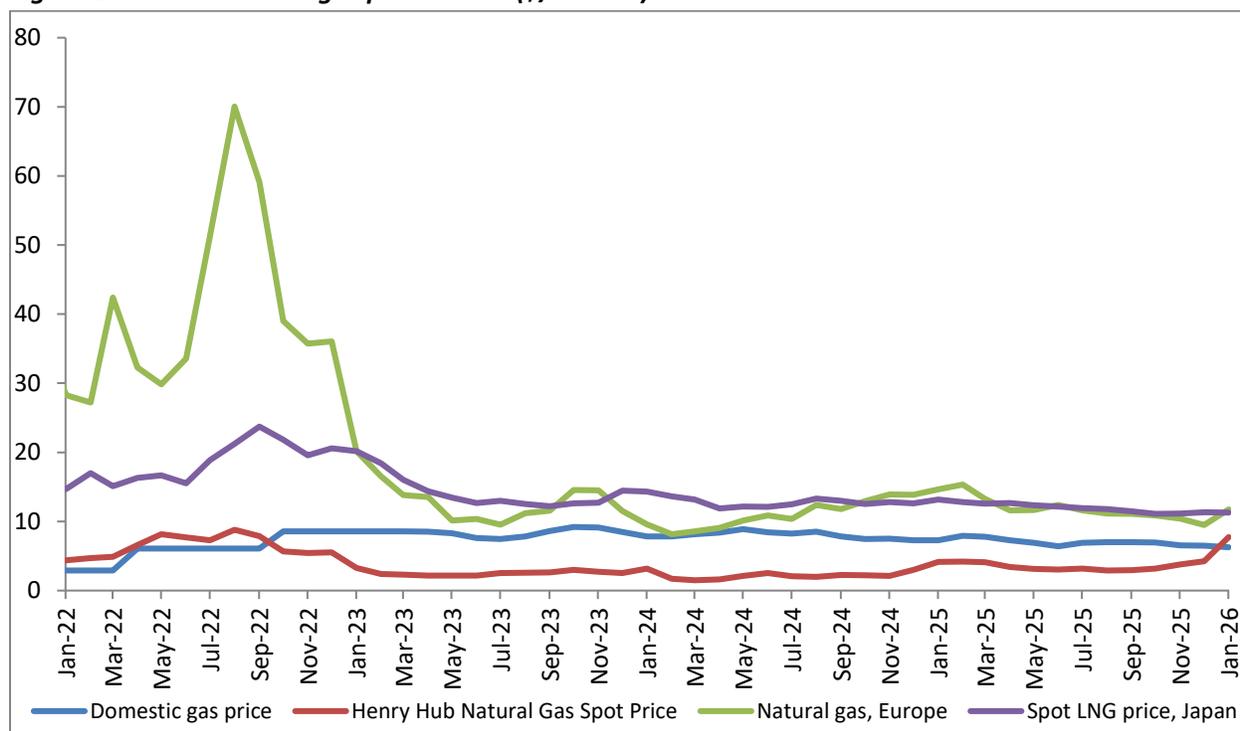
Natural Gas Market

Natural Gas Price – Monthly Review

- Natural Gas spot prices at the US Henry Hub benchmark averaged \$7.72 per million British thermal units (MMBtu) in January 2026. Henry Hub's natural gas prices continued their upward momentum for a fifth consecutive month in January, rising by 81.2%, m-o-m. Prices rallied on the back of colder weather, which lifted demand for residential heating in the month. At the same time, supply was limited amid production outages in key regions. According to data from the US Energy Information Administration (EIA), average weekly natural gas storage decreased by 12.6%, m-o-m, in January. Prices also benefited from higher LNG demand, though export capacity was limited due to some outages. Prices were up by 86.9%, y-o-y.
- Natural gas spot price at the Title Transfer Facility (TTF) in the Netherlands in Europe traded at an average of \$11.76 per MMBtu. The average Title Transfer Facility (TTF) gas price ended its sixth consecutive monthly decline in January, rising by 24%, m-o-m. Prices rose as colder weather across the region increased heating demand, promoting a sharp decline in storage levels. According to data from Gas Infrastructure Europe, EU storage levels fell to 41% as of the end of January, down from 62% the previous month, representing a 21% drop, m-o-m. Prices also benefited in the month from US LNG export constraints, which limited supply availability to Europe. Prices were down by 19.8%, y-o-y.
- Japan Liquefied Natural Gas Import Price averaged at \$11.29 per MMBtu for January 2026. There is a change of -0.3% from last month and -14.4% from one year ago.
- The Union Cabinet has approved a new formula for pricing of natural gas and imposed cap or ceiling price on the same. Natural gas produced from legacy or old fields, known as APM gas, will now be indexed to crude oil prices. From April 1 2023, APM gas will be priced at 10% of the price of basket of crude oil that India imports. The rate such arrived at however will be capped at US\$ 6.50 per MMBTU. The price such arrived at will also have a floor of US\$4 per MMBTU. As per notification dated 31st March 2025, the APM gas price has been raised to US\$ 6.75 per MMBTU, up from US\$ 6.50 per MMBTU.
- Further, in accordance with MoP&NG, Govt. of India, pricing freedom for gas being produced from discoveries in Deepwater, Ultra Deepwater and High Pressure-High Temperature areas, the gas price ceiling for the period 1st April, 2023 - 30th September, 2023 was notified as US\$ 12.12/MMBTU on Gross Calorific Value (GCV) basis as per notification dated 31st March, 2023. As per notification dated 30th September 2023, Gas price ceiling was further revised for the period 1st October, 2023 – 31st March, 2024 was notified as US\$9.96/MMBTU on Gross Calorific Value (GCV) basis. Prices were further revised for the period 1st April, 2024 – 30th September, 2024 was notified as US\$9.87/MMBTU on Gross Calorific Value (GCV) basis as per notification dated 31st March 2024. Accordingly, for the period 1st October, 2024 – 31st March, 2025 gas price ceiling was further revised as US\$10.16/MMBTU on Gross Calorific Value (GCV) basis as per notification

dated 30th September 2024. Now, as per notification dated 31st March 2025, Gas price ceiling was further revised for the period 1st April, 2025 – 30th September, 2025 was notified as US\$10.04/MMBTU on Gross Calorific Value (GCV) basis. Prices were further revised for the period 1st October, 2025 – 31st March, 2026 was notified as US\$9.72/MMBTU on Gross Calorific Value (GCV) basis as per notification dated 30th September 2025.

Figure 16: Global natural gas price trends (\$/mmbtu)



Source - EIA, World Bank

Table 7: Gas price, January 2026

Natural Gas	Price (\$/MMBTU)	MoM (%) change	YoY (%) change
India, Domestic gas price (Feb'26)	6.21	-0.64%	-21.79%
India, Gas price ceiling – difficult areas (Oct'25-Mar'26)	9.72	-3.19%	-4.33%
GIXI (Gas index of India) price*	10.6	-3%	-21%
Henry Hub	7.72	81.2%	86.9%
Natural Gas, Europe	11.76	24.1%	-19.8%
Liquefied Natural Gas, Japan	11.29	-0.3%	-14.4%

Source - EIA, PPAC, World Bank, IGX

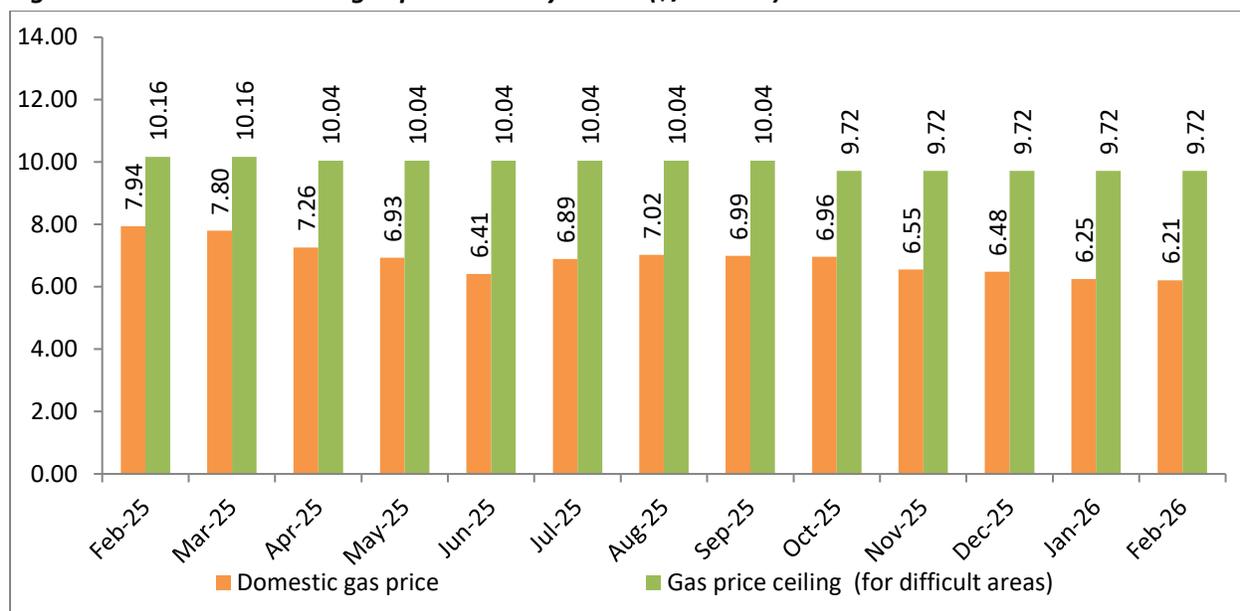
*Prices are weighted average prices (excluding ceiling price gas)

Table 8: Gas price, GCV Basis

Period	Domestic Gas calculated price in US\$/MMBTU	Gas price ceiling – difficult areas price in US\$/MMBTU
1-31 May 2023	8.27	12.12
1-30 June 2023	7.58	12.12
1-31 July 2023	7.48	12.12
1-31 August 2023	7.85	12.12
1-30 September 2023	8.60	12.12
1-31 October 2023	9.20	9.96
1-30 November 2023	9.12	9.96
1-31 December 2023	8.47	9.96
1-31 January 2024	7.82	9.96
1-29 February 2024	7.85	9.96
1-31 March 2024	8.17	9.96
1-30 April 2024	8.38	9.87
1-31 May 2024	8.90	9.87
1-30 June 2024	8.44	9.87
1-31 July 2024	8.24	9.87
1-31 August 2024	8.51	9.87
1-30 September 2024	7.85	9.87
1-31 October 2024	7.48	10.16
1-30 November 2024	7.53	10.16
1-31 December 2024	7.29	10.16
1-31 January 2025	7.30	10.16
1-28 February 2025	7.94	10.16
1-31 March 2025	7.80	10.16
1-30 April 2025	7.26	10.04
1-31 May 2025	6.93	10.04
1-30 June 2025	6.41	10.04
1-31 July 2025	6.89	10.04
1-31 August 2025	7.02	10.04
1-30 September 2025	6.99	10.04
1-31 October 2025	6.96	9.72
1-30 November 2025	6.55	9.72
1-31 December 2025	6.48	9.72
1-31 January 2026	6.25	9.72
1-28 February 2026	6.21	9.72

Source – PPAC

Figure 17: Domestic natural gas price January'25–26 (\$/mmbtu)



Source - PPAC

Indian Gas Market

- Gross production of natural gas for the month of January 2026 (P) was 2912 MMSCM which was lower by 5.0% compared with the corresponding month of the previous year.
- Total Import of LNG (Provisional) during the month of January 2026 (P) was 2825 MMSCM (higher by 16% over the corresponding month of the previous year).
- Natural Gas available for sale during January 2026 (P) was 5252 MMSCM (P) (increase of 5.2% over the corresponding month of the previous year).
- Total Gas Consumption Availability during January 2026 (P) was 5702 MMSCM (Provisional). Major consumers were Fertilizer (29%), City Gas Distribution (CGD) (24%), Power (10%), Refinery (10%) and Petrochemicals (6%).

Monthly Report on Natural gas production, imports, and consumption – January 2026

1. Domestic Natural Gas Gross Production:

Domestic natural gas gross production for the month of January 2026 was 2912 MMSCM (decrease of 5.0% over the corresponding month of the previous year).

Figure 18: Domestic natural gas Gross production (Qty in MMSCM)

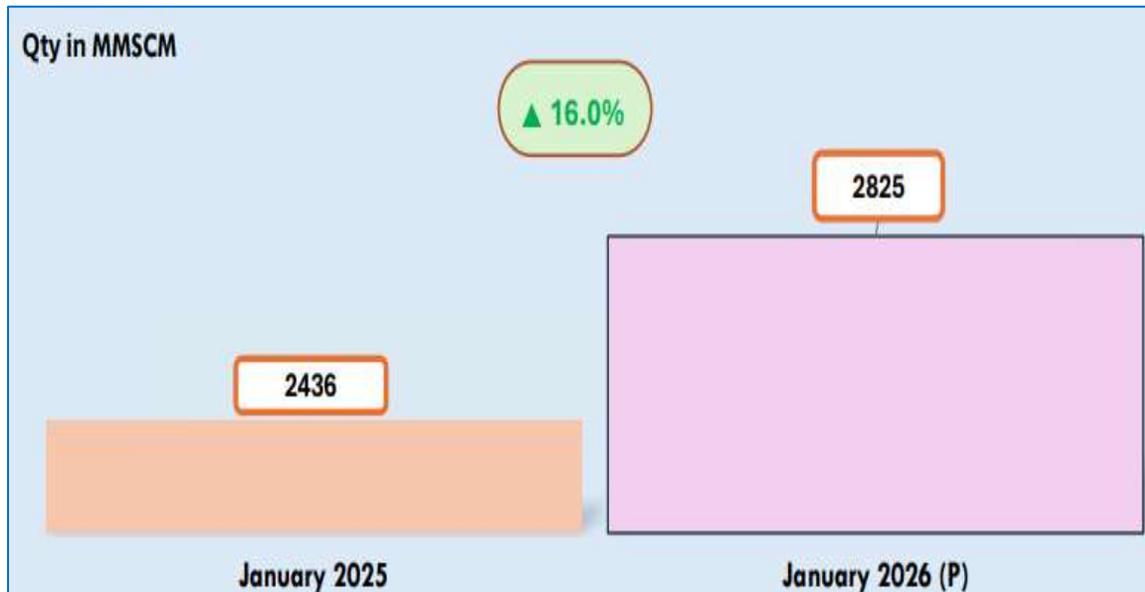


Source - PPAC

2. LNG imports:

Total import of LNG (provisional) during the month of January 2026 was 2825 MMSCM (P) (higher by 16% over the corresponding month of the previous year).

Figure 19: LNG imports (Qty in MMSCM)

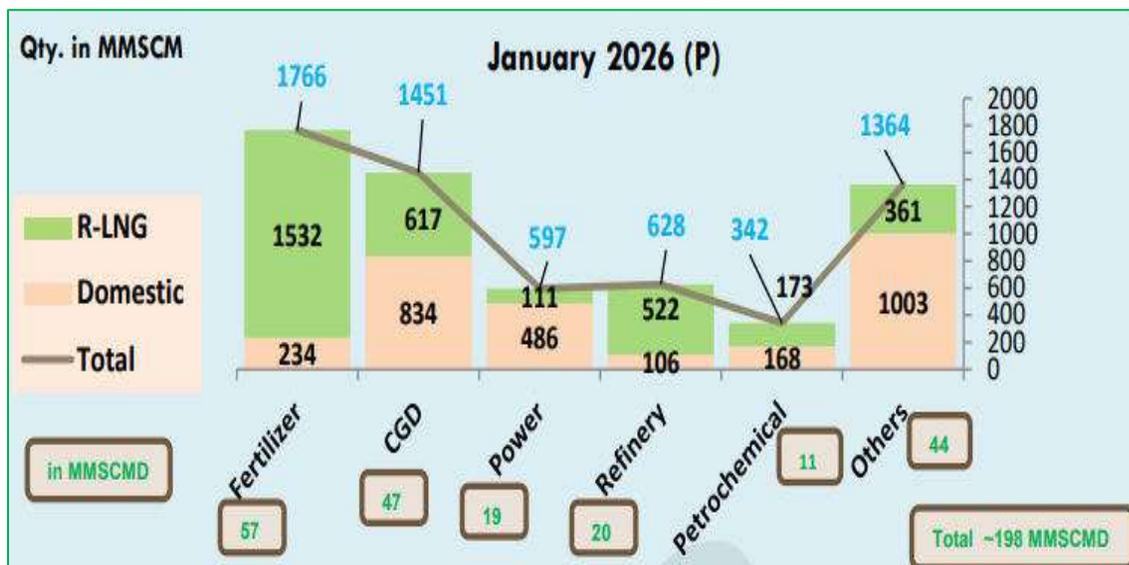


Source - PPAC

3. Sectoral Consumption of Natural Gas:

Major consumers were fertilizer, CGD, power, refinery, petrochemicals among others.

Figure 20: Sectoral Consumption of Natural Gas (Qty in MMSCM) in January 2026



Source - PPAC

Key developments in Oil & Gas sector

Monthly Production Report for January, 2026

1. Production of Crude Oil

Indigenous crude oil and condensate production during January 2026 was 2.3 MMT. Around 76.3% of Production came from Nomination Fields, 13.1% from Pre-NELP Fields and 10.3% from NELP Fields, during January 2026. There is a de-growth of 5.3% in crude oil and condensate production during January 2026 as compared with the corresponding period of the previous year.

2. Production of Natural Gas

Gross production of natural gas for the month of January 2026 (P) was 2912 MMSCM which was lower by 5.0% compared with the corresponding month of the previous year. The cumulative gross production of natural gas of 29288 MMSCM for the current financial year till January 2026 was lower by 3.6% compared with the corresponding period of the previous year.

3. Crude Oil Processed (Crude Throughput)

Total Crude oil processed during January 2026 was 23.8 MMT which is 0.1% higher than January 2025, where PSU/JV refiners processed 16.3 MMT and private refiners processed 7.4 MMT of crude oil. Total indigenous crude oil processed was 2.1 MMT and total Imported crude oil processed was 21.6 by all Indian refineries (PSU+JV+PVT). There was a growth of 1.7% in total crude oil processed in April-January current Financial Year as compared to same period of previous Financial Year.

4. Production of Petroleum Products

Production of petroleum products was 25 MMT during January 2026, which is 0.4% higher than January 2025. Out of 25 MMT, 24.7 MMT was from refinery production & 0.3 MMT was from fractionator. There was a growth of 0.4% in production of petroleum products in April-January FY 2025 – 26 as compared to same period of FY 2024 – 25. Out of total POL production, in January 2026, share of major products including HSD is 43.2%, MS 16.7%, Naphtha 6.4%, ATF 5.4%, Pet Coke 5.3%, LPG 4.6%, and rest is shared by Bitumen, FO/LSHS, LDO, Lubes & others.

Key Policy developments/Significant news in Energy sector

Union Budget 2026–27 Reflects Confidence of a Strong, Resilient and Fast-Growing India: Hardeep Singh Puri

Shri Hardeep Singh Puri, Union Minister for Petroleum and Natural Gas, addressed the media during a press interaction on Union Budget 2026–27 in Dehradun, stating that the Budget reflects the confidence and maturity of an economy that has undergone a fundamental transformation since 2014. He said the Budget strikes a careful balance between promoting growth and maintaining fiscal discipline, underscoring India's journey from being counted among the "fragile five" to becoming the world's fourth-largest economy and one of the most trusted global growth stories.

Describing the Budget as forward-looking and consolidation-oriented, Shri Puri said it builds on the foundations laid over the past decade while preparing India for the next phase of global leadership. India's GDP growth for FY26 is estimated at 7.4 per cent, driven by consumption and investment, reaffirming India's position as the fastest-growing major economy for the fourth consecutive year, even as global growth hovers around 3 per cent.

On price stability, the Minister highlighted the sharp improvement achieved since 2014, noting that India recorded the steepest reduction in headline inflation among major economies in 2025, at around 1.8 per cent. Between April and December 2025, inflation averaged about 1.7 per cent, supported by lower food prices, particularly vegetables and pulses. He pointed out that India's inflation levels are significantly lower than those prevailing in several advanced and emerging economies.

Emphasising the decisive shift towards capital-led growth since 2014, Shri Puri said overall capital expenditure in 2026–27 stands at about ₹12.2 lakh crore, representing an increase of over 430 per cent compared to 2013–14. Allocations for national highways have risen by about 500 per cent, defence by over 210 per cent, health and family welfare by nearly 176 per cent, and education by over 110 per cent during this period. He noted that infrastructure spending has become a key growth engine, with every rupee spent on national highway development generating ₹3.2 in GDP.

Highlighting the strengthening of defence and strategic capabilities, the Minister said sustained investment since 2014 has helped reduce import dependence while accelerating indigenous defence manufacturing in line with the Aatmanirbharta vision.

Shri Puri underscored that human capital development has been central to India's growth trajectory over the past decade. Since 2014, the number of IITs has increased from 16 to 23, IIMs from 13 to 21, AIIMS from 7 to 23, and medical colleges from 387 to 819. He added that India now has international IIT campuses in Zanzibar and Abu Dhabi, reflecting the global recognition of India's education ecosystem.

The Minister said infrastructure expansion since 2014 has transformed connectivity and everyday life across the country. The length of national highways has expanded from about 91,000 km in 2014 to nearly 1.46 lakh km in 2026, while the metro network has grown from 248 km to over 1,000 km. The number of airports has more than doubled from 70 to around 160. Over the last five years alone, more than 57,000 km of national highways have been constructed, generating around 33 crore person-days of employment

annually. He also highlighted that over 164 Vande Bharat Express trains are operational today, with 260 sleeper trainsets planned, and that indigenous technologies will power seven newly announced high-speed rail corridors.

Shri Puri further noted that India has invested over ₹2.5 lakh crore since 2014 in domestically building more than 2,000 metro coaches. Under the UDAN scheme, 1.5 crore passengers have flown on routes that did not exist earlier, making India the world's third-largest domestic aviation market.

On MSMEs and clean growth, the Minister said the Budget builds on the progress made since 2014 by aligning competitiveness with sustainability. Initiatives such as Bio-Pharma SHAKTI with an outlay of ₹10,000 crore, a ₹10,000 crore MSME Growth Fund, and a ₹2,000 crore top-up to the Self-Reliant India Fund will further strengthen innovation and enterprise. Clean growth has been embedded into the economic strategy through a ₹20,000 crore CCUS Mission and duty exemptions for lithium-ion battery equipment, critical minerals and nuclear power projects till 2035.

Summing up, Shri Puri said Union Budget 2026–27 recognises India's decade-long transformation since 2014 into a major global economy and focuses on strengthening the foundations for sustained, inclusive and innovation-driven growth. He described it as a nation-building Budget that advances India steadily towards a truly Aatmanirbhar and Viksit Bharat.

NTPC Plans Setting Up of Nuclear Power Projects

NTPC Ltd. a CPSE under the administrative control of Ministry of Power, Government of India (GoI), is planning for 30GW nuclear capacity by 2047 through the following two routes:

- i. Anu Shakti Vidyut Nigam Limited (ASHVINI), a JV of NTPC Ltd. and Nuclear Power Corporation of India Limited (NPCIL), is in the process of establishing a 4×700 MW nuclear power project in Banswara district of Rajasthan, called Mahi Banswara Rajasthan Atomic Power Project (MBRAPP).
- ii. NTPC Ltd. has formed a wholly owned nuclear subsidiary, NTPC Parmanu Urja Nigam Limited (NPUNL), incorporated on 07.01.2025 under the Companies Act after getting requisite clearances.

The above target of 30GW is a part of the Government's decision of having 100 GW nuclear capacity by 2047.

Carbon Credit Trading Scheme

The Carbon Credit Trading Scheme (CCTS) has been notified with the objective of reducing, removing, or avoiding greenhouse gas emissions from the Indian economy by pricing such emissions through the trading of Carbon Credit Certificates (CCC).

The Government has taken several measures to operationalise the Indian Carbon Market (ICM), including establishment of the requisite institutional framework, notification of Greenhouse Gas Emission Intensity (GEI) targets for seven energy-intensive sectors under the compliance mechanism. Further, approved methodologies under the offset mechanism, a robust monitoring, reporting and verification framework, and procedures for accreditation of carbon verification agencies have been put in place.

In the ICM, industries, as obligated entities, are envisaged to reduce emissions by improving efficiency and adopting low-carbon technologies. Entities that over-achieve their notified Greenhouse Gas Emission Intensity (GEI) targets are eligible for issuance of CCC, which are tradable through power exchanges. Non-obligated entities, including renewable energy producers, may voluntarily register approved mitigation activities for the purpose of seeking issuance of CCC.

The financial support for implementation of the CCTS is to be met by the Bureau of Energy Efficiency from the fees and charges collected from entities under the Scheme and its own resources. Regulatory support for trading activities under the Indian Carbon Market, including matters relating to trading of carbon credit certificates, is provided by the Central Electricity Regulatory Commission.

The institutional arrangements for implementation of the Scheme comprise a National Steering Committee co-chaired by the Secretaries of the Ministry of Power and the Ministry of Environment, Forest and Climate Change, with Grid Controller of India Limited functioning as the Registry and the Bureau of Energy Efficiency serving as the Administrator.

Draft Electricity (Amendment) Bill, 2025 Intends to Remove Wasteful Duplication in Building Distribution Network

The Electricity Act, 2003 (Act) already allows multiple distribution licensee in the same area. It also mandates non-discriminatory open access to the distribution network. But presently, every new licensee had to build its own separate network, which means duplication of poles, wires, and substations - making power costlier for everyone. The proposed amendment under draft Electricity (Amendment) Bill, 2025 intends to remove this wasteful duplication by allowing use of other distribution licensee's network upon payment of charges decided by the State Electricity Regulatory Commission (SERC) by a distribution licensee for supplying power to its consumers.

Under the provisions of the Act, the area of supply for each distribution licensee is defined and it has to be approved by the SERC, while granting license. The subordinate legislations already prescribe a minimum geographical area for granting a distribution licence - covering either an entire Municipal Corporation or at least three adjoining revenue districts, or a smaller area only if specifically notified by the Appropriate Government. Every distribution licensee, whether public or private, will continue to have a Universal Service Obligation for all the consumers including the rural and domestic consumers, except the large consumers for which the distribution licensee is specifically exempted by the SERC, as per the provisions under the proposed draft Electricity (Amendment) Bill, 2025. They have a duty to supply electricity to all consumers in its area of supply, without discrimination. The amendment further proposed to mandate the SERCs to establish a clear framework for introducing multiple licensees within the same supply area, ensuring transparency and fairness.

It is envisaged that there would not be any adverse impact on agricultural and domestic consumers, rather, the competition will improve quality of service. Further, the subsidies for specified consumer categories including agricultural and domestic consumers may continue to be provided by the State Government under Section 65 of the Act.

Thermal (coal and lignite) Installed Capacity Requirement Estimated at 3,07,000 MW by 2024-35

Generation expansion planning study is carried out by Central Electricity Authority (CEA) to determine the optimal mix of different generation resources (coal, hydro, solar, wind, storage, nuclear etc.) to meet the projected electricity demand. Various parameters like the capital cost of different generation technologies, fuel cost, O&M cost, useful life etc. are considered in the Generation expansion planning study.

As per the studies, projected thermal (coal and lignite) capacity requirement by the year 2034–35 is estimated at approximately 3,07,000 MW as against the 2,11,855 MW installed capacity as on 31.03.2023. To meet this requirement, Ministry of Power has envisaged to set up an additional minimum 97,000 MW coal and lignite based thermal capacity.

As against the above-mentioned requirement, thermal capacities of around 17,360 MW have already been commissioned since April 2023 till 20.01.2026. In addition, 39,545 MW of thermal capacity (including 4,845 MW of stressed thermal power projects) is currently under construction. The contracts of 22,920 MW have been awarded and is due for construction. Further, 24,020 MW of coal and lignite-based candidate capacity has been identified which is at various stages of planning in the country.

The projected Plant Load Factor (PLF) of coal-based plants by the year 2031-32 is estimated to be around 61%. However, PLF of coal-based power plants will depend on a number of factors like the increase in electricity demand, actual coal based and RE capacity materializing etc.

The generation expansion planning model, while arriving at optimal capacity mix, does the comparative analysis between new coal- based plants, solar, wind, storage etc. considering the cost of different technologies, projected electricity demand, RE generation profile, fuel cost, operational characteristics of different types of technologies, storage duration etc.

The cost of the electricity generated from coal-based plants depends on various factors such as life of the plant, distance of the plant from the coal mines, type of technology (sub-critical, super-critical) etc.

The all-India Weighted Average Rate of Sale of Power (WARSP) of the electricity generated from existing coal-based plants for the past three years ranges from INR 4.36/kWh to INR 4.58/kWh, with the lowest tariff being about INR 1.52/kWh.

The tariff discovered for new coal based Thermal Power Projects selected through Tariff Based Competitive Bidding (TBCB) route is in the range of INR 5.38 - 6.30 /kWh. This is based on bidding carried out in the year 2025.

The Tariff discovered under firm and dispatchable renewable energy (FDRE) tenders awarded by SECI in August, 2024, is the range of INR 4.98 - 4.99/kWh.

Although the tariff ranges appear broadly similar, a direct comparison is not appropriate on like-to-like basis due to the inherent differences in the nature, operational characteristics, risk allocation, fuel cost structure, dispatch profile, and contractual framework of coal-based thermal power and FDRE projects.

The two categories of power serve different system requirements and involve distinct cost components and performance obligations.

Power Minister Shri Manohar Lal inaugurated Ministry of Power Pavilion at AI Impact Summit 2026

Union Minister for Power, Shri Manohar Lal inaugurated the Ministry of Power Pavilion at the AI Impact Summit 2026 being held at Bharat Mandapam, underscoring India's commitment to leveraging Artificial Intelligence for building a future-ready, efficient and resilient power sector.

The pavilion presents a forward-looking vision of the power sector under the theme "From Megawatts to Megabytes: Transforming India's Power Ecosystem," highlighting how digital technologies are reshaping generation, transmission and distribution systems.

Some key highlights showcased at the Ministry of Power Pavilion include:

1. **AI-Driven Power for a Self-Reliant India:** Demonstrating how advanced digital solutions are enabling smarter operations and improved decision-making across the power value chain.
2. **Startup Zone:** A dedicated platform showcasing innovative startup-led solutions supporting the transformation of the energy ecosystem.
3. **PG-AMRIT — POWERGRID Asset Management through Artificial Intelligence in Transmission:** An AI-enabled initiative by POWERGRID aimed at enhancing transmission asset monitoring and operational efficiency.
4. **eAabhas Early Warning System:** An AI/ML and IoT-based real-time monitoring and flood forecasting platform for dams and barrages, enabling proactive risk management and improved safety.
5. **AI-Driven RDSS Implementation:** Deployment of advanced, innovative indigenous technologies addressing operational efficiency and revenue management challenges of Indian DISCOMs.

The pavilion reflects the Ministry's focus on integrating cutting-edge AI technologies to strengthen infrastructure reliability, improve efficiency, and support sustainable growth in the power sector.

The Minister also visited the exhibition put up by Delhi Metro Rail Corporation at the AI Impact Summit. Dr. Vikas Kumar, Managing Director, DMRC briefed him about the initiatives taken in the field of AI by the DMRC.

Officials of DMRC stated that AI will enable faster redressal of customer grievances and passenger-related issues. On the maintenance front, AI is being used to monitor overhead electrification (OHE), pantograph–OHE interaction, wheel grinding, rolling stock subsystems and signalling.

India–UK Offshore Wind Taskforce Launched; Shri Pralhad Joshi Calls It a ‘Trustforce’ for Accelerating Strategic Clean Energy Cooperation

Union Minister of New and Renewable Energy Shri Pralhad Joshi addressed the launch of the India–UK Offshore Wind Taskforce in the presence of the Rt Hon Deputy Prime Minister of the United Kingdom Mr. David Lammy and British High Commissioner to India Ms. Lindy Cameron.

Calling the Taskforce a “Trustforce,” Shri Joshi said it reflects the confidence that India and the United Kingdom can work together to address real execution challenges. He urged that the platform deliver time-bound workstreams, measurable milestones and visible progress, converting global lessons into solutions tailored to Indian conditions.

Describing the India–UK Offshore Wind Taskforce as a working mechanism rather than a symbolic platform, the Minister said it has been constituted under Vision 2035 and the Fourth Energy Dialogue to provide strategic leadership and coordination for India’s offshore wind ecosystem. He observed that while the United Kingdom has demonstrated global leadership in scaling offshore wind and developing mature supply chains, India brings scale, long-term demand and a rapidly expanding clean energy ecosystem.

He outlined three practical pillars for cooperation: ecosystem planning and market design, including refined seabed leasing frameworks and credible revenue-certainty mechanisms; infrastructure and supply chains, including port modernisation, local manufacturing and specialised vessels; and financing and risk mitigation through blended finance structures and mobilisation of long-term institutional capital.

The Minister emphasised that the next phase of India’s transition must strengthen reliability, grid stability, industrial depth and energy security, and that offshore wind has a strategic role in this journey. Promising offshore wind zones have been identified off the coasts of Gujarat and Tamil Nadu along with grid planning and required studies and surveys have been conducted through National Institute of Wind Energy for the initial projects.

To support early projects, the Government has introduced a Viability Gap Funding scheme with a total outlay of ₹7,453 crore, approximately £710 million. Shri Joshi noted that offshore wind is among the most complex segments of the global energy transition, requiring specialised port infrastructure, marine logistics, robust seabed leasing frameworks, clear risk allocation and bankable commercial structures.

Shri Joshi further highlighted the synergy between offshore wind and India’s green hydrogen ambitions. He noted that India is leading the Hydrogen Breakthrough Goal under the international Breakthrough Agenda and has achieved globally competitive benchmarks under the National Green Hydrogen Mission, with green hydrogen prices falling to a historic low of ₹279 per kg (approximately £2.65 per kg) and green ammonia prices reaching ₹49.75 per kg (approximately £0.47 per kg).

Offshore wind, he said, can provide high-quality renewable power to emerging coastal industrial and green hydrogen clusters, strengthening energy security and industrial competitiveness.

Shri Joshi underlined that India’s clean energy transition is defined by execution at scale. He informed that India’s installed non-fossil fuel capacity has crossed 272 GW, including more than 141 GW of solar and 55

GW of wind capacity. In the ongoing financial year alone, India has added over 35 GW of solar and 4.61 GW of wind capacity.

With clarity of purpose and shared commitment, he concluded, offshore wind can emerge as a strong pillar of India's clean, reliable and self-reliant energy future, and a flagship of India–UK cooperation under Vision 2035.

Union Minister Shri Pralhad Joshi Visited ISA Pavilion at India AI Impact Summit

Union Minister of New and Renewable Energy, Pralhad Joshi, visited the Pavilion of the International Solar Alliance (ISA) at the India AI Impact Summit held at Bharat Mandapam, Hall No. 14, and reviewed a series of technology-led innovations advancing the Global Mission on AI for Energy.

The Pavilion highlighted practical, scalable models that demonstrate how Artificial Intelligence (AI), digital platforms and geospatial tools can modernise utilities, accelerate renewable energy integration, and strengthen energy resilience across ISA Member Countries.

The India AI Impact Summit spotlighted the Global Mission on AI for Energy as a platform for driving convergence between solar deployment and digital intelligence, enabling real-time optimisation and smarter grid management.

From Energy Transition to Grid Transition

As distributed renewables expand rapidly, the focus is shifting from merely adding capacity to integrating millions of decentralised assets into a stable, reliable grid. This requires stronger transmission infrastructure, modernised distribution networks, and real-time monitoring systems.

The Minister noted that the energy transition must be matched by a grid transition, building flexible, digital, intelligent grids powered by data-driven forecasting and real-time optimisation.

States such as Delhi, Rajasthan, and Andhra Pradesh are advancing digitisation, smart metering, and digital control systems, reducing losses and enabling higher renewable penetration. These experiences offer valuable lessons for developing nations seeking to modernise their power sectors.

India's Solar Journey: Vision at Scale

India's solar capacity has grown from less than 3 GW in 2014 to over 141 GW today, positioning the country among the fastest-growing solar markets globally. Solar energy has become central to India's development strategy and energy security framework.

A defining achievement of this journey has been the democratisation of solar energy. Through PM-KUSUM, farmers are becoming energy producers, with lakhs of solar pumps reducing diesel dependence and ensuring reliable daytime power supply. Feeder-level solarisation is improving supply quality while lowering distribution losses.

Similarly, PM Surya Ghar: Muft Bijli Yojana, targeting one crore households, is poised to become the world's largest rooftop solar programme, transforming consumers into prosumers and strengthening distributed energy systems nationwide.

AI for a Resilient and Inclusive Energy Future

With 125 Member and Signatory Countries, the International Solar Alliance provides a global platform to scale practical and replicable solutions. Through the Global Mission on AI for Energy, ISA is fostering the fusion of solar energy and digital intelligence.

Artificial Intelligence can significantly enhance load forecasting, predictive maintenance, grid optimisation, and renewable integration, improving efficiency, affordability, and resilience.

India's solar success, the Minister emphasised, is not merely about megawatts installed but about empowering citizens, supporting farmers, strengthening utilities, and building resilient infrastructure.

Among the key innovations presented were:

1. Digital Consumer Interface – One Solar App:
Developed by BSES Rajdhani Power Limited, the unified “One Solar App” streamlines rooftop solar adoption through digital registration, transparent net-metering processes, performance tracking, and integrated service delivery. The platform enhances consumer convenience while improving operational transparency for distribution utilities.
2. Digital Twin Solutions for DISCOMs:
Indian startups are deploying digital twins—virtual replicas of electricity distribution networks—to enable real-time simulation, renewable integration modelling, predictive maintenance, and scenario-based planning. These solutions improve operational efficiency while reducing technical losses and investment risks.
3. GIS-Based Distribution Modernisation:
Geospatial mapping initiatives, including those undertaken by Andhra Pradesh Eastern Power Distribution Company Limited, provide asset-level visibility and infrastructure optimisation. GIS-enabled planning strengthens outage management, capital allocation, and preparedness for higher renewable penetration.

The convergence of solar, storage, smart grids, and AI will define the future global energy system, and India stands ready to partner with ISA Member Countries to advance a cleaner, smarter, and more inclusive energy future.

MNRE Holds Stakeholder Consultation on Draft Floating Solar Potential Assessment and Draft Policy Framework

Union Ministry of New and Renewable Energy (MNRE) organized a Stakeholder Consultation Workshop on 20-02-2026 under the Chairmanship of Shri. J.V.N. Subramanyam, Joint Secretary (JS), MNRE to discuss

the draft Floating Solar PV (FSPV) Potential Assessment Report and the draft Floating solar policy prepared by National Institute of Solar Energy (NISE) & IIT Roorkee, respectively.

Considering the prevailing land constraints faced in Renewable Energy (RE) projects, FSPV has emerged as an alternate avenue. However, only around 700 MW of FSPV projects has been commissioned in India, so far. This is majorly due to lack of data on the potential sites and clear framework for project execution.

In order to overcome this bottleneck, MNRE in association with NISE and IITR has prepared these documents.

MNRE requested all States/UTs to have internal consultations with all stakeholders at state level like Water Resources/Irrigation, Revenue, Fisheries, Forest, Agriculture, DISCOMs/Transcom, PWD, Tourism, Pollution Control etc., and provide their comments and feedbacks on draft policy and potential.

The discussion focused on providing innovative solutions like plug and pay models, allotment of water bodies with all necessary approvals etc. for the derisking the developers and investors. Based on the potential and policy, States/UTs may also identify and prioritize sites for the development of FSPV projects.

MNRE will also have detailed consultations with MoEFCC, Wetland Authority, National Dam Safety Authority etc. on the floating solar policy, based on the feedback received from the states.

In Rajya Sabha, Union Minister Dr. Jitendra Singh Affirms Fast-Track Nuclear Expansion; Capacity Set to Triple by 2031–32

Union Minister of State (Independent Charge) for Science & Technology, Earth Sciences, and MoS PMO, Personnel, Public Grievances, Pensions, Atomic Energy and Space, Dr. Jitendra Singh, asserted in the Rajya Sabha that India's nuclear energy programme is in a decisive expansion phase, backed by policy reforms, private sector participation and clearly defined capacity targets extending up to 2047.

The Minister said India's installed nuclear capacity, which stood at 4,780 MW in 2014, has risen to 8,780 MW and is projected to reach 22,380 MW by 2031–32, 47 GW by 2037, 67 GW by 2042 and 100 GW by 2047. He affirmed that India is moving forward with self-reliance and confidence, and that geopolitical developments will not derail ongoing nuclear projects.

Addressing a question on negotiations concerning the proposed six 1600 MW reactors at Jaitapur Nuclear Power Project, Dr Jitendra Singh said that discussions have been ongoing and that while the technical agreement framework is in place, certain commercial aspects remain under consideration. He indicated that the matter is being pursued in coordination with relevant ministries, keeping national interest paramount.

On concerns regarding uranium imports and possible supply disruptions in a volatile global environment, Dr. Jitendra Singh stated that India has strengthened its energy security significantly over the last decade. He said nuclear capacity has more than doubled since 2014 and that policy measures, including recent enabling provisions and duty exemptions for nuclear plant equipment imports up to 2035, are aimed at

accelerating domestic capability. He said the expansion roadmap demonstrates that India is not dependent solely on external sources and is steadily enhancing indigenous potential.

Responding to questions on power allocation, the Minister said distribution of electricity generated from nuclear plants follows the long-standing Gadgil formula, under which 50% of power is retained by the host state, 35% is allocated to neighbouring states and 15% goes to the central grid. This mechanism ensures balanced regional distribution.

On safety concerns and past apprehensions in the Kudankulam region, the Minister reiterated that India's nuclear programme operates on the principle of "Safety First, Production Next." He clarified that allegations regarding centralized storage of spent fuel at Kudankulam were scientifically unfounded, as each reactor manages its own specific fuel cycle.

Dr. Jitendra Singh concluded that the government has instituted clear timelines for nuclear expansion and is implementing them in a structured and disciplined manner, positioning nuclear energy as a key pillar of India's long-term energy transition strategy.

India looking to diversify crude, coking coal imports; keen on US supplies: Goyal

Commerce and Industry Minister Piyush Goyal noted that the US can supply several goods critical for India's economic growth.

India is keen to diversify its sources of crude oil and coking coal and would welcome high-quality coking coal supplies from the United States, Commerce and Industry Minister Piyush Goyal.

Speaking at an event in Mumbai, Goyal said India is currently dependent on a limited number of geographies for coking coal, leading to price volatility. "We want to diversify our oil sources. I want to diversify the source of coking coal for example. I am dependent on 2 or 3 geographies (for that) and prices keep fluctuating. I would love to have American coking coal which is high quality coming to India," he added.

He noted that the US can supply several goods critical for India's economic growth, including Graphics Processing Units (GPUs) for artificial intelligence applications, equipment for data centres and high-performance computing infrastructure.

At the same time, Goyal said India can manufacture products in segments where the US may not be competitive, while America can serve as a key source of advanced technology and capital. He added that India has an aircraft demand of about \$100 billion from the US over the next five years and may require additional purchases to enhance domestic capacity and lower airfares.

Under an interim trade agreement framework, India has indicated its intent to purchase goods worth \$500 billion from the US over the next five years. An Indian delegation is expected to travel to the US next week to finalise the legal text of the pact, which is likely to be signed in March.

Goyal said a trade deal with the US would open significant opportunities for Indian companies, especially in labour-intensive sectors and technology services.

Referring to market concerns about artificial intelligence impacting Indian IT firms, the minister said the reaction was “ridiculous”, arguing that Indian technology companies would be integral to the growth of AI.

On India’s broader trade strategy, Goyal said nine free trade agreements have been concluded in the past four years, adding that these deals were negotiated from a position of strength.

"These nine agreements have been negotiated from the position of strength. Today India does not engage as a meek country, we are not apologetic about some of the problems that we have, we are negotiating for the future," he added.