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MONTHLY REPORT
OCTOBER 2020
LIQUID GASES
UPDATE



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PORT ANALYSIS

LIQUIFIED GASES TRAFFIC AT INDIAN PORTS (QTY IN MILLION TONNES)

Port	Apr - Aug 20	Apr-Aug 19	VARIANCE
COCHIN	0.354	0.37	-0.016
CUDDALORE	0.104	0.124	-0.02
DABHOL	0.594	0.049	0.545
DAHEJ	7.717	8.99	-1.273
ENNORE	0.873	0.718	0.155
HALDIA	2.168	1.714	0.454
HAZIRA	2.469	0.145	2.324
JNPT	0.501	0.468	0.033
KAKINADA	0.127	0.116	0.01
KANDLA	0.874	0.852	0.022
MAGDALLA	0.022	0.229	-0.207
MANGALORE	1.159	1.104	0.055
MORMUGAO	0.002	0.01	-0.008

MUMBAI	0.404	0.379	0.025
MUNDRA	1.497	0	1.497
PARADIP	0.156	0.158	-0.002
PIPAVAV	0.06	0.226	-0.166
PORBANDAR	0.014	0.078	-0.065
RANPAR	0	0.033	-0.033
SIKKA	0.128	0.244	-0.117
TUTICORIN	0.09	0.159	-0.069
VISAKHAPATNAM	0.823	0.71	0.114
Grand Total	20.136	16.877	3.259

Major Importers of Liquified Gases - April - August 2020 (Qty in Million Tonnes)

CARGO	IMPORTERS	IMPORTS	
ANHYDROUS AMMONIA	COROMANDEL INTL. LTD.	0.038	
	FERTILIZERS & CHEMICALS TRAVACORE LTD.	0.015	
	HINDALCO INDUSTRIES LTD.	0.005	
	INDIAN FARMERS FERTILISER CO-OP. LTD.	0.07	
	INDORAMA INDIA PVT. LTD.	0.038	
	IRC AGRO CHEMICALS PVT. LTD.	0.005	
	SAUDI BASIC INDUS. CORPN. (SABIC)	0.006	
	BUTANE	AEGIS GAS (LPG) PVT. LTD.	0.003
		BHARAT PETROLEUM CORPN. LTD.	0.358
HINDUSTAN PETROLEUM CORPN. LTD.		0.289	
INDIAN OIL CORPN. LTD.		0.86	
INDIAN OIL PETRONAS PVT. LTD.		0.013	
BUTENE	INDIAN OIL CORPN. LTD.	0.009	
BUTENE 1	BRAHMAPUTRA CRACKER CO. LTD.	0.002	
CYCLOHEXENE		0.004	
DEODORIZED FIELD CONDENSATE	AGRICOLE CORPN.	0.235	
ETHANE	RELIANCE INDUS. LTD.	0.598	
ETHYLENE	RELIANCE INDUS. LTD.	0.012	
GASOLINE	MEHTA PETRO REFINERIES LTD.	0.001	
LIQUID AMMONIA	CONCORD INTL. OIL LTD.	0.01	
	COROMANDEL INTL. LTD.	0.166	
	DEEPAK FERTILIZER & PETROCHEMICAL CORPN. LTD.	0.081	
	GREENSTAR FERTILIZERS PVT. LTD.	0.054	
	GUJARAT STATE FERTILIZERS CO. LTD.	0.092	

	INDIAN FARMERS FERTILISER CO-OP. LTD.	0.123
	MANGALORE CHEMICAL & FERTILIZERS LTD.	0.038
	PARADIP PHOSPHATES LTD.	0.057
	SMARTCHEM TECHNOLOGIES LTD.	0.029
	ZUARI AGRO CHEMICALS LTD.	0.002
LIQUID NATURAL GAS	ARCELORMITTAL NIPPON STEEL INDIA LTD.	0.144
	BHARAT PETROLEUM CORPN. LTD.	0.18
	ESSAR LTD.	0.156
	GAIL INDIA LTD.	2.279
	GUJARAT PETROLEUM CORPN. LTD.	0.209
	GUJARAT STATE ELECTRICITY CORPN.	0.067
	GUJARAT STATE FERTILIZERS CO. LTD.	0.071
	GUJARAT STATE PETROLEUM CORPN.	1.724
	INDIAN OIL CORPN. LTD.	0.516
	PETRONET LNG LTD.	3.201
	RELIANCE INDUS. LTD.	0.535
	SHELL GAS (LPG) INDIA PVT. LTD.	0.071
	TORRENT POWER LTD.	0.348
LIQUID PETROLEUM GAS	AEGIS GAS (LPG) PVT. LTD.	0.002
	BHARAT PETROLEUM CORPN. LTD.	0.642
	HINDUSTAN PETROLEUM CORPN. LTD.	0.717
	INDIAN FARMERS FERTILISER CO-OP. LTD.	0.013
	INDIAN OIL CORPN. LTD.	1.472
	INDIAN OIL PETRONAS PVT. LTD.	0.023
	MANGALORE CHEMICAL & FERTILIZERS LTD.	0.004
	SHIV CORPN.	0.01
	SHV ENERGY PVT. LTD.	0.011
	TOTAL OIL INDIA LTD.	0.039
PROPANE	AEGIS GAS (LPG) PVT. LTD.	0.002
	BHARAT PETROLEUM CORPN. LTD.	0.376
	HINDUSTAN PETROLEUM CORPN. LTD.	0.247
	INDIAN OIL CORPN. LTD.	0.668
VINYL CHLORO MONOMER	CHEMPLAST CUDDALORE VINYL LTD.	0.104
	DHARANGADARA CHEMICAL WORKS LTD.	0.025

Origin Country-wise Liquid gases imports in India (Qty in Million Tonnes)

CARGO	COUNTRY	APR-AUG 20	
ANHYDROUS AMMONIA	EGYPT	0.041	
	OMAN	0.009	
	QATAR	0.018	
	SAUDI ARABIA	0.066	
BUTANE	KUWAIT	0.083	
	NIGERIA	0.018	
	NORWAY	0.007	
	OMAN	0.027	
	QATAR	0.275	
	SAUDI ARABIA	0.107	
	U.A.E.	0.417	
	UNITED STATES	0.018	
	BUTENE	U.A.E.	0.009
	BUTENE 1	TAIWAN	0.002
CYCLOHEXENE		0.003	
DEODORIZED FIELD CONDENSATE	QATAR	0.235	
ETHANE	UNITED STATES	0.598	
ETHYLENE	U.A.E.	0.006	
GASOLINE	THAILAND	0.001	
LIQUID AMMONIA	AUSTRALIA	0.008	
	BANGLADESH	0.009	
	EGYPT	0.046	
	INDONESIA	0.04	
	IRAN	0.065	
	MOROCCO	0.022	
	QATAR	0.127	
	SAUDI ARABIA	0.174	
	TURKEY	0.039	
	U.A.E.	0.066	
	UKRAINE	0.025	
	VIETNAM	0.008	
LIQUID NATURAL GAS	ALGERIA	0.238	
	ANGOLA	0.851	
	AUSTRALIA	0.295	
	BELGIUM	0.069	
	CAMEROON	0.148	
	FRANCE	0.361	
	GUINEA	0.166	

	NETHERLANDS	0.071
	NIGERIA	0.995
	OMAN	0.357
	QATAR	3.844
	SPAIN	0.149
	TRINIDAD & TOBAGO	0.157
	U.A.E.	1.356
	UNITED STATES	1.442
LIQUID PETROLEUM GAS	BAHRAIN	0.073
	HONG KONG	0.005
	KUWAIT	0.356
	NIGERIA	0.023
	NORWAY	0.023
	QATAR	0.911
	RUSSIA	0.02
	SAUDI ARABIA	0.744
	TAIWAN	0.03
	U.A.E.	0.619
	UNITED STATES	0.163
PROPANE	KUWAIT	0.091
	NIGERIA	0.006
	NORWAY	0.007
	OMAN	0.016
	QATAR	0.235
	SAUDI ARABIA	0.08
	U.A.E.	0.271
	UNITED STATES	0.019
VINYL CHLORO MONOMER	FRANCE	0.017
	JAPAN	0.027
	QATAR	0.085

MARKET OVERVIEW AND TRENDS

KEY HIGHLIGHTS

- » LNG imports set to pick up as India unlocks
- » India to overtake China as world's largest LPG residential market by 2030
- » Torrent Gas to invest Rs 8,000 cr in city gas business, set up 500 CNG pumps by 2023
- » Karnataka: LPG pipeline between Hassan-Secunderabad gets nod
- » LNG Alliance signs with COMET for India gas distribution plans



LNG imports set to pick up as India unlocks

- » The LNG imports are also expected to pick up as gas transportation utility GAIL has reopened its five million tonne Ratnagiri LNG terminal on the West coast after monsoon related forced a shutdown in May

As gas demand picks up in the country in the unlock phase, imports are set to pick up in coming months with increased shipments at ports to receive liquefied natural gas (LNG). The LNG imports are also expected to pick up as gas transportation utility GAIL has reopened its five million tonne Ratnagiri LNG terminal on the West coast after monsoon related forced a shutdown in May. A GAIL official said that imports at Ratnagiri have resumed and would soon reach normal levels. The PSU receives around 5 LNG cargoes a month at Ratnagiri but since lockdown one in March, imports have remained hit and cargo unloading has only started in late September. Gas imports form an important component of meeting India's overtime energy Demand. But with Covid induced demand suppression, imports were badly hit. Now with demand returning back to pre covid levels, there is an expectation that LNG cargoes would start hitting the Indian shores at much more regular intervals. India meets about half of its daily 160-170 million standard cubic meters (mmscm) of gas demand through imports. But imports had slipped sharply in April. The unlock phase has started bringing back demand . The unlock has again put demand back in the CGD segment where more households are getting connected to piped gas. Also, most fertiliser and power plants, key consumers of gas, are now operating at a normal rate.

India to overtake China as world's largest LPG residential market by 2030

- » Driven by environmental and health concerns, the government has also been implementing schemes to help lower-income families cope with the cost of switching from dirtier biomass to LPG

India is expected to overtake China as the world's largest cooking gas LPG residential sector market by 2030, Wood Mackenzie said on . "Liquefied petroleum gas (LPG) demand in the residential sector will continue to see sustainable growth at a cumulative annual growth rate (CAGR) of 3.3 per cent, reaching 34 million tonnes (MT) in 2030 as households' dependence on solid biomass diminishes in the long run supported by rising average household incomes and urban population," it said in a report. Driven by environmental and health concerns, the government has also been implementing schemes to help lower-income families cope with the cost of switching from dirtier biomass to LPG. The Direct Benefit Transfer of LPG (DBTL) gives out subsidies to the vulnerable population, while the Pradhan Mantri Ujjwala Yojana (PMUY) provides families living below the poverty line access to free LPG stoves. Wood Mackenzie research analyst Qiaoling Chen said: "Although nationwide LPG coverage has reached 98 per cent, up 42 per cent from 2014, usage is still low. Average annual cylinder refills have not kept up with the pace of new connections, with average consumption remaining below the benchmark of 12 cylinders." Even with subsidy and the initial cost of set-up covered by the government, LPG is more expensive than biomass. Still, the Indian government is committed to roll out plans to further address affordability and infrastructure challenges in the LPG sector. These include smaller-size LPG cylinders which reduce upfront cash payment required for each refill, more LPG distributors as well as the 'Give it Up' campaign where households can voluntarily give up their LPG subsidies from the DBTL scheme to benefit lower-income families. Chen said: "Assuming the government continues to subsidise residential LPG throughout the decade, total subsidy for LPG could reach USD 5.7 billion annually by 2030. By then, it will overtake China as the world's largest LPG demand centre for the residential sector." However, the lack of infrastructure continues to restrain piped natural gas (PNG) penetration in areas outside of top tier cities and retail PNG prices continue to be at a premium to subsidised LPG prices, making PNG a less attractive alternative to LPG before 2030, Wood Mackenzie said. Wood Mackenzie senior analyst Vidur Singhal said: "Between 2020 and 2030, PNG demand will primarily be from urban households in tier I and tier II cities awarded under CGD bidding rounds. City gas companies will increase PNG connections and its related infrastructure, which typically takes five to eight years to construct and commercialise fully." "In addition, growing LPG demand in the residential sector requires more subsidies, which will increasingly become a huge burden for the government," Singhal said adding it is likely that subsidies will taper off over time, as growing income allows more households to pay the unsubsidised price. The combination of ready PNG infrastructure and less policy support for LPG help to support PNG demand growth post-2030. "We expect PNG demand in India's residential sector to grow at a CAGR of 12.7 per cent, reaching 2.5 billion cubic metres (bcm) by 2030 from 0.8 bcm currently," Singhal said. By the end of 2030, India's LPG demand in the residential sector will account for 82 per cent of the country's total LPG demand while natural gas demand in the same sector will only account for 3 per cent of total natural gas demand in India, Wood Mackenzie added.

Source: ET Energy World

Torrent Gas to invest Rs 8,000 cr in city gas business, set up 500 CNG pumps by 2023

- » Within 18 months of its operations, Torrent Gas has set up 100 CNG pumps, its director Jinal Mehta said at a virtual event organised to announce the commissioning of 42 CNG stations.

Torrent Gas said it will invest Rs 8,000 crore over the next five years in expanding its city gas operations with a target to set up 500 CNG dispensing pumps by March 2023. Torrent Gas, the city gas distribution arm of Gujarat-based \$3 billion Torrent Group, holds a city gas licence for selling compressed natural gas (CNG) to vehicles

and piped cooking gas (PNG) to industries and households kitchens in 32 districts across seven states. Within 18 months of its operations, Torrent Gas has set up 100 CNG pumps, its director Jinal Mehta said at a virtual event organised to announce the commissioning of 42 CNG stations. This commissioning took the number of CNG stations under Torrent fold to 100, he said. "Torrent Gas intends to make a total investment of Rs 8,000 crore (USD 1.1 billion) over the next 5 years towards the creation of CGD infrastructure in the country, of which Rs 1,050 crore has already been invested," Mehta said. Despite the constraints presented by the COVID-19 pandemic, Torrent Gas has been able to set up 100 CNG stations within a relatively short span of time. "We are now working towards our near-term goal of setting up 200 CNG stations by March 2021 and medium-term goal of setting up 500 CNG stations by March 2023, apart from making PNG widely available to industries and residences in our authorised areas," Mehta said. City gas distribution projects hold key to achieving the government's vision of raising the share of natural gas in the energy basket to 15 per cent by 2030 from the current 6.2 per cent so as to cut carbon emissions. Speaking on the occasion, Oil Minister Dharmendra Pradhan said CNG pumps should look at becoming energy providers by also selling traditional fuels such as petrol and diesel alongside alternatives like biogas and LNG. He said the government wants to increase the number of CNG stations in the country from about 2,300 currently to 10,000 in the next four-to-five years. The CNG stations commissioned on are located across various states, including 14 in Uttar Pradesh, eight in Maharashtra, six in Gujarat, four in Punjab and five each in Telangana and Rajasthan. Besides, City Gate Stations in Uttar Pradesh, Maharashtra and Punjab were also commissioned. Torrent plans to make CNG and PNG available in Chennai, the only metro city where CNG and PNG are yet to reach, Mehta said. The availability of clean and economical CNG and PNG across the country is a critical step towards energy sufficiency and meeting India's commitment under the Paris Agreement to reduce its emissions. Along with launching the CNG stations, Torrent Gas has also invested deeply into building awareness about CNG as an economical and environmentally friendly alternative to petrol and diesel.

Source: ET Energy World

Karnataka: LPG pipeline between Hassan-Secunderabad gets nod

- » Meanwhile, four districts of South Karnataka region are expected to witness huge flow of investment with many companies showing interest in industrially backward districts.

Hassan district will soon get another LPG pipeline after Mangaluru-Bengaluru pipeline. The 72nd Land Audit Committee (LAC) meeting held recently has given a green signal to the ambitious HPCL LPG pipeline between Hassan and Cherlapally at Secunderabad in Telangana. This is a 680-kms pipeline. According to the proposal, the company will invest Rs 680 crore in this project which is expected to ease the burden of LPG transport between Hassan and neighbouring Telangana. Meanwhile, four districts of South Karnataka region are expected to witness huge flow of investment with many companies showing interest in industrially backward districts. According to the proposal, HPCL pipeline will go through Arsikere in Hassan, Tiputur and Chikkanayakanahalli in Tumakur, and Hiriur and Sira in Chitradurga. Officials from Karnataka Udyoga Mitra said that the project is expected to create hundreds of indirect jobs as it is a labour intensive project. According to Revanna Gowda, MD, Karnataka Udyoga Mitra, the project is also beneficial to Hyderabad. "Already HPCL has laid a pipeline between Mangaluru and Bengaluru. From Hassan, LPG will be supplied to Hyderabad through this new project," he said. Meanwhile, Mysuru, Chamarajanagar, Mandya and Hassan districts witnessed a flurry of investment proposals in the last few months. A total of Rs 1,692 crore investment has been proposed in Mysuru, Chamarajanagar, Mandya and Hassan, which includes the HPCL pipeline project. The important proposals include R 270 crore investment by First Steps Babywear Pvt. Ltd in Chamarajanagar, Rs 154 crore investment by Sutlej Textiles and Industries in Chamarajanagar, and Rs 100 crore investment by Triveni Engineering and Industries in Mysuru. These projects are expected to generate about 3,400 jobs. Revanna Gowda, managing director, Karnataka Udyoga Mitra, said investors are showing more interest in in the districts of Southern Karnataka, especially Mysuru, Hassan and Chamarajanagar. The investment atmosphere is good now. More and more investors are coming forward, he said.

Source: ET Energy World

LNG Alliance signs with COMET for India gas distribution plans

- » COMET to support the fast growing Indian natural gas market needs with software and data solutions.

ruMarx Data Partners, Inc., developers of the COMET energy marketplace, and leading project developer in the natural gas and LNG sector, LNG Alliance (Singapore) have signed an MOU to support LNG Alliances business objectives with software and data solutions including the COMET Marketplace for the LNG/Gas trading and distribution platform in India. LNG Alliance (Singapore) is engaged in the development of India's virtual gas pipelines, downstream gas market integration in the east coast of India and LNG bunkering initiatives in the west coast of India. This understanding underscores the TruMarx commitment to providing the most valuable and robust energy trading solutions to the industry in consultation with its leaders. TruMarx's Chief Executive Officer Jon Olson commented, "We welcome the opportunity to provide our solutions to LNG Alliance to further their groundbreaking work." Muthu Chezian, CEO of LNG Alliance commented, "Based on our in depth evaluation of the various softwares and trading platforms available in the market for Gas and LNG transactions, COMET ranked top. It provides us with an integrated transactional visual platform for price discovery mechanism, ability to negotiate the terms through confidential one-to-one secure space, and comprehensive transaction compliance, built on best industry practices. The complex and fast emerging gas/LNG demand in India, combined with the wide range of client needs, makes COMET the right fit for us." COMET supports unlimited, real-time confidential collaboration around any transaction, and provides custom integration between third-party systems to create straight-through processing across the transaction lifecycle. COMET standardizes processes around non-standard transactions.

Source: PRNews wire

OTHER REPORTS FOR OCTOBER 2020

- » J. M. Baxi & Co. Monthly Agri Products Update
- » J. M. Baxi & Co. Monthly Automotive Logistics Update
- » J. M. Baxi & Co. Monthly Cement Update
- » J. M. Baxi & Co. Monthly Chemical Update
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