

India's green hydrogen plans face slow domestic tendering

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India's green hydrogen (H) plan currently finds itself in a tight spot, where consumption from both exports and domestic markets has not risen as rapidly as envisaged.

Industry executives and representatives note that the global rethink around green hydrogen is yet to directly hit Indian companies. However, there are other global and domestic winds at play. While domestic tenders have been slow to come by, export markets remain riddled with shifting geopolitical priorities.

India's fertiliser companies and refineries were expected to drive demand for green hydrogen/ammonia on the domestic front. Industry executives note that while the fertiliser industry is yet to make any move, due to the need for a subsidy push, those at refineries have so far dragged feet.

"We were to expect 200 kilo tonnes of demand per annum from the refineries alone, why are those tenders



not coming," asked a senior executive from the industry, adding, tenders from two of the refineries have finally reached the reverse auction stage. "This should have happened earlier, some of the new tenders from other refineries are worded differently and have termination clauses that are not developer-friendly," the executive said.

S&P Global in a recent note on the sector pointed out: "Market indications on Platts Market Heards show there is a wide gap between the

cost of production of renewable hydrogen/ammonia in India and the willingness to pay from refineries and fertiliser manufacturers, which remains one of the key stumbling blocks for deals."

India H2 Alliance (IH2A), an industry coalition of global and Indian companies committed to the creation of a hydrogen value-chain, has been asking the government for sectoral demand mandates and incentives by increasing the National Green

ECO-FRIENDLY GOALS

- JSW Energy had set March deadline for commissioning for green hydrogen unit
- RIL plans to commence transition from grey to green hydrogen in 2025
- L&T shipped an electrolyser from Hazira unit for Kandla Port in March
- AM Green to start green ammonia production in the second half of 2026
- Adani Enterprises' initial phase of green hydrogen to start production by FY27

Hydrogen Mission (NGHM) allocations for demand interventions. "The Government of India should prioritise and define green and low-carbon hydrogen purchase volume targets by refineries, fertiliser and chemical plants," an executive from IH2A noted.

Of the state-run refineries, so far Indian Oil Corporation (IOC) and Bharat Petroleum Corporation (BPCL) have successfully floated tenders, after a slow start. "The refineries took time as it was a request from the vendors

who wanted more time to figure out land and other requirements," said an oil industry executive, adding that the tenders should now come out faster, subject to price-discoveries.

For those making green hydrogen investments in India, the initial plan was to focus on exports, while domestic demand catches up. That plan has now come a cropper. "In almost every region, the incumbent governments have changed their priorities," the executive quoted earlier said, adding they are not witnessing any strong demand across regions, including the earlier-focused European, Japanese and Korean markets.

Commenting on the EU market, Amrit Singh Deo, IH2A secretariat lead, said, "The H2Global tenders for EU imports for green hydrogen are progressing into the second wave of region-specific tenders. India project developers have been active in the first tender and expected to participate in the Asia-specific tender."

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Tata Steel appoints 3 Welsh contractors for green steel-making project



Tata Steel has appointed three South Wales contractors to deliver key parts of its 1.25 billion pound cutting-edge green steel-making project at Port Talbot.

Over 300 skilled jobs in the local supply chain will be part of new contracts signed with Bridgend-based companies Darlow Lloyd and Sons, Wernick Buildings, and Swansea-based business, Andrew Scott Ltd.

Darlow Lloyd and Sons will play a key role in the initial phases of the project, overseeing excavation, recycling, infrastructure, and drainage works essential to the site's transition to Electric Arc Furnace (EAF) steel-making.

"We are delighted to announce this partnership which will boost employment across Neath Port Talbot and lay the foundation for future growth across the manufacturing sector," Director Rhys Lloyd said.

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