ONGC News as on 14 August 2024 (Print & Online)

Publication : Hindustan Times	Editions : New Delhi
Date :14 August 2024	Page : 20

JSW, Sembcorp, ONGC in race for Ayana stake

Utpal Bhaskar
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NEW DELHI: State-run Oil and Natural Gas Corp. (ONGC), JSW Group's JSW Neo Energy, and Singapore's Sembcorp Industries Ltd have been shortlisted to submit binding bids to buy a significant majority stake in Ayana Renewable Power Pvt. Ltd, two people aware of the development said, in what may rank among the biggest transactions in India's green energy sector.

These firms were the ones to submit their non-binding offers (NBOs) for the deal with an equity value of around $800 million, and are currently conducting due diligence, the people cited above said on the condition of anonymity. The National Investment and Infrastructure Fund (NIIF) backed company, which has a 5-gigawatt (GW) portfolio of operational and under-construction projects, is looking to sell a significant majority stake, that may translate into up to 100% stake sale.

The sale process is being run by Standard Chartered, with the last date for submitting final bids on 19 August.

"The Ayana transaction is a big one for the Indian renewable energy space and is being tracked intently for its outcome," said one of the two people cited above.

The sale process is being run by Standard Chartered. MINT

Interestingly, Sembcorp and JSW Neo Energy are also eyeing a majority stake in the 1 GW operational assets of Shell Plc's Sprng Energy group, in a deal having an equity and enterprise value of $350 million and $1.1 billion respectively, as reported by Mint on Tuesday.

Mint earlier reported about ONGC entering the fray, and Standard Chartered being mandated to manage the sale of Ayana Renewable Power, with the shareholders also seeking to raise an additional $400 million to finance the company's growth. The Economic Times on 4 May reported about JSW Neo Energy, and Sekura Energy among five bidders that have made non-binding offers to acquire a controlling stake in Ayana Renewable Power; with Masdar, Sembcorp and Macquarie also in the fray.

"Post the submission of the NBOs, ONGC, JSW and Sembcorp were shortlisted. They are conducting due diligence to submit their binding bids for which 19 August is the bid submission deadline," the second person said.

Bengaluru-headquartered Ayana Renewable Power is majority-owned by NIIF. Its other shareholders include the UK government's British International Investment and Eversource Capital. Ayana plans to build a 10GW portfolio by 2025.

Spokespersons for Standard Chartered, JSW Group and British International Investment plc declined comment. Spokespersons for NIIF, Ayana Renewable Power, Sembcorp, and Eversource Capital did not respond to queries emailed on late Monday night.

An ONGC spokesperson did not immediately respond to queries emailed on Tuesday.

India's deal-making space has been active across the sectors with a special focus on clean energy. "India Inc. witnessed 195 deals totalling $8.4 billion, reflecting a modest 16% increase in volumes," Grant Thornton Bharat said in its Dealtracker report for July released on Tuesday.

Publication : Mint	Editions : New Delhi
Date :14 August 2024	Page : 1, 6

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The deal may have equity value of about $800 mn. AFP

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Publication : Mint	Editions : New Delhi
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Three cos shortlisted for Ayana stake sale

FROM PAGE 1

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

Publication : The Hindu Business Line	Editions : New Delhi
Date :14 August 2024	Page : 6

Day trading guide

24158 » **Nifty 50 Futures**

S1	S2	R1	R2	COMMENT
24050	23900	24200	24400	Go short now and at 24180. Keep the stop-loss at 24230

₹1604 » **HDFC Bank**

S1	S2	R1	R2	COMMENT
1590	1560	1645	1680	Go short only below 1590. Keep the stop-loss at 1605

₹1796 » **Infosys**

S1	S2	R1	R2	COMMENT
1780	1740	1810	1845	Go short only below 1780. Keep the stop-loss at 1795

₹490 » **ITC**

S1	S2	R1	R2	COMMENT
487	484	493	498	Go short now and at 492. Stop-loss can be kept at 494

₹335 » **ONGC**

S1	S2	R1	R2	COMMENT
330	325	336	339	Take fresh shorts now. Stop-loss can be placed at 337

₹2927 » **Reliance Ind.**

S1	S2	R1	R2	COMMENT
2910	2870	2955	2985	Go short only below 2910. Keep the stop-loss at 2920

₹797 » **SBI**

S1	S2	R1	R2	COMMENT
792	787	801	810	Wait for a rise. Go short at 800 with a stop-loss at 803

₹4195 » **TCS**

S1	S2	R1	R2	COMMENT
4170	4110	4220	4250	Go long if TCS bounces from 4170 with a stop-loss at 4160

S1, S2: Support 1 & 2; R1, R2: Resistance 1 & 2.

Publication : Financial Express	Editions : New Delhi
Date :14 August 2024	Page : 1, 7

MSCI lifts curbs on Adani Group, adds seven stocks

IN A RELIEF for Adani Group, index provider MSCI has announced the lifting of restrictions on the treatment of its stocks, particularly regarding their free float status, reports **Vivek Kumar M.** MSCI will also add seven Indian stocks — Dixon, Vodafone Idea, RVNL, Oil India, Zydus Lifesciences, Prestige Estates Project and Oracle Financial — to its India index from September 2. This will push India's weight to 20% — just behind China at 22.3%. It is expected that the changes will lead to foreign inflows of up to $3 billion.

HDFC Bank slumps over 3% as MSCI to raise weight in two tranches ■ **Page 7**

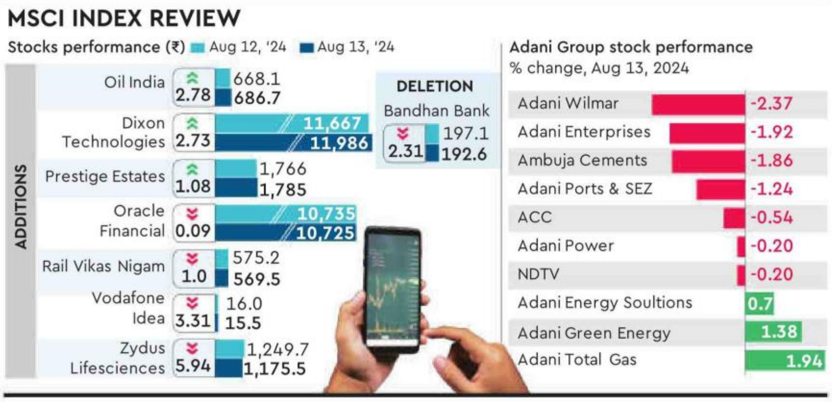
Publication : Financial Express	Editions : New Delhi
Date :14 August 2024	Page : 1, 7

RELIEF FOR ADANI STOCKS AS EMBARGO LIFTED ON COVERAGE

India's weight in MSCI EM index to rise to 20%

Up to $3 billion of passive foreign inflows expected

VIVEK KUMAR M
Mumbai, August 13



INDEX PROVIDER MSCI will add seven stocks to its India index, part of the Global Standard index, from September 2. The entry of these stocks will push India's weight in the index to 20% — just behind China at 22.3%. It is expected that the changes will lead to inflows of \$2.7-\$3 billion from passive foreign institutional investors (FIIs).

The seven Indian stocks to be added to the index are: Dixon Technologies, Vodafone Idea, Rail Vikas Nigam, Oil India, Zydus Lifesciences, Prestige Estates Project and Oracle Financial Services Software. These stocks will each see inflows in the range of \$170-\$281 million when the adjustments take effect, Nuvama said in a note.

The largest inflow in India from the MSCI changes will be in HDFC Bank, which is expected to see inflows of \$1.8 billion thanks to the increase in its weight in the index. However, the weight will increase in two stages — one in September and the next in November, subject to conditions.

Only one Indian stock – Bandhan Bank – is being removed from the Global Standard index in the latest review and shifted to the Global Small Cap Index.

MSCI is widely followed by many institutional and individual investors across the globe, who consider it as a base for their passive investments. As of December 31, 2023, MSCI-benchmarked equity indices had assets under management (AUM) of \$15.6 trillion.

The news of inclusion drove 1-3% gains in the shares of Prestige Estates, Dixon Technologies and Oil India on Tuesday.

MSCI will also add 27 Indian stocks to the Global Small Cap index and remove seven.

Sixty China-listed stocks will be axed and only two will be added. Given the current pace and momentum, Nuvama Alternative & Quantitative Research expects India's weight in the EM index to potentially cross 22% by year-end.

Relief for Adani stocks

Along with its quarterly index review, MSCI has also announced lifting the embargo on coverage of Adani stocks effective September 2. The global index provider had stopped certain adjustments in the group stocks amid concerns over the free float status post the Hindenburg report in 2023.

The latest announcement comes as a major relief for the conglomerate considering the latest Hindenburg report alleging ties between the group and the Securities and Exchange Board of India chairperson, Madhabi Puri Buch.

"MSCI will implement the index review changes, including changes in the number of shares (NOS), foreign inclusion factor (FIF) and domestic inclusion factor (DIF) of Adani Group and associated securities that have been previously postponed," it said in a statement.

While shares of Adani Group companies rose in early trade following the news, most of them could not hold on to the gains and ended lower. Among the worst hit were Adani Ports and Special Economic Zone, Ambuja Cements, Adani Enterprises and Adani Wilmar as they ended the day 1.5-3% lower.

Publication : Hindustan Times_edge	Editions : New Delhi
Date :14 August 2024	Page : 8

Oil India, Vi, 5 more to be added to MSCI India Index

Press Trust of India

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NEW DELHI: Seven firms, including Vodafone Idea and Oil India, would be included in the MSCI India Index effective August 30, 2024, as per the latest index review by MSCI.

Dixon Technologies (India), Oil India, Oracle Financial Services Software, Prestige Estates Projects, Rail Vikas Nigam, Vodafone Idea and Zydus Lifesciences are the additions in the MSCI India Index, according to an announcement by index compiler MSCI.

The changes in constituents for the MSCI Global Standard Indexes will take place as of the close of August 30, 2024, as per the announcement.

THE CHANGES IN CONSTITUENTS FOR THE MSCI GLOBAL STANDARD INDEXES WILL TAKE PLACE AS OF THE CLOSE OF AUGUST 30

Bandhan Bank would move out from the MSCI India Index, it announced.

Shares of Rail Vikas Nigam jumped 4.61%, Dixon Technologies climbed 3.29%, Oil India went up by 3.21%, Oracle Financial Services Software (1.95%) and Prestige Estates (1.46%) on the BSE.

However, Vodafone Idea and Zydus Lifesciences were trading lower.

MSCI is a leading provider of critical decision support tools and services for the global investment community.

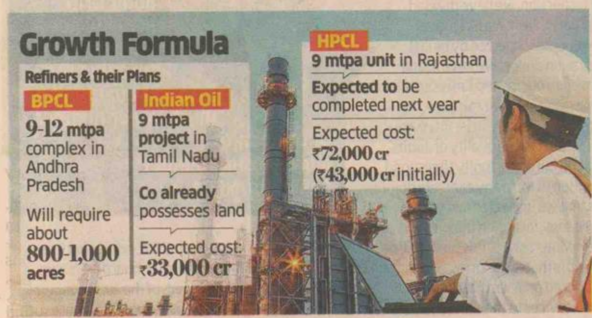
In the MSCI Global Smallcap Indices list, 27 firms will be included in the MSCI India Index. The additions include Bajaj Hindusthan Sugar, Bandhan Bank, Gulf Oil Lubricants India, Inox Wind Energy and TVS Supply Chain Solutions.

Cochin Shipyard, Dixon Technologies, Jaiprakash Associates, Network18 Media and two others would move out from the MSCI India Index from the Smallcap Indices list.

Publication : The Economic Times | Editions : Mumbai
Date :14 August 2024 | Page : 17

Publication : The Economic Times	Editions : Mumbai
Date :14 August 2024	Page : 17

AP Offers Three Sites for BPCL Project; Co to Take a Call Soon



Co planning a refinery & petrochem complex of 9-12 mtpa capacity in AP

Sanjeev Choudhary

New Delhi: The Andhra Pradesh government has told the Centre that it can allot land at Machilipatnam, Ramayapatnam or Mulapeta in the state for Bharat Petroleum's (BPCL) proposed refinery-cum-petrochemicals complex, according to people familiar with the matter.

The N Chandrababu Naidu government in Andhra Pradesh is pushing for a new refinery as it can help boost economic activity and generate jobs in the state. BPCL is studying the offer of land and may soon zero in on one location, people said.

The company is considering building an integrated refinery-cum-petrochemicals complex of 9-12 million tonnes per annum (mtpa) capacity in Andhra Pradesh. Based on the refinery's configurations, a 9 mtpa capacity would require about 800-1,000 acres of land.

It's unclear how the state government plans to participate in the project and if it would grant land for free. States usually offer free land or tax concessions to make a refinery project viable. The cost of building a refinery varies widely with configurations and land costs.

Indian Oil plans to build a refinery-cum-petrochemicals project with a capacity of 9 mtpa at about ₹33,000 crore at Nagapattinam in Tamil Nadu. The company already possesses the land for the project.

For the same capacity of 9 mtpa at Barmer in Rajasthan, Hindustan Petroleum (HPCL) is set to incur ₹72,000 crore. The project, initially planned to cost ₹43,000 crore, is expected to be completed next year. Land cost, changes in configurations and Covid-led delays have all contributed to the cost escalation.

Refiners are increasingly preferring downstream integration. Large greenfield refinery projects almost always have petrochemical manufacturing for economic viability.

Refiners also see petrochemicals as a hedge against the probable eventual decline of liquid fuels such as petrol and diesel, the main revenue earners of today's refineries.

However, an integrated complex is not viable below a certain size. This is why some of the new projects being conceived are at least 9 mtpa in capacity.

The issue of building a new refinery-cum-petrochemicals complex in Andhra Pradesh has been discussed since the reorganisation of the state in 2014.

The idea of a refinery didn't quite gain traction but GAIL and HPCL seriously considered the idea of jointly building a petrochemicals complex in Andhra Pradesh at an estimated cost of ₹30,000 crore. They also held discussions with some foreign players for strategic investment in the project. The project, however, didn't take off.

Publication : The Hindu Business Line	Editions : New Delhi
Date :14 August 2024	Page : 10

Crude oil steadies amid demand concerns

Crude oil prices steadied after rising for five consecutive sessions, as markets refocused on concerns about demand after OPEC cut its forecast for demand growth in 2024. Benchmark Brent crude futures were down 30 cents at $82; US WTI crude was down 29 cents at $79.77 a barrel.
REUTERS

Online

Headline	India as world's 4th largest refiner moves towards energy self-sufficiency: Minister		
Publication	Ahmedabad Mirror	Edition	Online Coverage
Published Date	13 Aug 2024		

India as world's 4th largest refiner moves towards energy self-sufficiency: Minister

https://www.ahmedabadmirror.com/india-as-worlds-4th-largest-refiner-moves-towards-energy-self-sufficiency-minister/81873817.html

India as world's 4th largest refiner moves towards energy self-sufficiency: Minister

India, the world's fourth largest refiner, is confidently journeying towards energy self-sufficiency under the leadership of Prime Minister Narendra Modi, Petroleum Minister Hardeep Singh Puri said on Tuesday.

The Minister said that with the country's energy demand expected to double by 2050, we continue to focus on expansion of our existing energy infrastructure.

Towards this mission, the Ministry has also notified the allocation of gas produced from new wells or well interventions from nominated fields of ONGC and Oil India Limited at 20 per cent premium (total 12 per cent of Indian Crude basket price for new gas) over the administered price mechanism (APM) price fixed at 10 per cent of the Indian Crude basket price, as announced by the Petroleum Planning and Analysis Cell (PPAC) on monthly basis.

According to Minister Puri, this will make the new gas development projects viable and help companies augment the production of natural gas from nominated fields in high risk and capital-intensive challenging areas that require a higher amount of capital and technology for development.

Towards its goal of self-reliance in the field of energy, the country has achieved record gas production.

India achieved 36.43 billion cubic feet (BCM) gas production in FY24, from 28.7 BCM in FY21. The country is expected to reach 45.3 BCM gas production by FY26, according to Minister Puri.

The focus of the Oil Ministry under the BJP-led NDA government is to boost oil and gas exploration, green hydrogen and increase gas consumption in the country.

Meanwhile, the consumption of natural gas in India went up 7.1 per cent in June to 5,594 million metric standard cubic metres (MMSCM), this year.

According to the government, the gas companies have been expanding their network to meet the rising demand for the green fuel. Consumption of petroleum products such as petrol, diesel and jet fuel went up by 2.6 per cent in June to 20 million metric tonnes (MMT).

Headline	Government Sanctions Premium on Gas Prices for Newly Drilled ONGC and OIL Wells		
Publication	Chemical Industry Digest	Edition	Online Coverage
Published Date	13 Aug 2024		

Government Sanctions Premium on Gas Prices for Newly Drilled ONGC and OIL Wells

https://chemindigest.com/government-sanctions-premium-on-gas-prices-for-newly-drilled-ongc-and-oil-wells/

In a strategic policy shift to bolster the feasibility of gas production projects, the ministry of petroleum and natural gas has announced a revised pricing structure for natural gas extracted from new wells and well interventions in the designated fields of Oil and Natural Gas Corporation (ONGC) and Oil India Limited (OIL).

According to the new guidelines, gas from these sources will now receive a 20 percent premium over the standard Administrative Price Mechanism (APM) rate, up from the previous 10 percent premium.

The change is part of the broader domestic gas pricing policy, where the APM price is set at 10 percent of the Indian crude basket price, with monthly adjustments determined by the Petroleum Planning and Analysis Cell (PPAC).

With the recent notification, gas from new wells or well interventions in these nominated fields will be priced at 12 percent of the Indian crude basket price, effectively reflecting the 20 percent premium.

The policy adjustment is expected to enhance the economic viability of new gas development projects, especially in challenging areas where production costs are higher due to the need for advanced technology and significant capital investment.

The ministry of petroleum and natural gas has highlighted that this pricing enhancement is essential for ONGC and OIL to increase production in fields that require more resources and technology to fully exploit.

The Directorate General of Hydrocarbons (DGH) has been tasked with establishing the operational details of the premium pricing, which has now received approval from the ministry. The revised pricing is anticipated to be a key driver in developing new gas resources across the country.

ONGC has already greenlit several major projects aimed at boosting domestic gas production. Among the most notable is the Daman upside development project in the Mumbai high field, approved at a cost of 7,800 crore.

The project is expected to yield peak production of approximately five million metric standard cubic meters per day (MMSCMD) of natural gas. Additionally, the ONGC Board has approved the Integrated Development of four contract areas under the Discovered Small Fields (DSF-II) policy.

This project, with an estimated cost of 6,000 crore, is expected to achieve a peak production of around four MMSCMD of gas. The central government has already granted pricing and marketing freedom for this project under the DSF Policy, further supporting its economic feasibility. As with the Daman project, the contract for this project has also been awarded, paving the way for increased production in the near future.

As reported by msn.com, the notification of a 20 percent premium on gas prices for new wells in ONGC and OIL fields represents a strategic move by the Indian government to strengthen domestic gas production.

By enhancing the attractiveness and viability of gas development projects, this policy is expected to play a crucial role in meeting Indias energy demands and advancing the nations energy security and sustainability objectives.

Headline	ONGC Day - Celebrating The Work Of India's Largest Government-Owned Oil And Gas Explorer		
Publication	ETV Bharat	Edition	Online Coverage
Published Date	14 Aug 2024		

ONGC Day - Celebrating The Work Of India's Largest Government-Owned Oil And Gas Explorer

https://www.etvbharat.com/en/!business/ongc-day-celebrating-the-work-of-indias-largest-government-owned-oil-and-gas-explorer-enn24081304753

It is the largest government-owned oil and gas explorer and producer in the country and produces around 70 per cent of India's domestic production of crude oil and around 84 per cent of natural gas.

New Delhi: August 14 every year is marked to observe the foundation day of India's public sector undertaking (Oil PSU) Oil and Natural Gas Corporation Limited (ONGC). The ONGC comes under the Ministry of Petroleum and Natural Gas.

History & Significance

During pre-independence, the Assam Oil Company in the North-Eastern and Attock Oil Company in the North-Western part of undivided India were the only oil companies producing oil in the country. The major part of Indian sedimentary basins was deemed to be unfit for development of oil and gas resources.

In 1955, the Centre decided to develop the oil and natural gas resources in the various regions of the country as part of public sector development. With this objective, an Oil and Natural Gas Directorate was set up in 1955 under the then Ministry of Natural Resources and Scientific Research. The department was constituted with a nucleus of geoscientists from the Geological Survey of India.

Soon, after the formation of the Oil and Natural Gas Directorate, it became apparent that it would not be possible for the Directorate with limited financial and administrative powers to function efficiently. So, in August 1956, the Directorate was raised to the status of a commission with enhanced powers.

Thus, ONGC was founded on August 14, 1956, by the Government of India. It is the largest government-owned oil and gas explorer and producer in the country and produces around 70 per cent of India's domestic production of crude oil and around 84 per cent of natural gas. ONGC is vertically integrated across the entire oil and gas industry. In November 2010, the Government of India conferred the Maharatna status to ONGC.

ONGC's Exploration

Since its inception, ONGC has been instrumental in transforming the country's limited upstream sector into a large viable playing field, with its activities spread throughout India and significantly in overseas territories. Domestically, ONGC not only found new resources in Assam but also established a new oil province in the Cambay basin (Gujarat), while adding new petroliferous areas in the Assam-Arakan Fold Belt and East coast basins (both inland and offshore).

ONGC went offshore in the early 70's and discovered a giant oil field in the form of Bombay High, now known as Mumbai High. This discovery, along with subsequent discoveries of huge oil and gas fields in Western offshore changed the oil scenario of the country. Subsequently, over five billion tonnes of hydrocarbons, which were present in the country, were discovered. The most important contribution of ONGC, however, is its self-reliance and development of core competence in E&P activities at a globally competitive level.

Exploration Activity In the Last Three Years

As a part of exploration activity during the last three years and the current year, ONGC has acquired 3,743.71Line Kilometre (LKM) of two-dimensional (2D) and 30,417.91 Square Kilometre (SKM)of three-dimensional (3D) seismic data. It has drilled 276 exploratory wells, which established around172.54 Million Metric Tonne (MMT) of 2P (Proven and Probable) Oil Initially In-Place (OIIP) reserves with 46.58 MMT estimated ultimate recovery (EUR).

According to government data, as of April 1, 2024, ONGC has oil reserves in nine sedimentary basins which have a total 2P (Proven and Probable) reserves of 320.89 MMT. The ONGC has produced 19.545 MMT crude oil (including condensate) from their oil reserves in 2021-22, followed by 19.584 MMT in 2022-23, 19.471 MMT in 2023-24 and 4.883 MMT upto June this year.

Largest Crude Oil And Natural Gas Company

ONGC's quest for energy goes deeper than setting new benchmarks in deep-water drilling in the Krishna Godavari Basin or finding new frontiers of energy. Global decline in crude prices notwithstanding, India has taken significant investment decisions diligently and aggressively, reversing the production trend offshore. And now ONGC is venturing into deeper offshore plays in the quest for energy security. It is this journey that has placed ONGC among Fortune "World's Most Admired Companies".

ONGC's Global Outreach

In the year 2002-03, after taking over MRPL from the A V Birla Group, ONGC diversified into the downstream sector. ONGC has also entered the global field through its subsidiary, ONGC Videsh Ltd. (OVL). ONGC has made major investments in Vietnam, Sakhalin, Columbia, Venezuela, Sudan, etc. and earned its first hydrocarbon overseas revenue from its investment in Vietnam.

CSR Activities

Oil & Gas Public Sector Undertakings (PSUs) undertake corporate social responsibility (CSR) activities under the heads identified under Schedule VII of the Companies Act, 2013 with a special focus on health (nutrition, sanitation, and drinking water), education, skill development, rural development, women empowerment, environment-oriented initiatives and care for the elderly & differently abled Persons.

The Board of the Company is empowered to plan, approve, execute, and monitor the CSR activities of the company based on the recommendations of its CSR committee.

In the financial year 2024, ONGC registered the highest-ever CSR expenditure of Rs 634 crore including the highest-ever expenditure of Rs 81 crore in the Company's Aspirational Districts. ONGC has also been conferred with the Social Changemaker Award (Oil & Gas).

Revenue Performance

In terms of financial performance, ONGC logged a gross revenue of Rs 1,38,402 crore in financial year 2024 against Rs 1,55,517 crore in financial year 23. The Company realised USD 80.77/bbl for crude sold in the domestic market in financial year 24, compared to USD 91.90/ bbl (financial year 23). During financial year 24, ONGC attained the highest-ever standalone Profit after Tax (PAT) of Rs 40,526 crore as against PAT of Rs 40,097 crore in the financial year 2023. At the group level, ONGC achieved an impressive revenue from operations of Rs 6,43,037 crore and the highest-ever profit after tax of Rs 57,101 crore.

Headline	ONGC Gets 20% Price Boost for Gas from New Wells		
Publication	IIFL	Edition	Online Coverage
Published Date	13 Aug 2024		

ONGC Gets 20% Price Boost for Gas from New Wells

https://www.indiainfoline.com/news/companies/ongc-gets-20-price-boost-for-gas-from-new-wells

For any natural gas that ONGC produces from new wells, the government has allowed a 20% premium over the regulated or APM price, the firm announced on Monday. The majority of natural gas produced domestically is currently controlled by two price regimes. Natural gas is used to make electricity, fertilizer, CNG for automobiles, and is piped to homes for cooking.

Headline	Numaligarh Refinery to triple output by 2025 with Rs 28,000 crore investment		
Publication	Manufacturing Today	Edition	Online Coverage
Published Date	14 Aug 2024		

Numaligarh Refinery to triple output by 2025 with Rs 28,000 crore investment

https://www.manufacturingtodayindia.com/numaligarh-refinery-to-triple-output-by-2025-with-rs-28000-crore-investment/

It is anticipated that the Numaligarh Refinery (NRL) expansion project in Assam will be finished by December 2025.

The expansion will make it possible to raise capacity from the current three million tonnes per year to nine million tonnes per year. The project to expand the NRL will probably cost over Rs 28,000 crore.

Physical improvement is currently at 65 per cent. For this project, the total equity commitment will be approximately Rs 5,500 crore, of which 69 percent will come from Oil India. The project has already received investments of Rs 19,000 crore. The refinery will run at 5060 per cent capacity after its expansion until reaching full capacity in 20262027 after stabilizing.

As part of its growth, NRL plans to build a refinery with a six million TPA capacity, along with related pipelines and terminals for crude oil, with the goal of processing both Arab Light and Arab Heavy grades of crude oil. Furthermore, the government of Assam has raised its ownership of the refinery from 12.35 to 26 per cent.

Additionally, nine MMTPA of imported crude would be transported by a 1,640 km cross-country pipeline that will be built from Paradip Port in Odisha to Numaligarh.

In addition, Oil India now intends to drill 78 wells in 202425 as opposed to 61 wells in FY24, with the goal of drilling 100 wells in the ensuing years. The company anticipates a rise in gas output following the construction of the pipeline that will link Oil India's producing fields to the country's gas infrastructure. By December of this year, Indradhanush Gas Grid (IGGL), a joint venture of IOCL, ONGC, GAIL, OIL, and NRL, hopes to have the first section of the pipeline put out.

Headline	JSW, Sembcorp, ONGC shortlisted to acquire Ayana in $800 million deal		
Publication	Mint	Edition	Online Coverage
Published Date	14 Aug 2024		

JSW, Sembcorp, ONGC shortlisted to acquire Ayana in $800 million deal

https://www.livemint.com/companies/news/jsw-neo-sembcorp-ongc-shortlisted-to-acquire-niif-backed-ayana-in-800-million-deal-binding-bids-by-19-august-11723551065796.html

These firms were the ones to submit their non-binding offers (NBOs) for the deal with an equity value of about $800 million, and are currently conducting due diligence.

New Delhi: State-run Oil and Natural Gas Corp. (ONGC), JSW Group's JSW Neo Energy, and Singapore's Sembcorp Industries Ltd have been shortlisted to submit binding bids to buy a significant majority stake in Ayana Renewable Power Pvt. Ltd, two people aware of the development said, in what may rank among the biggest transactions in India's green energy sector.

These firms were the ones to submit their non-binding offers (NBOs) for the deal with an equity value of around $800 million, and are presently conducting due diligence, the people cited above said on the condition of anonymity. The National Investment and Infrastructure Fund (NIIF) backed company, which has a 5-gigawatt (GW) portfolio of operational and under-construction projects, is looking to sell a significant majority stake, that may translate into up to 100% stake sale.

The sale process is being run by Standard Chartered, with the last date for submitting final bids on 19 August.

"The Ayana transaction is a big one for the Indian renewable energy space and is being tracked intently for its outcome," said one of the two people cited above.

Interestingly, Sembcorp and JSW Neo Energy are also eyeing a majority stake in the 1 GW operational assets of Shell Plc's Sprng Energy group, in a deal having an equity and enterprise value of $350 million and $1.1 billion respectively, as reported by Mint on Tuesday.

ONGC in fray

Mint earlier reported about ONGC entering the fray, and Standard Chartered being mandated to manage the sale of Ayana Renewable Power, with the shareholders also seeking to raise an additional $400 million to finance the company's growth. The Economic Times on 4 May reported about JSW Neo Energy, and Sekura Energy among five bidders that have made non-binding offers to acquire a controlling stake in Ayana Renewable Power; with Masdar, Sembcorp and Macquarie also in the fray.

Post the submission of the NBOs, ONGC, JSW and Sembcorp were shortlisted. They are conducting due diligence to submit their binding bids for which 19 August is the bid submission deadline," the second person said.

Bengaluru-headquartered Ayana Renewable Power is majority-owned by NIIF. Its other shareholders include the UK government's British International Investment and Eversource Capital. Ayana plans to build a 10GW portfolio by 2025 and has projects in Andhra Pradesh, Tamil Nadu, Karnataka, Rajasthan and Gujarat.

Spokespersons for Standard Chartered, JSW Group and British International Investment plc declined comment. Spokespersons for NIIF, Ayana Renewable Power, Sembcorp, and Eversource Capital did not respond to queries emailed on late Monday night. An ONGC spokesperson did not immediately respond to queries emailed on Tuesday.

Deal-making active

India's deal-making space has been active across the sectors with a special focus on clean energy. India Inc. witnessed 195 deals totaling $8.4 billion, reflecting a modest 16% increase in volumes. The consistent month-on-month volume growth since April 2024 suggests growing investor confidence and domestic resilience, especially around the election period," Grant Thornton Bharat said in its Dealtracker report for July released on Tuesday. Several deals are in play, thanks to opportunities in India's energy transition space.

Energy and natural resources led deal activity, with 12% deal volumes driven by the energy & renewables segment that contributed 50% of volumes and 92% of values, the Grant Thornton Bharat report said, adding, The Union Budget 2024 displayed the government's plans for growth in the infrastructure, solar energy, railways, cleantech and the electric vehicles space."

NIIF is sponsored by the Indian government, which holds a 49% interest in it. It primarily focuses on investing in core infrastructure sectors such as transportation, airports, ports, logistics and roads, green energy and digital. It manages around $5 billion of equity capital commitments across its three fundsMaster Fund, Fund of Funds and Strategic Opportunities Fundwith investments in sectors such as ports and logistics, renewable energy, roads, digital infrastructure, and manufacturing.

Eyeing acquisitions

Given the changing hydrocarbon energy landscape, ONGC has been actively pursuing acquisitions in the clean energy space. Attracted by India's energy transition trajectory, global oil majors including Shell Plc, Total, Thailand's PTT Group and Malaysia' state run Petronas unit Gentari Sdn Bhd have already established a presence in India's green energy sector, as the conventional hydrocarbon space undergoes disruption. ONGC, on its part, plans to spend 1 trillion on green initiatives by 2030 to reduce its carbon footprint as part of a broader effort to achieve net zero emissions by 2038. ONGC has a renewable energy portfolio of 189 megawatt (MW) as of FY23, with plans to ramp it up to 10 GW by 2030.

Meanwhile, JSW Neo Energy has bought 1.75 GW of renewable energy projects from Mytrah Energy at an enterprise value of 10,530 crore; and is also among firms that has signed non-disclosure agreements (NDA) to buy European alternative asset manager EQT and Singapore's Temasek' renewable energy platform in India O2 Power, in a deal having an equity value of around $1 billion. JSW Neo Energy has a 13.6 GW generation portfolio, of which 2.6 GW is in the construction stage. Singapore Exchange listed Sembcorp has also lined up an ambitious green energy play in India and is also among suitors for Brookfield Renewable's 1.6-gigawatt (GW) portfolio in India in the deal expected to have an equity value of around $800 million.

Headline	New Gas Pricing Regime To Aid ONGC Profitability, Say Brokerages		
Publication	NDTV Profit	Edition	Online Coverage
Published Date	13 Aug 2024		

New Gas Pricing Regime To Aid ONGC Profitability, Say Brokerages

https://www.ndtvprofit.com/business/new-gas-pricing-regime-to-aid-ongc-profitability-say-brokerages

The premium pricing will apply to 14%, 21%, and 28% of ONGC's total volumes in fiscal 2025, 2026, and 2027, respectively, said Jefferies.

The Indian government on Monday allowed Oil and Natural Gas Corp. to charge a 20% premium over the administrative price mechanism for domestically produced gas from new wells and new interventions at nomination fields.

According to Citi, this new gas pricing regime would apply to 10% of the oil producer's current gas production, and Jefferies expects it to help the company's net profits over the next two years.

Applicability Of New Pricing

The new gas pricing regime applies to 10% of ONGC's current gas production and will apply to 2025% of the company's production in two to three years, according to Citi.

The premium pricing will apply to 14%, 21%, and 28% of ONGC's total volumes in fiscal 2025, 2026, and 2027, respectively, said Jefferies.

Impact On Financials

Jefferies has increased its net profit estimates for ONGC in fiscal 2026 and 2027 by 2% and 3%, respectively, in response to the anticipated volume impact. The brokerage also raised its earnings per share estimates for the same periods by 2-3%.

According to Citi, the new pricing regime could cause ONGC's blended gas price realizations to rise from $6.5 per million metric British thermal unit in fiscal 2024 to $7.5 per million metric British thermal unit in fiscal 2027.

Opinion

Government Allows ONGC, Oil India To Price Gas From New Wells At 20% Premium

Gas Pricing In India

India's oil and gas sector uses the Administered Price Mechanism, or APM, a government-controlled pricing system, to set the price of petroleum products. The APM price for natural gas is linked to the Indian crude basket price and is revised monthly.

Before the 20% premium was introduced, gas produced from new wells in ONGC's nomination fields was priced at the same rate as gas from existing wells: $6.5 per million metric British thermal unit. This capped the company's realizations about produced gas.

Nomination fields are oil and gas exploration and production blocks awarded to state-owned companies, primarily ONGC and Oil India, without competitive bidding before 1999.

Headline	ONGC Receives Approval for Major Gas Development Projects		
Publication	SME Street	Edition	Online Coverage
Published Date	13 Aug 2024		

ONGC Receives Approval for Major Gas Development Projects

https://smestreet.in/sectors/ongc-receives-approval-for-major-gas-development-projects-6853338

In pursuance of the above guidelines, MOP&NG has now notified the allocation of gas produced from new wells or well interventions from nominated fields of ONGC/OIL at 20% premium over the APM price.

SMEStreet Edit Desk

As per Guidelines for domestic gas pricing, domestic natural gas price (APM Price) was fixed at 10% of the Indian Crude basket price as announced by Petroleum Planning and Analysis (PPAC) on monthly basis. It was provided in the guidelines that for the gas produced from new wells or well intervention in the nomination fields of ONGC/ Oil India Limited, there would be a premium of 20% over APM prices (i.e. total 12% of Indian Crude basket price for new gas). The modalities for the same had to be worked out by Directorate General of Hydrocarbon (DGH) for approval of Ministry of Petroleum and Natural Gas (MOP&NG).

In pursuance of the above guidelines, MOP&NG has now notified the allocation of gas produced from new wells or well interventions from nominated fields of ONGC /OIL at 20% premium over the APM price.

The enhanced price for new gas will make the new gas development projects viable and help the ONGC to augment the production of Natural Gas from nominated fields in challenging areas that require higher amount of capital and technology. This will enhance the investment capacity in the Company to take up development projects which are otherwise capital intensive and involve higher degree of risks requiring commensurate prices. ONGC Board has recently approved Daman Upside Development project in our nominated field of Mumbai High at a cost of ~ Rs 7,800 crore for increasing the domestic gas production and job has already been awarded for execution. The peak production envisaged from this project is around 5 MMSCMD.

ONGC Board has also approved another project Integrated Development of 4 Contract areas under DSF-II at a Project cost of ~ Rs 6,000 crore with a peak production of around 4 MMSCMD of gas where GoI has already allowed pricing and marketing freedom under DSF Policy. Job has already been awarded for execution of this project also.

The implementation of policy decision aligns with the National vision of achieving target of share of Natural gas in Indian energy basket from 6% to 15% by 2030.

Headline	India's L&T signs engineering and consultancy deal with Shell		
Publication	Upstream Online	Edition	Online Coverage
Published Date	13 Aug 2024		

India's L&T signs engineering and consultancy deal with Shell

https://www.upstreamonline.com/field-development/indias-l-t-signs-engineering-and-consultancy-deal-with-shell/2-1-1691669

L&T is Indias largest contracting player in oil & gas and a key member of Saudi Aramcos LTA framework for offshore projects

L&T Technology Services, a subsidiary of Indian private sector giant Larsen & Toubro, has signed a long-term framework agreement with supermajor Shell for work on multiple engineering, procurement and consultancy projects.

L&T is Indias largest contracting player for the oil & gas industry and a key member of Saudi Aramcos long term agreement (LTA) framework for offshore projects.

The multi-year framework deal will see the L&T subsidiary providing integrated engineering and procurement services along with digital engineering services, data governance for capital projects and digital project management consultancy for Shells global assets as necessary, the Indian contractor said in a statement on Tuesday.

The duration and the value of the framework deal were not revealed.

Amit Chadha, chief executive of L&T Technology Services, said the agreement with Shell as their engineering partner further builds on the company’s relationship in the area of information management and allied engineering services.

With our extensive experience and capabilities in serving energy sector clients, we are excited to work with Shell and contribute in achieving their strategic objectives, Chadha said.

Headline	Multibillion-dollar Adnoc projects gain momentum as Abu Dhabi giant targets expansion of legacy assets		
Publication	Upstream Online	Edition	Online Coverage
Published Date	14 Aug 2024		

Multibillion-dollar Adnoc projects gain momentum as Abu Dhabi giant targets expansion of legacy assets

https://www.upstreamonline.com/field-development/multibillion-dollar-adnoc-projects-gain-momentum-as-abu-dhabi-giant-targets-expansion-of-legacy-assets/2-1-1687961

Company currently executing multiple expansion projects including the Upper Zakum and Lower Zakum offshore fields

Multiple oilfield expansion projects from Abu Dhabi National Oil Company (Adnoc) have gained momentum in recent months as the Emirati state giant swiftly expands its oil production capacity to 5 million barrels per day.

While Adnoc aims to reach the 5 million bpd oil production capacity target by 2027, some industry sources believe that it could reach that level months earlier.

Headline	Chevron plans next development phase at $50 billion-plus 'Australian icon'		
Publication	Upstream Online	Edition	Online Coverage
Published Date	13 Aug 2024		

Chevron plans next development phase at $50 billion-plus 'Australian icon'

https://www.upstreamonline.com/focus/chevron-plans-next-development-phase-at-50-billion-plus-australian-icon/2-1-1678924

New offshore fields to be exploited to feed giant Gorgon gas project

Workers at Chevron's Gorgon gas project in Western Australia.Photo: CHEVRON

US supermajor Chevron is planning for the third and a potential fourth development phase at its multibillion-dollar Gorgon gas project on Barrow Island, offshore Western Australia, which it refers to as an "Australian icon".

Gorgon Stage 3 (GS3), which has yet to take the final investment decision, would see new offshore fields brought on stream to help keep Gorgons three liquefied natural gas trains and domestic gas plant operating at full capacity for decades to come.