



**ONGC News as on 28 August 2024 (Print & Online)**

# Oil, gas PSUs carry out a third of FY25 capex in April-July

ARUNIMA BHARADWAJ  
New Delhi, August 27

**PUBLIC-SECTOR OIL AND** gas companies have spent more than ₹38,419 crore as capex — nearly 32.4% of the annual target of ₹1.2 lakh crore — in the first four months of the financial year 2024-25, provisional data from the petroleum planning and analysis cell showed.

The capital expenditure during the period was driven by Oil and Natural Gas Corp, Indian Oil Corp, and Hindustan Petroleum Corp. While ONGC incurred a capex of ₹11,710 crore, constituting 38% of its annual capex target of ₹30,800 crore, Indian Oil spent ₹11,483 crore out of its annual target of ₹30,909 crore. The robust capex pace maintained by these firms is at a time the overall capital expenditure by central public sector enterprises fell by 16% on year in April-July due to the disruptions caused by the general elections. The decline in the CPSEs' capex in the first four months of the fiscal was more prominent for the top two investors — Railways Board and the National Highways Authority of India (NHAI).

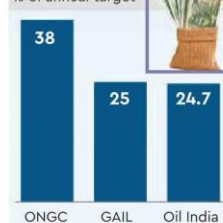
ONGC, in its earnings call earlier, has guided to a capex of ₹32,000-33,000 crore each for FY25 and FY26. The company is expected to invest a major portion of its capex towards increasing its oil and gas production, particularly from KG 98/2 basin. The field currently produces 12,000 barrels per day of oil (from four wells) and ~0.4 mmscmd of gas. The company expects to start additional wells in the second and third quarters of the fiscal, which should help it reach oil production of 30,000 bbl/d in Q4 and 45,000 bbl/d in subsequent quarters, it had said.

Analysts believe that the major expansion projects announced by the oil marketing companies in the next two years, and robust volume growth for the city gas distribution companies are expected to lead to substantial growth for the Indian energy sector companies. HPCL and Bharat Petroleum Corp spent ₹3,521 crore and ₹3,088 crore, respectively, in April-July. State-owned downstream companies also intend to boost their refining capacity and strengthen marketing infrastructure.

GAIL, the state-owned leading natural gas company, has spent 25% of its targeted annual capex in the April-July period. The company

## FUEL FOR GROWTH

Capex spending in % of annual target



incurred a capex of ₹2,033 crore during the period, out of its annual target of ₹8,044 crore.

“CGDs are optimistic about robust volume growth and margins, given that spot LNG prices are anticipated to stay stable. ONGC and OINL (Oil India Ltd) also forecast strong production growth due to KG-98 and NRL (Numaligarh Refinery Limited), respectively. Additionally, gas utility entities are anticipating continued strong transmission volumes, all setting the stage for substantial growth,” Motilal Oswal had said.

The country's top oil producer's overseas arm, ONGC Videsh Ltd (OVL), spent ₹1,754 crore out of its full-year target of ₹5,580 crore during the period. The company is expected to boost overseas oil and gas production and will be investing 71% more this year than the capex in FY24 which stood at ₹3,262 crore. Oil India incurred a capex of ₹1,703 crore in April-July, accounting for almost 24.7% of its annual target of ₹6,880 crore. In FY24, state-owned oil companies cumulatively spent close to ₹1.3 lakh crore, up 12% from the amount spent in FY23. During the last fiscal, ONGC, Indian Oil, BPCL, HPCL, GAIL and Oil India exceeded their initial annual capex target for the year.

Publication : Mint	Editions : New Delhi
Date :28 August 2024	Page : 4

## Energy stocks rally still has fuel for gains

Bloomberg  
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**A** bull run in India's oil and gas companies may still have legs, underpinned by surging domestic demand and expectations of higher dividend payouts.

The Nifty Energy Index, a local benchmark for the industry, has risen 31% this year, on course for a nine-year winning streak. In the period, a *Bloomberg* gauge of the world's 124 mid- to large-sized energy firms has gained 4.7%, with half of its top 10 performers being traditional energy firms from India.

The sector, dominated by India's state-owned companies, has been an investor darling due to the country's rapidly growing energy consumption, with the country projected to be the leading driver of global demand through 2030. The optimism also stems from policy incentives to boost domestic oil and gas production, as well as increased cash payouts to shareholders.

"In a market where earnings growth visibility is highly valued, and dividends are scarce, Indian energy companies stand out by offering attractive dividend yields," said Vikas Pershad, portfolio manager at M&G Investments. "We maintain broad exposure to this sector and remain open to increasing our allocation to these companies."

Major producer Oil India Ltd is the industry's top performing stock this year with a



The sector is dominated by India's state-run firms. REUTERS

gain of 184%. The company, along with Oil and Natural Gas Corp. Ltd, has more earnings upside after India announced earlier this month that natural gas produced from new wells will enjoy a 20% price premium, according to JM Financial.

Meanwhile, refiners are expected to benefit from improved margins in the next two quarters, while an ongoing building blitz to expand industry capacity will likely bring rewards in the long run.

"A combination of higher gross refining margins, range-bound crude, and stable fuel prices implies that the oil marketing companies' integrated margins should improve sharply over 2Q-3Q," Saurabh Handa, analyst at Citigroup Inc., wrote in a recent note.

The sector's higher dividends are another attraction. The Nifty Energy Index's projected 12-month dividend yield is 2.1%, compared with 1.2% for the benchmark Nifty 50, data compiled by *Bloomberg* shows.

Publication : Mint	Editions : New Delhi
Date :28 August 2024	Page : 9



TCG is in talks with ONGC and Hindustan Petroleum for oil-to-chemicals project. **REUTERS**

## TCG seeks partner for \$10-bn project

**U**S-based private equity firm The Chatterjee Group is seeking to partner with Indian state-run companies for its oil-to-chemicals project in the nation, according to people familiar with the matter.

TCG is in talks with Oil and Natural Gas Corp. Ltd (ONGC) and its unit Hindustan Petroleum Corp. Ltd for the planned project estimated at more than \$10 billion in Cuddalore in Tamil Nadu, the people said, asking not to be identified as the discussions are private.

The proposal is for the oil companies to collectively hold a 49% stake in the venture, whereas TCG will own 51%, they said.

Investment in the project underscores attempts at ramping up petrochemical capacities in India as it provides building blocks for everything from consumer goods to car parts. **BLOOMBERG**

## Key HC ruling on BMC's water tax

### FPJ News Service

MUMBAI

The Bombay High Court has held that the BMC can levy water tax and water benefit tax irrespective of whether the owner or occupier of a property actually uses any.

An HC bench was hearing a reference arising from conflicting views taken by a division bench of the court on the issue of the liability of the owner or occupier not consuming water supplied by the corporation to pay water tax and water benefit tax.

One of the petitions before the court was of ONGC, which challenged a notice of

demand in 2000 seeking tax. ONGC possessed a plot at H Block, BKC, and was paying property tax, which did not include water taxes. In 1998, ONGC submitted its plan to construct a building on the plot.

In 2000, the BMC raised the demand to levy water tax at 130% of the plot's rateable value. ONGC questioned the levy, arguing that it had not procured a water connection for the plot. However, the HC took note of an order passed by the Supreme Court in 2020, which held that water tax and water benefit tax form part of property tax under the Act.

## Day trading guide

### 25001 » Nifty 50 Futures

S1	S2	R1	R2	COMMENT
24960	24900	25100	25200	Wait for dips. Go long at 24970. Keep the stop-loss at 24930

### ₹1637 » HDFC Bank

S1	S2	R1	R2	COMMENT
1630	1615	1650	1670	Go short only below 1630. Keep the stop-loss at 1635

### ₹1900 » Infosys

S1	S2	R1	R2	COMMENT
1885	1850	1905	1940	Go long only above 1905. Keep the stop-loss at 1895

### ₹501 » ITC

S1	S2	R1	R2	COMMENT
498	494	505	509	Go short only below 498. Stop-loss can be placed at 500

### ₹329 » ONGC

S1	S2	R1	R2	COMMENT
326	322	333	338	Immediate outlook is unclear. Avoid trading this stock

### ₹3000 » Reliance Ind.

S1	S2	R1	R2	COMMENT
2995	2975	3020	3040	Go short only below 2995. Stop-loss can be kept at 3005

### ₹815 » SBI

S1	S2	R1	R2	COMMENT
811	807	819	824	Go long on a bounce from 811 with a stop-loss at 809

### ₹4494 » TCS

S1	S2	R1	R2	COMMENT
4485	4450	4515	4560	Go short on a break below 4485. Keep the stop-loss at 4495

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



Publication : Business Standard	Editions : New Delhi
Date :28 August 2024	Page : 2

### **TCG seeks partnership with oil firms for \$10 billion project**

US-based private equity firm The Chatterjee Group (TCG) is seeking to partner with state-run companies for its oil-to-chemicals project, according to people familiar with the matter. TCG is in talks with Oil & Natural Gas and its unit Hindustan Petroleum for the planned project estimated at more than \$10 billion in Cuddalore, Tamil Nadu, the people said, asking not to be identified as the discussions are private. The proposal is for the oil companies to collectively hold a 49 per cent stake in the venture, whereas TCG, through Haldia Petrochemicals, will own 51 per cent, they said. **PTI**



## GAIL to get alternative land near Mandur village for biogas plant

Govt sets 60-day deadline for BBMP

NAVEEN MENEZES  
BENGALURU, DHNS

The state government has set a 60-day deadline for the Bruhat Bengaluru Mahanagara Palike (BBMP) to identify suitable land on the city's outskirts for establishing a 300-tonne compressed biogas (CBG) plant.

Chief Secretary Shalini Rajneesh issued the instructions after the BBMP went slow on land identification even though GAIL India had offered to fund the plant.

At a recent meeting, BBMP officials assured the chief secretary that they would look for an alternative land near Mandur and share the location as well as the map with GAIL India. In turn, Shalini advised the GAIL authorities to check the suitability of the land for establishing a biogas plant.

The discussion on the subject was held earlier this month



GAIL Ltd has a large network of gas distribution in the city.

after GAIL India submitted a detailed representation to the government. In addition to the 300-tonne plant, the union government undertaking has proposed 15 similar plants in different parts of the state at a total investment of Rs 515 crore.

The company reminded the chief secretary that the

300-tonne plant was approved by the government in December 2022 but signing an agreement with the BBMP as well as handing over of the land is pending.

For the additional plants, a chief secretary-headed committee directed the BBMP to provide land details, including the sketch of nine tentative

places where the biogas plant can be set up after obtaining the records from the revenue department. The committee gave 60 days for the BBMP to complete the formalities.

This is not the first time that the BBMP has earned the wrath of the government for not handing over the land to GAIL India. In February this year, the Chief Minister's Office pulled up the officials for the delay despite the public sector undertaking offered to fully fund the project.

"Delay on the part of BBMP will adversely affect the 15 such projects planned across Karnataka. Compressed biogas plants are definitely sustainable and eco-friendly for the ever-growing waste disposal issue being faced in Bengaluru and other cities of the state," the CMO said.

As per the proposal, GAIL India offered to process the segregated wet waste without charging any fee to the BBMP. The company committed to producing 10.7 tonnes of Bio-CNG, approximately 31.39 metric tonnes of high-quality manure and 180 m<sup>3</sup> of fermented liquid organic manure per day.



Publication : Hindustan Times	Editions : New Delhi
Date :28 August 2024	Page : 12

## GAIL and Petron sign MoU to explore setting up a bio-ethylene plant in India

GAIL (India) Limited and Petron Scientech Inc (Petron) inked an MoU to jointly explore setting up a 500 Kilo Tons per Annum (KTA) bio-ethylene plant along with its downstream unit(s) in India, based on bio-ethanol produced in the plant in a 50:50 Joint Venture (JV) mode. Sumit Kishore, Executive Director (Business Development and Exploration & Production), GAIL and Yogi Sarin, CEO, Petron signed the non-binding MoU yesterday in the presence of Rajeev Kumar Singhal, Director



(Business Development), GAIL. In line with the MoU, GAIL and Petron will jointly undertake fea-

sibility studies to ascertain the technical viability and financial prospects of the project.



Publication : Financial Express	Editions : New Delhi
Date :28 August 2024	Page : 5

## Greenko's venture reaches closure on its 1 MT project

ARUNIMA BHARADWAJ  
New Delhi, August 27

AM GREEN AMMONIA, a venture by Greenko Group, has reached the final investment decision (FID) for its inaugural 1 million tonne (MT) green ammonia project in Kakinada, Andhra Pradesh. This will help the company to commence production of 5 MT of green ammonia annually by 2030.

The project will encompass a green hydrogen generation unit and its conversion to green ammonia, along with all necessary plant infrastructure. Greenko Group, along with its shareholders Gentari and GIC, is backing the venture.

The project is located at an existing urea plant in Kakinada, acquired by the company earlier this year as part of its capital expenditure. The facility will be converted into a green ammo-

**The final investment decision will help AM Green Ammonia to commence production of 5 MT of green ammonia annually by 2030**

nia production unit, with operations set to begin in the second half of 2026. The majority of the production is intended for export to European markets, the company said.

"The FID status achieved by our Kakinada plant underscores our commitment to providing carbon-free energy solutions globally while meeting the highest standards like EU RFNBO norms," said Anil Chalamalasetty, founder of Greenko Group and AM Green. "This is a significant milestone for AM Green, reinforcing our position as a leading energy transition

solutions platform. We are helping decarbonise industries such as refineries, shipping, fertilisers, power generation, chemicals, and others through low-cost green molecules and their derivatives."

AM Green has already executed offtake term sheets for the project with major players including Uniper, Yara, and Koppel, aimed at a range of green hydrogen applications.

The company has secured the necessary 1,300 MW round-the-clock carbon-free power, enabled by a 4,500 MW solar and wind hybrid capacity combined with 950 MW of pumped storage power (PSP) capacity, it stated. "A 25-year fixed-price power purchase agreement (PPA) with NTPC, covering half of the above capacity, is already in place. The remaining capacity is expected to be supplied by Gentari," the company added.

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Date :28 August 2024	Page : 8



● **INDO-BRAZILIAN TIES**

Union external affairs minister S Jaishankar

“ Our strategic partnership... spans a very wide range of domains, from defence, space and security, including cyber to trade and investment, oil and natural gas, biofuels, agriculture, animal husbandry, food processing, health and medicine, traditional medicine, science, technology, culture and people-to-people relations

## OPEC+ output cut may push Indian refiners to source crude from the Americas

**Rishi Ranjan Kala**  
New Delhi

Rising consumption of liquid fuels in India, which is expected to touch 6.6 million barrels per day (mb/d) by 2028, and declining crude oil exports from West Asia due to production cuts by the Organisation of the Petroleum Exporting Countries and allies (OPEC+) could force Indian refiners to tap resources in the Americas, the US Energy Information Administration (EIA) has said.

The US EIA pointed out that rising domestic consumption in India will drive the need for more crude oil imports alongside expanding refinery capacity.

“Similar to China, decreasing Middle East [West Asia] crude oil exports because of OPEC+ production restraint may lead refiners in India to secure crude oil supplies from other sources, such as the Americas,” it added. Although West Asia remains the largest source of crude oil imports for India,



**FORECAST.** Consumption of liquid fuels in India is likely to grow 4-5 per cent REUTERS

the quantity declined from 2.6 mb/d in 2022 to 2 mb/d in 2023, as the country imported significantly more from Russia, it pointed out.

Oil-producing countries in the Americas include the US, Canada, Brazil, Guyana, and Argentina, among others.

### NON-OPEC+ CARGOES

The IEA said in its Oil 2024 report in June, “Rising non-OPEC+ crude supply, in tandem with sanctions on Russian crude exports and OPEC+ voluntary cuts, will push higher volumes from the Atlantic Basin to East of

Suez over the outlook period.”

The loss of medium sour crudes from West Asia amid OPEC+ cuts is partially offset by rising supplies from Brazil, Guyana and Canada. Asian markets have been opened to Canadian crude through the expanded Trans-Mountain pipeline to the Pacific Coast.

Light and sweet US crude oil will increasingly move to Europe and Africa as well as to India and other Asian refiners, it added.

According to trade sources, rising crude oil production from non-OPEC+ countries, particularly the US, Guyana, Brazil and Canada, is already challenging OPEC’s ability to reverse production cuts. The IEA’s latest oil market report for August 2024 forecast that non-OPEC+ production may increase by 1.5 mb/d in 2024 and 2025, while OPEC+ output may fall by 7,60,000 barrels per day (b/d) in 2024, but rise by 4,00,000 b/d in 2025, if voluntary cuts stay in place.

“Our current balance sug-

gests that even if those cuts remain in place, global inventories could build by an average 8,60,000 b/d next year (2025) as non-OPEC+ supply increased around 1.5 mb/d in 2024 and again in 2025. The Americas quartet of the US, Guyana, Canada and Brazil account for three-quarters, or roughly 1.1 mb/d, of non-OPEC+ supply gains in every two years,” it added.

### REFINING PUSH

India added 1.3 mb/d refinery distillation capacity between 2011 and 2023, the US EIA said.

It expects liquid fuels’ consumption in India to grow annually at an average 4 per cent to 5 per cent until 2037.

“India may have as many as 11 crude oil capacity expansion projects through 2028. Several projects in India have just been announced though the project may not be finished before 2028. We estimate between 0.5 mb/d and 2.4 mb/d of capacity by 2028,” it added.

**Online**

Headline	India's ONGC eyes sizeable production boost from new deepwater well		
Publication	Upstream Online	Edition	Online Coverage
Published Date	27 Aug 2024		

## India's ONGC eyes sizeable production boost from new deepwater well

<https://www.upstreamonline.com/production/indias-ongc-eyes-sizeable-production-boost-from-new-deepwater-well/2-1-1699098>

India's state-controlled Oil & Natural Gas Corporation (ONGC) has opened up a vital deepwater oil well in its Cluster-2 asset in the Krishna Godavari basin and is eyeing a sizable production boost before the end of this year.

The \$5 billion Cluster-2 project in Block KG-DWN-98/2 is crucial to ONGC's ambition to boost oil and gas production from its Indian east coast assets, as many of its domestic offshore fields mature and begin their natural decline.

ONGC in January finally kicked off oil production from Cluster-2 via a floating production, storage and offloading vessel and has since been producing through four deepwater wells.

The company now confirmed in National Stock Exchange filing that it has reached a "significant milestone by starting production from its fifth oil well in the Block KG-DWN-98/2 Cluster-2 asset".

"Leveraging the floating production, storage, and offloading vessel, ONGC has begun transporting and sale of associated gas, all the while underscoring its commitment to achieving zero gas flaring," ONGC noted.

A senior ONGC official recently indicated that production from Cluster-2 averaged about 12,000 barrels per day of oil and 400,000 cubic metres per day of gas.

While ONGC did not unveil revised production volumes, sources said that oil production is now likely to further increase following the opening of the new well, and could potentially rise to more than 30,000 bpd before the end of this year as more wells are opened.

Cluster-2 is likely to achieve peak oil production of 45,000 bpd but timelines are yet to be defined.

Similarly, associated gas from Cluster-2 is likely to reach more than 1.5 million cubic metres per day in the near term with the addition of the new well.

ONGC has yet to respond to an Upstream query on precise oil and gas production details.

The company noted that it has also successfully commissioned its gas export line to an onshore terminal in Andhra Pradesh.

### Sterling V FPSO

Oil from Cluster-2 is being produced via the Sterling V FPSO, which is 70% owned by India's Shapoorji Pallonji Energy and 30% by Malaysia's Bumi Armada.

The co-owners recently achieved a final acceptance test that enables them to receive the full contractual day rate.

The FPSO has been producing oil for Cluster-2 since January this year.

Bumi Armada said in an earlier stock exchange announcement the FPSO had completed the necessary tests and successfully achieved final acceptance effective 1 July 2024.

"The achievement of final acceptance signifies the commencement of the firm charter period for the Armada Sterling V FPSO," the company said.

India's Minister of Petroleum and Natural Gas, Hardeep Singh Puri.

Related

India poised to launch new exploration round, eyes \$100 billion investment opportunities by 2030

The FPSO charter is for a firm period of nine years, with ONGC having the option to extend for an additional seven years.

Sterling V is the largest floater in India, with oil processing capacity of 50,000 barrels per day and gas capacity of 3 million cubic metres per day, as well as crude storage capacity of 700,000 barrels.

#### Gas production

While oil production is being gradually scaled up from the KG-DWN-98/2 asset, non-associated gas production of about 10 MMcmd is likely to get delayed at least until next year due to execution challenges, Upstream reported.

The operator has faced multiple execution issues with the Cluster-2 gas project, including months of delay due to the coronavirus pandemic.

McDermott International of the US completed a float-over installation of the 14,000-tonne topsides for the central processing platform earlier this year, but several associated facilities including key compression facilities, the living quarters platform (CPP) and other crucial project components are yet to be commissioned, industry sources have suggested.

#### CPP award

A pairing of Malaysia's Sapura Energy and India's Afcons in 2018 won the engineering, procurement, construction and installation contract for the Cluster-2 CPP, but the project hit a rough patch and faced years of delay due to the coronavirus pandemic and Sapura's financial woes.

Arun Kumar Singh, the chief executive of ONGC.

#### Related

Execution challenges: Gas production from huge ONGC deepwater facility poised for further delays

McDermott was roped in by ONGC last year to carry out the remaining transportation and installation work on the KG-DWN-98/2 project.

#### Integrated subsea contract

In October 2018, McDermott, Baker Hughes and Larsen & Toubro (L&T) were jointly awarded a \$1.69 billion integrated contract to provide the project's subsea production system (SPS) plus subsea umbilicals, flowlines and risers (SURF) under an EPCI contract.

While L&T was responsible for fabrication, Baker Hughes took care of the SPS, with McDermott handling the SURF package.

The integrated contract covering a 26-well production system in water depths of up to 1300 metres was the biggest-ever subsea award by ONGC.

Block KG-DWN 98/2 lies offshore the Godavari River delta in the Bay of Bengal. It is located 35 kilometres off the Andhra Pradesh coast in water depths ranging from 300 to 3200 metres.



Headline	ONGC Seeks Bids for One GW Wind-Solar Hybrid Power Projects		
Publication	Chemical Industry Digest	Edition	Online Coverage
Published Date	27 Aug 2024		

### **ONGC Seeks Bids for One GW Wind-Solar Hybrid Power Projects**

<https://chemindigest.com/ongc-seeks-bids-for-one-gw-wind-solar-hybrid-power-projects/>

Oil and Natural Gas Corporation (ONGC) issued a call for bids to establish captive ISTS connected, co-located wind-solar hybrid power projects across India. The projects will have a combined capacity of 1,000 MW, equally divided between 500 MW of solar power and 500 MW of wind energy.

As reported by projectstoday.com, the projects will be executed on a lump sum turnkey (LSTK) basis, with a requirement for comprehensive operation and maintenance (O&M) services for a duration of ten years. The deadline for bid submissions is set for October 23, 2024.

Headline	Oil & gas firms' prioritise green hydrogen, carbon capture to achieve net-zero targets		
Publication	Diligentia Service	Edition	Online Coverage
Published Date	27 Aug 2024		

## Oil & gas firms' prioritise green hydrogen, carbon capture to achieve net-zero targets

<http://www.diligentia.net.in/oil-gas-firms-prioritise-green-hydrogen-carbon-capture-to-achieve-net-zero-targets/>

India's oil and gas companies are focussing on initiatives such as green hydrogen and carbon capture, utilization and storage (CCUS) as they move towards achieving net-zero emission targets.

The companies are committing large investments towards energy transition, particularly in the renewable space, an oil ministry journal on net-zero plans has said.

The first-of-its kind report, which was released on August 25, list various steps being taken by these companies to reduce emissions and their carbon footprint. India's largest oil and gas explorer ONGC said the company is advancing in the field of CCUS with a capacity to sequester 2.21 million MT of CO2 emissions.

This technology is vital for reducing the carbon intensity of industrial processes and achieving long-term sustainability targets, the company said.

CCUS is a set of technologies that capture carbon dioxide and use it or store it safely to prevent it from contributing to climate change. These technologies can also remove existing CO2 from the atmosphere. There is debate over its feasibility, with critics saying it is too expensive to be viable.

In the Budget FY25, Finance minister Nirmala Sitharaman said the Centre planned to introduce a policy for hard-to-abate industries to nudge them towards lower emissions.

The decision comes as India plans to achieve net zero by 2070, while the oil and gas companies have pledged to attain the emission target much earlier.

Headline	Chatterjee Group seeks Indian state oil firms' partnership for \$10 billion project		
Publication	ET Energyworld	Edition	Online Coverage
Published Date	27 Aug 2024		

## Chatterjee Group seeks Indian state oil firms' partnership for \$10 billion project

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/chatterjee-group-seeks-indian-state-oil-firms-partnership-for-10-billion-project/112829436>

Investment in the project, which will convert crude oil into chemicals, underscores attempts at ramping up petrochemical capacities in India as it provides building blocks for everything from consumer goods to car parts.

US-based private equity firm The Chatterjee Group is seeking to partner with Indian state-run companies for its oil-to-chemicals project in the nation, according to people familiar with the matter.

TCG is in talks with Oil & National Gas Corp. and its unit Hindustan Petroleum Corp. for the planned project estimated at more than \$10 billion in the southern Indian city of Cuddalore in Tamil Nadu, the people said, asking not to be identified as the discussions are private.

The proposal is for the oil companies to collectively hold a 49 Percent stake in the venture, whereas TCG, doing business in India through Haldia Petrochemicals Ltd., will own 51 Percent , they said.

A TCG representative didn't immediately comment when reached by phone. Haldia Petrochemicals, ONGC and HPCL didn't respond to requests for comments.

Investment in the project, which will convert crude oil into chemicals, underscores attempts at ramping up petrochemical capacities in India as it provides building blocks for everything from consumer goods to car parts.

The market is drawing billionaires and global majors amid a consumption boost in the world's fastest-growing major economy. Chemical and petrochemical demand in India is expected to rise threefold to \$1 trillion by 2040, accounting for more than 10 Percent of the global growth in the segment, according to government estimates.

Most oil refiners, including billionaire Mukesh Ambani's Reliance Industries Ltd. , are focusing more on producing petrochemicals than traditional fuels, to tap the booming market that's seeing demand for specialty plastics and chemicals for making solar panels and electric vehicles.

TCG project is capable of producing 3.5 million metric tons per year of ethylene and propylene and by 2029, Haldia Chief Executive Officer Navanit Narayan said, according to a Reuters report in April.

Headline	India's inordinate wait for Mozambique LNG gets longer, at stake \$8 billion investment		
Publication	HT Syndication	Edition	Online Coverage
Published Date	27 Aug 2024		

### India's inordinate wait for Mozambique LNG gets longer, at stake \$8 billion investment

<https://www.htsyndication.com/mint/article/india-s-inordinate-wait-for-mozambique-lng-gets-longer%2C-at-stake-8-billion-investment/84072066>

New Delhi, Aug. 27 -- India's wait for liquified natural gas (LNG) supplies from the marquee \$20 billion Mozambique project has lengthened, with

any progress expected only after a new government is formed in the East African country after its presidential elections on 9 October, two people aware of the development said.

Rovuma Offshore Area 1 project, once tipped as the panacea for India's growing clean fuel needs, has been a disappointment so far. The long-delayed project in which an ONGC Videsh Ltd (OVL)-led Indian consortium has a 30% stake has been beset with difficulties, with the suspension of operations following attacks by Islamic State terrorists in April 2021, after which force majeure was declared.

Headline	ONGC marked a significant milestone by starting production from its fifth oil well in the Block KG-DWN-98/2 Cluster		
Publication	News Mantra	Edition	Online Coverage
Published Date	27 Aug 2024		

**ONGC marked a significant milestone by starting production from its fifth oil well in the Block KG-DWN-98/2 Cluster**

<https://newsmantra.in/ongc-marked-a-significant-milestone-by-starting-production-from-its-fifth-oil-well-in-the-block-kg-dwn-98-2-cluster/>

ONGC marked a significant milestone by starting production from its fifth oil well in the Block KG-DWN-98/2 Cluster

Share

ONGC marked a significant milestone by starting production from its fifth oil well in the Block KG-DWN-98/2 Cluster-2 asset from 24 August 2024. Leveraging the floating production, storage, and offloading (FPSO) vessel, ONGC has begun transporting and sale of associated gas, all the while underscoring its commitment to achieving zero gas flaring. With this ONGC successfully also commissions its gas export line from offshore to onshore terminal. Earlier in January, oil production commenced from the same asset, with 4 of 13 wells already flowing. Gas production is also advancing, with 3 of 7 wells online. ONGC's dedication to self sufficiency continues with six water injection wells enhancing output.

Headline	MRPL commissions a new marketing terminal at Bengaluru		
Publication	News Point	Edition	Online Coverage
Published Date	27 Aug 2024		

## MRPL commissions a new marketing terminal at Bengaluru

[https://www.newspointapp.com/english-news/publisher-toi/business/mrpl-commissions-a-new-marketing-terminal-at-bengaluru/articleshow/14504820277fbb5e54d5d31465852cff590ef15a?utm\\_source=pwa&utm\\_medium=browser&utm\\_campaign=np](https://www.newspointapp.com/english-news/publisher-toi/business/mrpl-commissions-a-new-marketing-terminal-at-bengaluru/articleshow/14504820277fbb5e54d5d31465852cff590ef15a?utm_source=pwa&utm_medium=browser&utm_campaign=np)

MUMBAI: In a significant boost to the energy infrastructure of Karnataka and adjoining states, the state-owned Refiner Mangalore Refinery and

Petrochemicals Ltd (MRPL), a subsidiary of ONGC on Tuesday announced the commissioning of its new, state-of-the-art Marketing Terminal in Bengaluru.

The facility aims to enhance the availability and distribution of Petroleum products like petrol, diesel, and aviation turbine fuel, catering to the region's growing energy demands. The newly operational terminal is strategically located at Devangonthi in the eastern part of Bengaluru, said a press statement issued by ONGC.

Equipped with the latest technology and adhering to the highest safety and environmental standards, this project is expected to be a shot in the arm for MRPL to meet its ambitious target of selling 1 Million Metric Tons of Fuel through the Retail path through its popular brand MRPL HiQ Auto fuels. This terminal will also ensure cost-effective placement of ATF near the major airports, including Bengaluru, it added.

Speaking on the occasion, Mundkur Shyamprasad Kamath, the managing director of MRPL, expressed optimism about the terminal's impact. This new terminal in Bangalore is a critical investment in our mission to provide reliable, high-quality fuel to meet the needs of a growing customer base. It underscores our commitment to ensuring energy security while supporting the region's economic development. We aspire to leverage this terminal to maximize revenue and value for the organization by expanding our retail network and aviation business in this rapidly developing region.

Headline	ONGC invites bids to set up one GW wind-solar hybrid power projects		
Publication	Projects Today	Edition	Online Coverage
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## ONGC invites bids to set up one GW wind-solar hybrid power projects

<https://www.projectstoday.com/News/ONGC-invites-bids-to-set-up-one-GW-wind-solar-hybrid-power-projects>

Oil & Natural Gas Corporation (ONGC) has invited bids for setting up of captive ISTS-connected, co-located wind-solar hybrid power projects anywhere in India.

The wind-solar hybrid power projects will have a 1,000 MW (500 MW solar, plus 500 MW wind) capacity and is to be executed on lumpsum turnkey (LSTK) basis. It also stipulates a comprehensive operation & maintenance (O&M) for ten years.

The closing date for bid submission is 23 October, 2024.



Headline	ONGC opens well in KG field to raise oil production		
Publication	The North Lines	Edition	Online Coverage
Published Date	27 Aug 2024		

## ONGC opens well in KG field to raise oil production

<https://thenorthlines.com/ongc-opens-well-in-kq-field-to-raise-oil-production/>

New Delhi: State-owned Oil and Natural Gas Corporation (ONGC) on Sunday said it has opened another well on its flagship deep-sea project in Krishna Godavari basin in Bay of Bengal, which will help augment production of crude oil and natural gas. In January this year, ONGC had started producing oil, which is converted into fuels like petrol and diesel in refineries, from the KG-DWN-98/2 or KG-D5 block.

On August 24, 2024, ONGC marked a significant milestone by starting production from its fifth oil well in the Block KG-DWN-98/2 Cluster-2 asset, the firm said in a stock exchange filing on Sunday. Leveraging the floating production, storage, and offloading (FPSO) vessel, ONGC has begun transporting and sale of associated gas, all the while underscoring its commitment to achieving zero gas flaring. It, however, did not state how much the new well was producing. With this, ONGC also successfully commissioned its gas export line from the offshore-to-onshore terminal.

Earlier in January, oil production commenced from the same asset, with 4 of 13 wells already flowing. Gas production is also advancing, with 3 of 7 wells online, it added. The block, which sits next to Reliance Industries' KG-D6 block in the KG basin, has a number of discoveries that have been clubbed into clusters. Located 35 kilometres off the coast of Andhra Pradesh in water depths ranging from 300-3,200 metres, the discoveries in the block are divided into Cluster-1, 2 and 3. Cluster 2 is being put to production first.

Headline	India's wait for Mozambique LNG gets longer, at stake \$8 bn investment		
Publication	Mint	Edition	Online Coverage
Published Date	27 Aug 2024		

## India's wait for Mozambique LNG gets longer, at stake \$8 bn investment

<https://www.livemint.com/news/india/indias-inordinate-wait-for-mozambique-lng-gets-longer-at-stake-8-billion-investment-11724566573571.html>

Indias wait for liquified natural gas (LNG) supplies from the marquee \$20 billion Mozambique project has lengthened, with any progress expected only after a new government is formed in the East African country after its presidential elections on 9 October, two people aware of the development said.

Rovuma Offshore Area 1 project, once tipped as the panacea for Indias growing clean fuel needs, has been a disappointment so far. The long-delayed project in which an ONGC Videsh Ltd (OVL)-led Indian consortium has a 30% stake has been beset with difficulties, with the suspension of operations following attacks by Islamic State terrorists in April 2021, after which force majeure was declared.

### Big stake

At stake is around \$8 billion investment made by OVL, Bharat Petroleum Corp. Ltds Bharat PetroResources Ltd (BPRL) and Oil India Ltd (OIL), including around \$5.185 billion for buying stakes in the largest gas discovery in offshore East Africa. While OVL and OIL jointly bought 10% stake from Videocon Mauritius Energy Ltd for \$2.47 billion, OVL bought US-based Anadarko Petroleum Corp.s 10% stake for \$2.64 billion. Also, BPRL bought 10% stake from Anadarko Petroleum for \$75 million. Apart from this, additional investments were made to develop the project.

Apart from what was paid at the time of acquisition of the stakes by Indian state-run firms, there have also been cash calls that have been met, thereby upping the overall investment in the gas project. There are concerns around the project," said one of the two people cited above, requesting anonymity.

OVL, BPRL and OIL hold 16%, 10% and 4% stake respectively in the project, operated by France's TotalEnergies with a 26.5% stake. The other partners are Japans Mitsui & Co. (20%), Mozambique state-run Empresa Nacional de Hidrocarbonetos or ENH (15%) and Thailand's PTT Exploration and Production Plc. or PTTEP (8.5%). With the production from Rovuma basin originally slated to start in 2018, India was to get its first LNG consignment from Mozambique by 2019.

### Force majeure in place

TotalEnergies is the operator for Rovuma Area-1 Offshore Mozambique (Area-1) block, where force majeure is in place. Once the force majeure is lifted, the production can start immediately. This is no problem with the asset quality per se. This asset has seen the biggest gas discovery in the recent past," said an Indian government official, requesting anonymity.

### Also read | Mozambique gas field restart is win for India

The importance of the Mozambique project in Indias energy security stratagem can be gauged from the fact that external affairs minister S. Jaishankar visited the African country in April last year, becoming the first Indian foreign minister to visit it since 2010. This was followed by a visit of Indias petroleum and natural gas minister Hardeep Singh Puri in October last year, when he met Mozambiques minister of mineral resources and energy Carlos Zacarias.

A Mitsui & Co spokesperson in an emailed response said, We are not in the position to answer to your inquiries. Please ask TotalEnergies, the operator or Indian companies."

### Presidential elections flagged

TotalEnergies has also flagged the impending Presidential elections in Mozambique and its importance for the LNG project, as articulated by its chairman and CEO Patrick Pouyann in a July investor call.

A TotalEnergies spokesperson in an emailed response said, "The project is still under force majeure," and added, But for more details, please refer to our CEO last call with investors end of July: On Mozambique, I can tell you that everything has been settled with the contractors. So we are clear: we know where we are. In fact, it was more a matter, to be honest, of the cost of the frozen period, which was to be absorbed and discussed, because between 2020 to 2024, we have frozen some works. We have some equipment which was kept in different locations. All that has been discussed, all that

is settled with them. And so, we are on the way to move forward. As soon as we can update you, we will do it. But the progress has been done in many directions, including on security."

"Now, we try to regroup all the financiers around the project. As you know as well, there are some presidential elections in Mozambique coming soon. And so of course, for us, its important to have the confirmation that the new President will follow the same policy regarding these large projects. Thats where we are. So say, by end of the year, we should clarify how we should be able to move forward," the TotalEnergies spokesperson added.

An OVL spokesperson declined comment.

#### Net importer of gas

India is a net importer of natural gas, and imports about 55% of its total gas requirement. According to the Petroleum Planning and Analysis Cell (PPAC), Indias LNG imports increased 17.5% year-on-year in FY24 in terms of volumes to 23.5 mmtpa.

Queries emailed to the spokespersons of BPCL, OIL, ENH, PTTEP, Mozambique High Commission in New Delhi, and Indias ministries of petroleum and natural gas; and external affairs on Tuesday late night remained unanswered till press time.

Mint earlier reported about TotalEnergies making efforts to resume operations at the plant. In February, CEO Pouyanne visited Mozambique's Cabo Delgado to review the security and humanitarian situation in the country.

India has been aggressively scouting for long-term LNG contracts after the gas market witnessed volatility in 2022 following the Russia-Ukraine war, which led to the failure of Russian government-owned Gazprom, the worlds largest explorer of natural gas, to honour the terms of a deal to supply LNG to state-run GAIL (India) Ltd.

As part of this new playbook, India is in talks with Equinor for securing long-term LNG deals from its portfolio in the US and Qatar, as reported by Mint earlier. Also, state run Indian Oil Corp. earlier signed a long-term LNG contract with TotalEnergies for supply of 1 mmtpa of LNG to IOCL for a period of around 10 years, with plans in the work to sign a long-term LNG deal to buy one million metric tonnes per annum (mmtpa) of clean fuel from state run Abu Dhabi National Oil Co (Adnoc). Petronet LNG also extended its contract with QatarEnergy LNG by signing a long-term deal for buying 7.5 million tonnes of LNG per annum.