ONGC News as on 10 June 2024 (Print)

Publication : BizzBuzz	Editions : Hyderabad
Date :10 June 2024	Page : 2

ONGC seeks foreign partners for Mumbai High oilfield

New Delhi

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STATE-owned Oil and Natural Gas Corporation (ONGC) is seeking foreign partners to reverse declining output at its flagship Mumbai High fields, offering a share of revenue from incremental production plus a fixed fee but not any equity stake. ONGC on June 1 floated an international tender seeking global technical services providers (TSP) with annual revenue of at least $75 billion, according to the tender document. The TSP would have to do a comprehensive review of the field performance and identify improvements as well as implement suitable technological interventions and

practices for improving production and recovery, it said. Bidders have been asked to quote quarterly incremental production they can enable over the 10-year contract period as well as the percentage share of the revenue they want from the sale of oil and gas produced over and above the baseline production.

Bids are due by September 15, 2024. The TSP, who would be selected on the basis of one offering the highest incremental production and the lowest revenue share, will also be paid a fixed service fee for its efforts, the document said. The Mumbai High field (previously Bombay High field) -- India's most prolific oil field -- lies some 160-kilometer in the Arabian Sea off the Mumbai coast. It was discovered in February 1974 and started production on May 21, 1976. The field hit a peak of 4,76,000 barrels of oil per day and 28 billion cubic meters of gas in 1989 and has since seen a gradual decline in output. It is currently producing 1,34,000 bpd of oil and 13 bcm (less then 10 million standard cubic meters per day) of gas -- accounting for almost 38 per cent of India's production and 14 per cent of consumption. ONGC believes the field still has a balance reserve of 80 million tonnes (610 million barrels) of oil and over 40 bcm of gas and hence needs partners who can help tap them. With the field seeing a steady decline in output, a stake sale had been considered on at least two occasions in recent years.

Publication : Dainik Jagran (Rashtriya) (Hindi)	Editions : New Delhi
Date :10 June 2024	Page : 10

ओएनजीसी को मुंबई हाई के लिए भागीदारों की तलाश

- घटते उत्पादन की स्थिति बदलने के लिए विदेशी भागीदारों की तलाश कर रही कंपनी
- बढ़े हुए उत्पादन से मिलेगा राजस्व का एक हिस्सा, नहीं दी जाएगी किसी तरह की इक्विटी हिस्सेदारी

नई दिल्ली, प्रेट्र: सार्वजनिक क्षेत्र की कंपनी तेल और प्राकृतिक गैस निगम (ओएनजीसी) अपने प्रमुख तेल क्षेत्र मुंबई हाई में घटते उत्पादन की स्थिति बदलने के लिए विदेशी भागीदारों की तलाश कर रही है। इसके लिए उन्हें बढ़े हुए उत्पादन से राजस्व का एक हिस्सा और एक निश्चित शुल्क की पेशकश की गई है। हालांकि, कोई इक्विटी हिस्सेदारी नहीं दी जाएगी। ओएनजीसी ने एक जून को एक अंतरराष्ट्रीय निविदा जारी की, जिसमें कम से कम 75 अरब डालर के वार्षिक राजस्व वाले वैश्विक तकनीकी सेवा प्रदाताओं (टीएसपी) को आमंत्रित किया गया।

टीएसपी को क्षेत्र के प्रदर्शन की व्यापक समीक्षा करनी होगी और सुधारों की पहचान करनी होगी। साथ ही उत्पादन में सुधार के लिए उपयुक्त तकनीकी हस्तक्षेप को लागू करना होगा। बोलीदाताओं से 10 साल की अनुबंध अवधि के दौरान तिमाही आधार पर वृद्धिशील उत्पादन के साथ ही बेसलाइन उत्पादन के बारे में बताना होगा। इसके अलावा बढ़े हुए तेल और गैस उत्पादन की बिक्री से मिलने वाले राजस्व में उन्हें कितना हिस्सा चाहिए, यह भी बताना होगा। बोलियां 15 सितंबर, 2024 तक दी जानी हैं। मुंबई हाई फील्ड (पहले बांबे हाई फील्ड) भारत का सबसे बड़ा तेल क्षेत्र है, जो मुंबई तट से अरब सागर में लगभग 160 किलोमीटर दूर स्थित है।

Publication : Deccan Chronicle	Editions : Chennai
Date :10 June 2024	Page : 10

ONGC SEEKING PARTNERS TO UP GAS OUTPUT

New Delhi, June 9: State-owned Oil and Natural Gas Corporation (ONGC) is seeking foreign partners to reverse declining output at its flagship Mumbai High fields, offering a share of revenue from incremental production plus a fixed fee but no equity stake.

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The Mumbai High field hit a peak of 4,76,000 barrels of oil per day and 28 billion cubic meters of gas in 1989 and has since seen a decline in output.

ONGC believes the field still has a balance reserve of 80 million tonnes (610 million barrels) of oil and over 40 bcm of gas and hence needs partners who can help tap them. With the field seeing a steady decline in output, a stake sale had been considered on at least two occasions in recent years. — *PTI*

Publication : Deccan Herald	Editions : Bangalore
Date :10 June 2024	Page : 12

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Publication : Financial Express	Editions : New Delhi
Date :10 June 2024	Page : 2

FOREIGN PARTNERS FOR MUMBAI HIGH OILFIELD SOUGHT

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Publication : Financial Express	Editions : New Delhi
Date :10 June 2024	Page : 2

‘End-use energy consumption of India to grow 90% by 2050’

ARUNIMA BHARADWAJ
New Delhi, June 9

INDIA'S END-USE ENERGY consumption is set to grow 90% by 2050 — one of the fastest growth rates in the world — said Igor Sechin, chief executive officer of Rosneft, Russia's biggest oil producer.

Addressing a gathering at the Energy Panel of the 27th St. Petersburg International Economic Forum, Sechin further highlighted the rapidly growing Indian economy and noted that the country is projected to continue its strong economic momentum.

“Over the next five years, India is projected to continue its strong economic momentum and become one of the top three largest economies in the world with a GDP of $5 trillion, and by 2050 will overtake the US in terms of the size of the economy,” he said.

The CEO further stated that OPEC+ agreement seems to have little impact on the oil market, as observed by the stockpiling of reserves by both Western and West Asian companies, potentially anticipating significant market changes.

“These ‘phantom barrels’ could offset the effects of voluntary production cuts by major OPEC members, evidenced by market quotations declining after recent ministerial decisions,” he said.

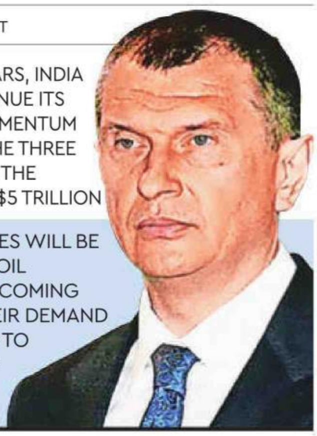
Sechin also pointed out that the looming uncertainty surrounding the upcoming US presidential elections, where public sentiment is influenced, among other things, by fluctuations in gasoline prices, implies a heightened level of market volatility. The possibility of regulatory changes, he noted, underscores emerging risks, prompting major players to explore alternative strategies.

According to the Rosneft CEO, developing countries will be the main drivers of oil consumption in the coming decades. “By 2030, demand growth in this group of countries is expected to account for 95% of global consumption growth in aggregate,” Sechin said.

“The highest growth in oil demand is expected in Asian countries, which are Russia's main trading partners.”

Even as the world is moving towards adoption of renewable energy, Sechin said that the consumption of oil, gas, and coal has continued to rise. The company has recently signed a term agreement with India's state-owned Indian Oil to increase oil supplies. Indian companies — ONGC Videsh Ltd., Oil India Limited, Indian Oil Corporation, and Bharat Petroresources — have been owners of 49.9% of Rosneft's subsidiary JSC Vankorneft since 2016.

IGOR SECHIN, CEO, ROSNEFT



OVER THE NEXT FIVE YEARS, INDIA IS PROJECTED TO CONTINUE ITS STRONG ECONOMIC MOMENTUM AND BECOME ONE OF THE THREE LARGEST ECONOMIES IN THE WORLD WITH A GDP OF $5 TRILLION

DEVELOPING COUNTRIES WILL BE THE MAIN DRIVERS OF OIL CONSUMPTION IN THE COMING DECADES. BY 2030, THEIR DEMAND GROWTH IS EXPECTED TO ACCOUNT FOR 95% OF GLOBAL GROWTH

Publication : Mint | Editions : New Delhi
Date :10 June 2024 | Page : 4

Will PSUs lose their thunder?

Manish Joshi
feedback@livemint.com

The shares of various public sector undertakings (PSUs) grabbed investor attention fuelled by the government's reforms. In the last one year, the S&P BSE PSU index zoomed by 94%, beating the benchmark index Nifty 50's 22% returns. But the Bharatiya Janata Party (BJP) failed to secure a majority on its own in the 2024 general elections.

So, formation of a coalition government exposes PSU stocks to certain risks. Coalition members would have some say in politically sensitive sectors like fuel and power that affect most of the population. Prominent PSUs in these sectors like Hindustan Petroleum Corp. Ltd (HPCL), Bharat Petroleum Corp. Ltd (BPCL) Indian Oil Corp. Ltd (IOC), Oil and Natural Gas Corp. (ONGC) and National Thermal Power Corp. (NTPC) are susceptible to populist policies that do not allow a fair return on capital with policy interference.

Fuel prices especially petrol, diesel and LPG play a crucial role in politics. The BJP government was conscious of allowing the oil marketing companies (OMCs) to recover their past losses caused by absorption of the surging crude oil price. Hence, it did not ask OMCs to reduce fuel prices despite a fall in the average Brent crude oil prices in FY24 to $82 per barrel from $95 in FY23. As BJP had a majority of its own, it could do so. But now, there could be friction with partners to keep the fuel prices low irrespective of international crude oil price and OMC financial health.

Any negative for HPCL also impacts ONGC as the former is an ONGC subsidiary. As it is, upstream companies like ONGC are already not being allowed to benefit from higher crude oil prices owing to the windfall tax. It may be asked to share some more burden of OMC if the need arises. The windfall tax was $10 per barrel for ONGC when gross realization was $82 per barrel in FY24.

JD(U), a key coalition party headed by Nitish Kumar, has state assembly elections in 2025. Kumar has been demanding electricity at subsidized rates from NTPC and other central producers. There could also be a demand for free agricultural power like Andhra Pradesh, under the control of TDP, also a coalition partner.

Even if NTPC is not going to directly offer the discounted power as the subsidy burden is generally borne by the state electricity boards (SEB) or distribution companies (Discoms), the financial health of Discom might be hit leading to overdue receivables for NTPC.

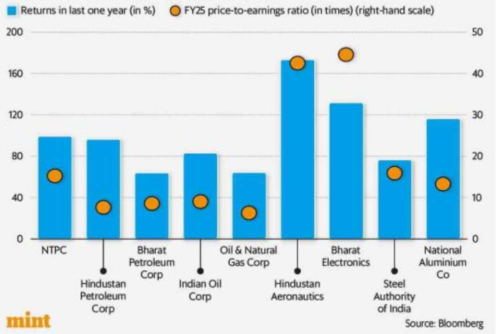
Before the Modi-led government came to power in 2014, SEB or Discom suffered financial distress with losses of over ₹3 trillion and debt burden of over ₹2 trillion. It was because of inefficiencies, high transmission and distribution losses, and financial mismanagement. The reforms saw the introduction of several initiatives to address the financial and operational inefficiencies in the power sector, like Ujwal Discom Assurance Yojana (UDAY) scheme. The reforms could again get disarrayed.

Meanwhile, the PSUs in the defence sector are at a low risk of policy interference. Some companies like Hindustan Aeronautics Ltd (HAL), Bharat Electronics Ltd (BEL) are sitting on high order books of ₹94,000 crore and ₹76,000 crore. Based on FY24 revenue, the book-to-bill ratio i.e. order book to annual sales ratio of these two companies is almost at 3x and 4x that gives revenue visibility for the foreseeable future. The risk in these companies is timely execution and rich valuation multiple. Further, metal PSUs like SAIL and Nalco are immune from policy changes by the government as their product prices are not as politically sensitive as fuel and power prices.

To conclude, notwithstanding the high dividend yield and low valuation of some of the PSU stocks, especially OMCs, risk averse investors may steer clear of them, for now.

In the limelight

The shares of public sector undertakings across industries have fetched mouth-watering returns in the past one year



Source: Bloomberg

PRANAY BHARDWAJ/MINT

BALANCING OUT

COALITION MPs would have at least some say in sectors such as fuel and power

THERE could be potential friction with alliance partners to keep fuel prices low

Publication : Rashtriya Sahara (Hindi)	Editions : New Delhi
Date :10 June 2024	Page : 13

ओएनजीसी को मुंबई हाई तेल क्षेत्र के लिए विदेशी भागीदारों की तलाश

नई दिल्ली (भाषा)।

सार्वजनिक क्षेत्र की कंपनी तेल और प्राकृतिक गैस निगम (ओएनजीसी) अपने प्रमुख तेल क्षेत्र मुंबई हाई में घटते उत्पादन की स्थिति बदलने के लिए विदेशी भागीदारों की तलाश कर रही है। इसके लिए उन्हें बढ़े हुए उत्पादन से राजस्व का एक हिस्सा और एक निश्चित शुल्क की पेशकश की गई है। हालांकि, कोई इक्विटी हिस्सेदारी नहीं दी जाएगी।

ओएनजीसी ने एक जून को एक अंतरराष्ट्रीय निविदा जारी की, जिसमें कम से कम 75 अरब अमेरिकी डालर के वार्षिक राजस्व वाले वैश्विक तकनीकी सेवा प्रदाताओं (टीएसपी) को आमंत्रित किया गया। टीएसपी को क्षेत्र के प्रदर्शन की व्यापक समीक्षा करनी होगी और सुधारों की पहचान करनी होगी। साथ ही उत्पादन में सुधार के लिए उपयुक्त तकनीकी हस्तक्षेप और प्रथाओं को लागू करना होगा।

बोलीदाताओं से 10 साल की अनुबंध अवधि के दौरान तिमाही आधार पर वृद्धिशील उत्पादन के साथ ही बेसलाइन उत्पादन के बारे में बताना होगा। इसके अलावा बढे हुए तेल और गैस उत्पादन की बिक्री से मिलने वाले राजस्व में उन्हें कितना हिस्सा चाहिए, यह भी बताना होगा। बोलियां 15 सितंबर, 2024 तक दी जानी हैं।

Publication : The Economic Times	Editions : New Delhi
Date :10 June 2024	Page : 8

JSW, Torrent, Masdar Among Suitors for Enel's India Assets

Half a dozen cos bid for 760 MW facilities; deal may have enterprise value of $500 m

Reghu.Balakrishnan
@timesgroup.com

Mumbai: About half a dozen investors, including Masdar Energy of the UAE, Singapore's Sembcorp, JSW Energy, Torrent Power, Sekura Energy and ONGC, have submitted non-binding bids to acquire 760 MW of operational assets in India that have been put on the block by Italy's Enel Group, said people aware of the development.

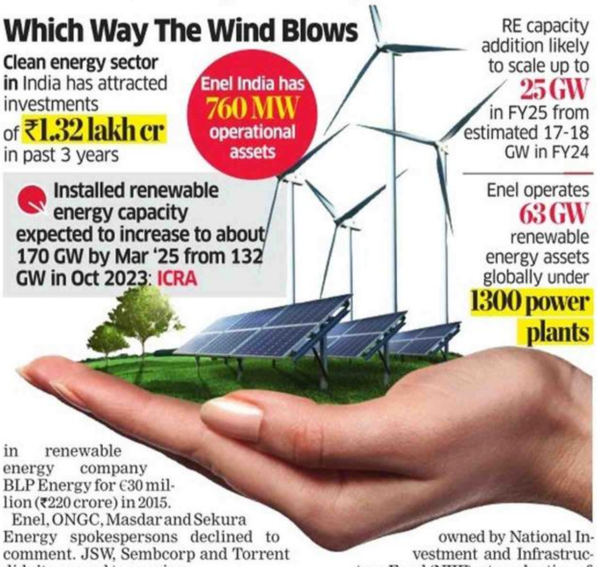
HSBC is advising Enel on the sale. The proposed deal may have an enterprise value of $500 million (₹4,100 crore), the sources said.

The portfolio of Enel Green Power India comprises 760 megawatts (MW) of operational wind and solar power assets and a development pipeline of 2 gigawatts (GW). Of the operational capacity, solar power projects comprise 420 MW, with the balance 340 MW coming from wind power.

Last year, Norwegian Climate Investment Fund, managed by Norfund, and KLP, Norway's largest pension company, had together committed $100 million of equity and guarantees for a 168 MW wind power plant developed by Enel Green Power in India.

In 2020, Norfund and Enel Green Power (EGP) entered into a joint investment agreement for renewable energy projects in India. Their first project together, the 420 MW Thar solar plant, was announced in 2022.

Enel Green Power, founded in 2008 within the Enel Group to develop and manage renewable power projects globally, operates over 63 GW of installed renewable capacity at 1,300 plants in Asia, Europe, Africa and America. EGP had strengthened its position in India through an acquisition of a majority stake in renewable energy company BLP Energy for €30 million (₹220 crore) in 2015.



Enel, ONGC, Masdar and Sekura Energy spokespersons declined to comment. JSW, Sembcorp and Torrent didn't respond to queries.

Energy producers such as Sekura Energy, Sembcorp and Masdar Energy are already in the race for several Indian renewable assets that are on the block. These three were among the contenders for the 2 GW renewable portfolio of Brookfield in India that's up for sale at an estimated enterprise value of $800 million-1 billion (₹6,600-8,300 crore).

JSW Neo Energy and Sekura Energy are among the bidders that have made non-binding offers to acquire a controlling stake in Ayana Renewable Power, majority owned by National Investment and Infrastructure Fund (NIIF), at a valuation of about $2 billion, ET had reported.

ONGC is another contender for several assets in the clean energy space as part of decarbonising its operations. ONGC plans to have a renewable energy capacity of 10 GW by 2030 at an investment of ₹1 lakh crore.

The outlook for the renewable energy (RE) sector remains stable, led by strong policy support from the government, superior tariff competitiveness and sustainability initiatives by large commercial and industrial (C&I) customers.

Publication : The Hindu Business Line	Editions : New Delhi
Date :10 June 2024	Page : 2

'By 2050, end-use energy consumption to grow by 90%'

Rishi Ranjan Kala
New Delhi

Oil giant, Rosneft's CEO, Igor Sechin, stressed that Asian countries, Russia's trading partners, will account for the highest growth in oil demand with India, accounting for the highest growth rate, by the middle of the century.

In his keynote speech at the 27th St Petersburg International Economic Forum (SPIEF), Sechin emphasised that over the next five years, India is projected to continue its strong economic momentum and become one of the top three largest economies in the world, with a GDP of $5 trillion, and by 2050, will overtake the US, in terms of the size of the economy.

Igor Sechin, CEO, Rosneft

He added that India's end-use energy consumption is set to grow by 90 per cent by 2050 — one of the fastest growth rates in the world, Rosneft said.

India's economy has made significant strides in recent years. Since 2010, energy demand has grown by 45 per cent, making the country, the third largest energy consumer in the world, he pointed out. Recently, Rosneft signed a term contract with Indian Oil Corporation (IoCL), to increase oil supplies, and diversify India's oil grades.

The agreement took place during Sechin's, recent visit to India. Indian companies ONGC Videsh, Oil India, Indian Oil Corporation, and Bharat Petroresources, have been owners of 49.9 per cent of Rosneft's subsidiary, JSC Vankorneft, since 2016.

Rosneft's CEO projected that developing countries will be the main drivers of oil consumption in the coming decades. By 2030, demand growth in this group of countries is expected to account for 95 per cent of global consumption growth in aggregate. The highest growth in oil demand is expected in Asian countries, which are Russia's main trading partners.

LITTLE IMPACT

Sechin said that OPEC+ agreement, seems to have little impact on the oil market, as observed by the stockpiling of reserves by both Western and Middle-Eastern companies, potentially anticipating significant market changes. These "phantom barrels", could offset the effects of voluntary production cuts by major OPEC members, evidenced by market quotations declining, after recent ministerial decisions, he added. Moreover, the looming uncertainty surrounding the upcoming US presidential elections, where public sentiment is influenced, among other things, by fluctuations in gasoline prices, implies a heightened level of market volatility.

Sechin criticised the prioritisation of anthropogenic factors in climate change discourse and argued against the effectiveness of energy transition initiatives in addressing environmental concerns. Despite considering hydrogen as a promising clean fuel, he pointed out the current limitations in production technology, logistics, and market readiness.

Publication : The Hindu Business Line	Editions : New Delhi
Date :10 June 2024	Page : 5

thehindu businessline.

TWENTY YEARS AGO TODAY.

June 10, 2004

Govt to announce petro package

The Government will announce a package of measures on June 15 to insulate the consumer from the vagaries of the rising global crude oil prices. The various components of this package include a new pricing mechanism for petrol, diesel, LPG and kerosene besides lowering of duties and enhancement of subsidy allocation for LPG and kerosene.

ONGC may start its own insurance outfit

Insurance companies are about to lose their biggest client in the country. Oil and Natural Gas Corporation (ONGC) is planning a set-up of its own to take care of its insurance needs, a top ONGC official said. "We have accepted a suggestion to set up our own insurance outfit since anyway we are paying huge premia to insure our assets," Mr Subir Raha, Chairman of ONGC, said.

Tata Sons sets up BPO arm

Tata Sons Ltd has set up a wholly-owned subsidiary E2E SerWiz Solutions Pvt Ltd (SerWizSol) to exclusively focus on the contact centre and BPO business. SerWizSol will be targeting both the domestic and overseas markets and expects to have a headcount of 5,000 by the end of the current financial year.

Publication : The Pioneer	Editions : Hyderabad
Date :10 June 2024	Page : 1, 8

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Date :10 June 2024	Page : 1, 8

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PNS ■ NEW DELHI

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ONGC believes the field still has a balance reserve of 80 million tonnes (610 million barrels) of oil and over 40 bcm of gas and hence needs partners who can help tap them.

With the field seeing a steady decline in output, a stake sale had been considered on at least two occasions in recent years.

A high-level committee headed by the then Niti Aayog Vice Chairman Rajiv Kumar in late 2018 considered "transferring" western offshore oil and gas fields of Mumbai High as also some fields in Mumbai offshore, Assam, Rajasthan, and Gujarat to private/foreign companies.

But that plan met with strong opposition from ONGC and some quarters within the government, three sources with knowledge of the matter said.

Publication : The Telegraph	Editions : Kolkata
Date :10 June 2024	Page : 8

ONGC seeks foreign ally

DEAL TIME

- Foreign partner sought for Mumbai High
- Annual revenue of bidder $75bn
- Pick on basis of revenue share. No equity stake

New Delhi: State-owned Oil and Natural Gas Corporation (ONGC) is seeking foreign partners to reverse declining output at its flagship Mumbai High fields, offering a share of revenue from incremental production plus a fixed fee but not any equity stake.

ONGC on June 1 floated an international tender seeking global technical services providers (TSP) with annual revenue of at least $75 billion, according to the tender document.

The TSP would have to do a comprehensive review of the field performance and identify improvements as well as implement suitable technological interventions and practices for improving production and recovery, it said.

Bidders have been asked to quote quarterly incremental production they can enable over the 10-year contract period as well as the percentage share of the revenue they want from the sale of oil and gas produced over and above the baseline production.

Bids are due by September 15, 2024.

The TSP, who would be selected on the basis of one offering the highest incremental production and the lowest revenue share, will also be paid a fixed service fee for its efforts, the document said.

The Mumbai High field (previously Bombay High field) — India's most prolific oil field — lies some 160-kilometer in the Arabian Sea off the Mumbai coast. It was discovered in February 1974 and started production on May 21, 1976.

The field hit a peak of 4,76,000 barrels of oil per day and 28 billion cubic meters of gas in 1989 and has since seen a gradual decline in output.

ONGC believes the field still has a balance reserve of 80 million tonnes of oil and over 40 bcm of gas.

It is currently producing 1,34,000 bpd of oil and 13 bcm (less then 10 million standard cubic meters per day) of gas — accounting for almost 38 per cent of India's production and 14 per cent of consumption.

With the field seeing a steady decline in output, a stake sale had been considered on at least two occasions in recent years.

A panel in late 2018 considered "transferring" western offshore oil and gas fields of Mumbai High as also some fields in Mumbai offshore, Assam, Rajasthan, and Gujarat to private/foreign companies. PTI

Publication : Veer Arjun (Hindi)	Editions : New Delhi
Date :10 June 2024	Page : 11

ओएनजीसी को मुंबई हाई तेल क्षेत्र के लिए विदेशी भागीदारों की तलाश

नई दिल्ली, (भाषा)। सार्वजनिक क्षेत्र की कंपनी तेल और प्राकृतिक गैस निगम (ओएनजीसी) अपने प्रमुख तेल क्षेत्र मुंबई हाई में घटते उत्पादन की स्थिति बदलने के लिए विदेशी भागीदारों की तलाश कर रही है। इसके लिए उन्हें बढ़े हुए उत्पादन से राजस्व का एक हिस्सा और एक निश्चित शुल्क की पेशकश की गई है। हालांकि, कोई इक्विटी हिस्सेदारी नहीं दी जाएगी। ओएनजीसी ने एक जून को एक अंतरराष्ट्रीय निविदा जारी की, जिसमें कम से कम 75 अरब अमेरिकी डॉलर के वार्षिक राजस्व वाले वैश्विक तकनीकी सेवा प्रदाताओं (टीएसपी) को आमंत्रित किया गया। टीएसपी को क्षेत्र के प्रदर्शन की व्यापक समीक्षा करनी होगी और सुधारों की पहचान करनी होगी। साथ ही उत्पादन में सुधार के लिए उपयुक्त तकनीकी हस्तक्षेप और प्रथाओं को लागू करना होगा। बोलीदाताओं से 10 साल की अनुबंध अवधि के दौरान तिमाही आधार पर वृद्धिशील उत्पादन के साथ ही बेसलाइन उत्पादन के बारे में बताना होगा। इसके अलावा बढ़े हुए तेल और गैस उत्पादन की बिक्री से मिलने वाले राजस्व में उन्हें कितना हिस्सा चाहिए, यह भी बताना होगा। बोलियां 15 सितंबर, 2024 तक दी जानी हैं। निविदा दस्तावेज में कहा गया है कि उच्चतम वृद्धिशील उत्पादन और सबसे कम राजस्व हिस्सेदारी की पेशकश करने वाले टीएसपी को उसके प्रयासों के लिए एक निश्चित सेवा शुल्क भी दिया जाएगा।

Publication : Amar Ujala (Hindi)	Editions : New Delhi
Date :10 June 2024	Page : 4

गेल इंडिया लिमिटेड ने 'वाह क्या ऊर्जा है' अभियान शुरू किया

नई दिल्ली। पर्यावरण संरक्षण के लिए गेल इंडिया लिमिटेड ने गेल और इसकी समूह कंपनियों द्वारा पेश स्वच्छ और पर्यावरण के अनुकूल ईंधन विकल्पों संपीड़ित प्राकृतिक गैस और पाइप्ड प्राकृतिक गैस को अपनाने के लिए प्रेरित करने के लिए 'वाह क्या ऊर्जा है' अभियान शुरू किया। बिजनेस-टू-कंज्यूमर डिजिटल संचार के तहत यह अभियान रणनीतिक रूप से पूरे भारत में खुदरा प्राकृतिक गैस उपभोक्ताओं को जोड़ने के लिए तैयार किया गया है। वाह क्या एनर्जी है में मिनी-सीरीज फॉर्मेट में चार लघु फिल्में शामिल हैं। एक नजदीकी मध्यवर्गीय भारतीय परिवार की कहानियां बताती हैं और बताती हैं कि कैसे वे ईंधन के उपयोग के बेहतर विकल्प के जरिए अपनी चुनौतियों का सामना करते हैं।

Publication : Millennium Post	Editions : New Delhi
Date :10 June 2024	Page : 10

Hardeep Puri: Face of India's oil diplomacy

NEW DELHI: Hardeep Singh Puri, the former diplomat who displayed unflinching altruism in driving from the background the construction of new Parliament and navigating India through two back-to-back oil crises, seems to have been rewarded for scam-free tenure in ministries otherwise considered minefields.

Puri, 72, a minister for housing and urban affairs and petroleum and natural gas in the outgoing Modi 2.0 government, was among the ministers sworn in on Sunday in Modi's new administration.

Born in Delhi, the 1974 batch Indian Foreign Service (IFS) officer, Puri claims to be affiliated to ABVP - the students' body aligned to BJP, during his student days at Hindu College of the Delhi University (DU), where he received his bachelor and master's degrees in history.

He officially joined BJP in January 2014 after retiring from the service.

He was inducted into the Council of Ministers as Minister of State (Independent Charge) for Housing and Urban Affairs in September 2017. He was given the additional charge of Minister of State (Independent Charge) for Civil Aviation and the Minister of State for Commerce and Industry in May 2019. In July 2021, he was elevated as the Union Minister and given the Ministry of Petroleum and Natural Gas alongside Housing and Urban Affairs.

While Puri ensured the delivery of the new Parliament building on time as housing and urban development minister, he navigated the country through twin oil crises - an oil price spike and the fallout of the Russia-Ukraine war on net importing nations like India.

As the prices began to climb in the last quarter of 2021 and spiked after Russia's invasion of Ukraine in February 2022, he ensured Indian consumers of petrol, diesel, and LPG did not feel the heat. State-owned oil firms under his administrative control froze retail rates, suffering unprecedented losses. They were allowed to recoup them when rates fell.

This ensured inflation did not heat up while oil profitability was maintained. In fact, oil PSUs booked record profits in the fiscal ended March 31, 2024.

Puri also resisted Western pressure, allowing oil firms to buy oil from Russia that was being shunned by some in Europe and the US after the Ukraine invasion and was available at a discount. From minuscule levels in the pre-war era, Russian oil made up almost 40 per cent of all oil India imported. This helped cement India's ties with Moscow and provide oil firms cushion to absorb losses on selling petrol and diesel at rates below cost.

Puri successfully defended India's stance and balanced it with continuing its engagement with Saudi Arabia-led OPEC, whose share in the country's oil imports fell drastically. All this he did while maintaining a scam-free administration. There has been no contracting scam in the award of any project in housing and urban development and no head-turning headlines in the oil ministry, which in previous regimes had seen multiple controversies. PTI

Publication : Mint	Editions : New Delhi
Date :10 June 2024	Page : 1, 2

'India's energy use to grow 90% by 2050'

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With a growing economy, India's energy consumption is likely to nearly double by 2050, one of the fastest growth rates in the world, said Igor Sechin, CEO of Rosneft, one of Russia's largest oil producers.

Addressing global business and political leaders at the 27th St. Petersburg International Economic Forum (SPIEF), he also talked up fossil fuel and hit out at what he called a "green agenda".

Sechin, whose firm is controlled by a Russian holding company predicted the Indian economy would overtake that of the US by 2050.

"Over the next five years, India is projected to continue its strong economic momentum and become one of the top three largest economies in the world with a GDP of $5 trillion, and by 2050 will overtake the US in terms of the size of the economy," a statement by Rosneft quoted him as saying.

As per the statement, Sechin said India's end-use energy consumption is set to grow by 90% by 2050, one of the fastest growth rates in the world.

Igor Sechin, CEO, Rosneft. REUTERS

He said developing countries will be the main drivers of oil consumption in the coming decades. By 2030, demand growth in this group of countries is expected to account for 95% of global consumption growth. The highest growth in oil demand is expected in Asian countries, which are Russia's main trading partners, Sechin said.

The highest growth in oil demand is expected in Asian countries, which are Russia's main trading partners

Talking of energy transition, the Rosneft CEO said that although hydrogen is considered a promising clean fuel, there are limitations in production technology, logistics and market readiness.

He noted that while renewable energy accounts for less than 5% of global energy production and electric vehicles only make up around 3%, consumption of oil, gas, and coal continue to rise. Sechin was of the view that the lack of profitability in green energy initiatives is leading to diversions from the traditional energy sector, exacerbating the challenge of transitioning to sustainable energy sources.

Observing that energy transition should be well-balanced and focused on addressing the interests of developing countries, the Rosneft CEO said that to achieve energy security, it is necessary to ensure sufficiency, affordability and reliability of energy sources.

"Aggressive promotion" of the "green agenda" actually means declaring an energy war on the majority of the world's population, and overcoming energy inequality is impossible without reliable supplies of oil and gas, said the Rosneft CEO, according to the statement.

Rosneft is a major partner of Indian energy companies.

Russia has emerged as the top suppliers of oil to India in the past two years as the sanctions-hit country offered deep discounts to Indian oil refiners.

According to the Indian ministry of commerce, India imported crude worth $46.48 billion from Russia in FY24, about 50% more than in FY23.

The share of imports from Russia was one-third of the total oil import bill in value terms.

Publication : Mint	Editions : New Delhi
Date :10 June 2024	Page : 1, 6

NTPC looks beyond power in capex play

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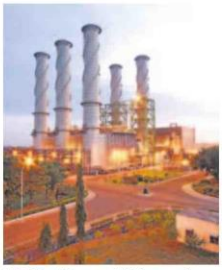
State-run NTPC Ltd is planning capital expenditure of $50 billion (₹4.17 trillion) over the next 10 years to become a true energy company from just a generator of power, according to two people aware of the company's plans.

The people said that India's biggest power generation company will spend $5 billion each year over 10 years to foray into production of various clean fuels and also towards increasing its power generation capacity.

"The company is looking at a diversified role where NTPC may (methaphorically) stand for 'national transport, power and chemicals'," the first person cited above said on condition of anonymity. "There are major plans for methanol, ethanol, green hydrogen for transportation and also sustainable aviation fuel (SAF), for which it is already in talks with some airlines."

NTPC will undertake these activities itself with no plans for



NTPC will spend $5 bn each year over 10 years to foray into production of clean fuels.

TURN TO PAGE 6

Publication : Mint	Editions : New Delhi
Date :10 June 2024	Page : 1, 6

NTPC looks beyond power, to produce a variety of clean fuels

FROM PAGE 1

a subsidiary currently, although green hydrogen would be produced through its existing subsidiary NTPC Green Energy Ltd.

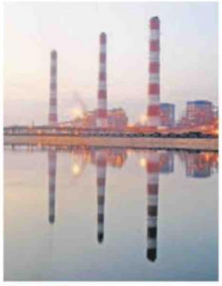
Queries sent to NTPC remained unanswered till press time.

Sustainable aviation fuel has been a focus area for energy companies with the government announcing an indicative target of 1% SAF blending in jet fuel by 2027, which may gradually be increased to 2% by 2028 for international flights.

Already, oil refining and marketing companies such as Indian Oil Corporation Ltd (IOCL) and Bharat Petroleum Corporation Ltd (BPCL) have forayed into the space with research underway for various modes of SAF production.

For the production and adoption of methanol as a clean fuel, NTPC is in talks with several shipping lines, the people cited above said.

Its first methanol plant is being constructed at the Vindhyachal Thermal Power Plant in Madhya Pradesh, by Jakson Green, which deals in engineering, procurement and construction (EPC), and operations and management of new energy assets including solar, utility-scale, energy projects, among other green energy projects.



NTPC's first methanol plant likely to be completed by July.

The plant, with a capacity of 10 tonnes per day, is likely to be completed by July, according to the second person cited above.

Thereafter, NTPC plans to set up another methanol plant with a capacity of 100,000 tonnes per year or nearly 274 tonnes per day. "NTPC is planning to set up another methanol plant with a capex of about ₹5,000-6,000 crore. The capacity will be 1 lakh tonnes per year," the second person said.

NTPC's diversification comes at a time when the country is aiming to achieve net-zero carbon emission by 2070.

The company already aims to install cumulative renewable energy capacity of 60 GW by 2032 through its subsidiary NTPC Green Energy (NGEL), which is expected to go public in the current fiscal with an aim to raise about ₹8,000 crore. The proceeds would be used for the green energy subsidiary's energy transition projects including in green hydrogen and energy storage.

NTPC also plans to foray into nuclear power generation on its own with a target of about 10 GW in the next few years.

To be sure, NTPC is gearing up to meet growing demand for power in the country. Noting that thermal power is expected to remain the mainstay for the next few years, the first person said that the company would set up about 26 GW of the targeted 80 GW additional coal-fired capacity by 2032.

Publication : Business Standard	Editions : New Delhi
Date :10 June 2024	Page : 8

MODI 3.0 TAKES CENTRE STAGE

NDA govt boosts its ministerial ranks with former CMs, diverse social representation, and a mix of young turks and veterans

FINANCE

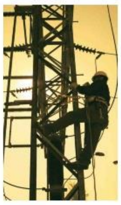
Budget 1st pit stop; pending reforms fill busy calendar

ON THE ANVIL

COMMERCE & INDUSTRY

Focus likely on signing FTAs, reviving exports, and SEZ law amendments

THE ROAD AHEAD



ENERGY

Eye on energy security, rising demand

INFRASTRUCTURE

Continued capex push, bullet train among priorities

AGRICULTURE

Agri reforms, food inflation key challenges

MOBILITY & MINERALS

Fuelling the critical ride for green mobility

INFORMATION TECHNOLOGY & TELECOM

DPDP, sat spectrum norms, electronics PLI boost on cards

Publication : The Indian Express	Editions : New Delhi
Date :10 June 2024	Page : 1

NEW ZEALAND

Govt to introduce Bill to scrap ban on oil exploration

Sydney: New Zealand's government said on Sunday it would introduce legislation to remove a controversial ban on offshore petroleum exploration to attract investment to the country's oil and gas sector. The bill would end the ban, in place since 2018, on exploration outside onshore Taranaki, an energy-rich region on New Zealand's North Island, Resources Minister Shane Jones said in a statement. The bill will be introduced to parliament before the end of 2024, he said. **REUTERS**

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ASIAN VOICES

Gas, oil exploration

President Yoon Suk Yeol's surprise press briefing Monday over the possibility of gas and oil sent energy stocks higher and generated plenty of media buzz about a rosy scenario for a country heavily dependent on imported resources. But there are skeptical views about its feasibility. Yoon said the government has approved a massive project to kick off exploratory drilling in search of gas and oil reserves in the deep sea off the country's southeastern coast. He said the reserves could hold up to 14 billion barrels of gas and oil, a potentially significant quantity that would be sufficient for the country to use for as many as 29 years and four years, respectively.

The government entrusted Act-Geo, a US-based deep-sea technology consultancy, with the review of the geophysics study on the potential natural resources in February last year, Yoon said. He added that experts verified the potential of the "14 billion barrels of gas and oil" that might be buried in the reserve off Yeongil Bay in Pohang, North Gyeongsang Province.

But Yoon's comment about the potential reserve should be taken with a grain of salt. According to the Industry Ministry, Act-Geo's review said that the buried amount of natural resources could be somewhere between 3.5 billion and 14 billion barrels, suggesting that the actual discovery might be far smaller than what the president announced. During the briefing held at the presidential office in Seoul, Industry Minister Ahn Duk-geun also tried to paint an optimistic picture of the

The Korea Herald

exploration plan, saying that "the potential for the project is very high" and global resource development firms have expressed their intention to participate. Understandably, Yoon's briefing has raised hopes among people and businesses related to the exploration project. If confirmed, it would certainly become a substantial boon for Korea, which depends on imports for around 97 to 98 percent of its energy needs. The reserves in question are also located within Korea's exclusive economic zone, which means the country does not have to cooperate with other nations for the drilling. In addition to the use at home, Korea may be able to sell the resources overseas and secure sizable profits.

The way the government highlighted mainly the maximum valuation of the potential gas and oil reserves, however, raised questions. Ahn said the value of the reserves could be "as high as five times the market cap of Samsung Electronics."

Given that Samsung's market cap was 451.9 trillion won ($328.2 billion) on Monday's closing, Ahn's projection puts that value at around $1.6 trillion. Ahn's comparison may be easier to figure out the massive scale, but critics said his valuation by using the name of the country's flagship company was overly optimistic.

Since 1966, Korea has been carrying out exploration projects to find resources, but the endeavors often ended up with dashed hopes and repeated disappointments. In 1976, then President Park Chung-hee announced that oil had been extracted from an underwater field near Pohang, touching off excitement across the nation. But the government later gave up on the exploration project due to the lack of economic benefits.

One meaningful case involved the 1998 discovery in which Korea hit a gas reserve containing 45 million barrels in waters near Pohang. This led to commercial drilling from 2004 through 2021, bringing in 1.4 trillion won in net profit, but the result was still commercially lackluster.

Likewise, the government's latest exploratory drilling project is based on rosy assumptions. The success rate of the drilling project is thought to be around 20 percent, a relatively high level in the gas and oil exploration sector, but this translates into an 80 percent chance of failure.