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GAIL clocks revenue of Rs 76,063 crore in HI FY'23

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GAIL (India) Ltd reported revenue from operations of Rs 76,063 crores for the period April - September 2022 as compared to Rs 38,902 crores in corresponding period of financial year 2021-22. Profit before Tax (PBT) for H1 FY23 stood at Rs 5,770 crores as compared to Rs 5,736 crores for the corresponding period in previous year. Profit after Tax (PAT) stood at Rs 4,452 crores as compared to Rs 4,393 crores in corresponding period of previous year. Quarter on Quarter basis, Revenue from Operations reported is Rs 38,491 crores in Q2 FY23.



GAIL's e-vogolance portal launched

GAIL's e-Vigilance portal launched

Vigilance Commissioner PKSrivastava launched the e-Vigilance portal of GAIL on the occasion of Vigilance Awareness Week 2022.

He also released a Vigilance Awareness Magazine "Jagrook" and the updated Contracts & Procurement procedure of GAIL. The e-Vigilance portal developed by GAIL's Vigilance Department, leverages IT to automate itsworkflow and clearances related to complaints, inspections, penalties etc. under a single eumbrella.



The portal is set to enhance the efficiency and integrity of the Vigilance system in the organization.

Speaking at the function held at the corporate office of GAIL, Srivastava complimented the company for putting in place robust systems and procedures for procurement of goods and services and execution of works that have been aligned with new manuals issued by the Govt of India in July 2022. He stressed on the importance of making transparency, fairness, equality of treatment as well as competition, accountability and probity as the hallmarks of public procurement process.

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l stocks on slippery ground			Hindu Business Line	2	Bureau
	-			How costoral	indices moved
Oil sto				How sectoral	Oct 28 Nov 4 Movement change
	UND UI			AUTO	30243.7 30432.3 A 0.6
1.				BANKEX	47044.0 47315.7 🔺 0.6
slippe	1417			CAPITAL GOODS CONSUMER DURABLES	32761.7 33522.0 A 2.3 42076.7 42575.6 A 1.2
	IV			FMCG	16019.4 16224.0 🔺 1.3
				HC IT	23638.6 24262.5 28571.3 28848.3 1.0
orounc				METALS	18987.1 19884.0 ▲ 4.7
gruunu		/		OIL&GAS	19247.1 19722.2 A 2.5 4830.7 4903.9 A 1.5
0		and have		PSU	9470.2 9676.8 ▲ 2.2
	The	~,	- T-	REALTY	3472.1 3528.1 ▲ 1.6 13400.8 13528.4 ▲ 1.0
	7 4		and the second	TECK	13400.8 13526.4 1.0
		10-5	GETTY INVGENIETOCKIMOTO	How other ind	
				BANK NIFTY NIFTY NEXT 50	40,991 41,258 ▲ 0.7 42,190 43,097 ▲ 2.2
Crude price and profitability	crude reality. Regul controls and global crude			NIFTY 100	18,017 18,361 🔺 1.9
of refiners Operating profit margin (%)	volatility have led to a mu			NIFTY 200 NIFTY 500	9,425 9,609 A 2.0 15,242 15,531 A 1.9
Bharat Petroleum Chennai Petroleum Indian Oil Corporation Hindustan Petroleum	upstream and downstrea	m companies			
Reliance Industries MRPL Price change (%) WTI crude	-	refining margins at over \$20 per bar- rel in Q1FY23 compared to \$3-6 per	diesel. This has led to erosion of	Sensex ups &	downs Price ?
200 - 20	Nalinakanthi V bi, research bureau	barrel in 1QFY22, due to higher real-	profits for upstream companies such as ONGC and OIL and export-fo-		Oct 28 Nov 4 Movement change
150	lobally, energy companies that are into oil explora-	isation on the downstream products, the losses on marketing eroded their profitability completely.	cussed downstream refiners such as Reliance Industries. Reliance Industries' lacklustre	Bajaj Finserv Ultratech Cement	1653.3 1801.7
(%) afo	tion and refining have had a good run over the past	Indian Oil Corporation, which is the largest refiner and marketer, pos-	performance in September 2022 quarter, with a flat net profit of	Sun Pharmaceutical	989.75 1039.5 🔺 5.03
high profession	year. With global crude oil prices peaking above \$120 a barrel, the last	ted a modest profit of ₹883 crore, compared with ₹6,141 crore, in the	₹15,512 crore, was largely on account of the windfall tax on exports of	Asian Paints SBI	3053.55 3180.85 A 4.17 570.75 593.75 A 4.03
-50	three quarters have been a bumper one for companies in this space.	same period last year. For BPCL and HPCL, it was record losses of ₹6,148 crore and ₹8,557 crore, respectively,	downstream products, even as other segments such as Retail and Telecom	HDFC	2400.45 2489.35 3.70
-100 - FY17 FY18 FY19 FY20 FY21 FY22 -10	Investors in these stocks also made neat gains. Sample this: the US- based energy major Exxon Mobil saw	in Q1FY23 Now, with the correction and	reported solid performance. Given the current scenario of volatile crude oil prices, what could	Tata Steel	101.55 104.75 🔺 3.15
How oil explorers fared	its revenue and net income grow by 49 per cent and 191 per cent in the	volatility in crude oil prices, the re- fining margins have also come off	be in store for the upstream and downstream companies?	Bajaj Finance Bajaj Auto	7010 7210 A 2.85 3668.5 3771.05 A 2.80
ONGC Oli India Revenue (# crore) Sanna	September 2022 quarter, on a year- on-year basis. The stock has also	from their highs, even as there has been some respite on the marketing	FUTURE IMPACT	HDFC Bank	1458.5 1497.1 🔺 2.65
45000	gained a good 80 per cent since the start of 2022. While energy producers and ex-	losses due to a moderation in the brent crude oil prices from ₹120-plus levels to below ₹100 in recent	If crude prices move up from hereon, going by history, it is good for both upstream and downstream compan-	Reliance	2526 2592.45 A 2.63 345.6 353.55 A 2.30
	porters world over have raked in big gains from spiralling energy costs	months. For HPCL, the moderation in marketing losses has helped nar-	ies in a normal scenario. For oil ex- ploration upstream players such as	M&M	1311.3 1338.15 2.05
	(oil and gas), in India the story has been quite different. Even as Indian	row losses in the September quarter with a net loss of ₹2,476 crore. In the	ONGC and Oil India, higher crude prices help higher realisation. Be-	L&T TCS	1974.65 2014.9 2.04 3162.95 3216.3 1.69
10000	refiners and oil drilling companies have, in the past, benefitted signific- antly from higher global crude oil	case of IOCL, which enjoyed refining margins superior to HPCL and BPCL at \$31.81 a barrel, the fall in refining	sides higher realisation, inventory gains also add to margins and profits in a riging grade price scenario. How-	HCL Technologies	1029.55 1045.8 1.58
FY18 FY19 FY20 FY21 FY22 Net profit (# crore)	prices, they could not capitalise on the buoyant global crude oil prices	margins resulted in the company posting a loss of ₹910 crore in July-	in a rising crude price scenario. How- ever, now with the advent of windfall tax, the quantum of revenue and	NTPC Dr. Reddy's	174.15 176.85 A 1.55 4460.9 4524.15 A 1.42
45000	this time around. In India, crude oil imports have	September 2022 period.	profit growth will be limited to the extent of the tax. Should oil prices	Titan	2735.5 2768.3 1.20
	only been on an increasing trend. In FY12, India's crude imports stood at 171.7 million tonnes and domestic	Second, to add to the sky-high crude oil prices, the falling rupee only ac-	move up to \$100 levels for a barrel, Government is likely to revise wind- fall tax upwards, just as how it has	Kotak Bank	1883.7 1900.65
25000	production was at 35.9 million tonnes. Back then, imports consti-	centuated the worries for India. It was a double whammy for the coun-	been downward-revising the same with the moderation in global prices.	Tech Mahindra	1047.95 1053.7 0.55
15000	tuted 82.7 per cent of the country's total requirement. Ten years hence, in 2022, India's crude oil imports	try, with an inflating subsidy bill due to rising oil and falling rupee on one hand and increased outflow of dol-	However, even after adjusting for the tax, higher crude prices may still be good for upstream companies.	IndusInd Bank	1147.6 1152.7 A 0.44 1512.6 1513.9 A 0.09
FY18 FY19 FY20 FY21 FY22 0	have risen to 212.4 million tonnes, implying an annual growth of 2 per	lars, due to higher imports, on the other. To ease the pressure on the	Likewise, strong crude oil prices have helped margins of refiners and	Bharti Airtel	816.8 816.4 ¥ -0.05
Singapore gross refining margins	cent. Interestingly, domestic produc- tion has declined by about 21 per	country's finances, Government of India, on July 1, introduced the wind-	oil marketing companies. Indian Oil Corporation, country's largest re-	HUL Power Grid	2525.2 2520.15 ¥ -0.20 226.7 226.15 ¥ -0.24
s per oarres	cent over the past decade. As a result, imports as a percentage of total re-	fall tax (known as the special addi- tional excise duty) aimed at absorb-	finer, saw its operating profit margin expand from 2-5 per cent during	ICICI Bank	907.9 905.65 V 0.25
18	quirement rose to over 88 per cent. This trend has continued in the first	ing the super normal profits earned by domestic crude producers, given	FY13-15, when crude prices were on a falling spree, to 6-10 per cent in	Maruti	907.9 905.65 V 0.25 9494.1 9226.55 V -2.82
12	half of FY23. MARKETING MARGINS CUT	that their realisation is linked to higher global prices.	FY16-18, when global oil prices re- covered and were ruling high. For	Axis Bank	903 867.25 🔻 -3.96
	MARKETING MARGINS CUT Even as global crude oil prices were ruling above \$100 per barrel, petrol	For domestic crude producers Oil and Natural Gas Corporation (ONGC) and Oil India, the new tax	HPCL, the operating profit margin improved from about 2 per cent in FY13-15 to 5-6 per cent in FY16-18.		
······································	and diesel were sold to domestic con- sumers at prices that were equivalent	meant lower net realisation on the crude produced. From ₹23,250 a	Higher crude prices help refiners in two ways. One is by way of higher	RE TWEETS.	
01 02 03 04 01 02 03 04 01 02 03 04 01 -3 FY20 - FY21 - FY21 - FY23 - FY23	to crude oil prices of \$70-80 levels to keep a lid on inflation, lest it impair	tonne on July 1, the Government, which has been reviewing the rates	gross refining margins, given that the realisation on downstream products		een trading and investing: Investing - every purchase is to hold. Trading - your
Crude oil trade (million tonnes)	growth. As a result, public sector oil marketing companies such as Indian Oil Corporation (IOCL), Hindustan	on a fortnightly basis and making suitable revisions, has now reduced it to ₹9,500 for a tonne of crude. Like-	is also typically higher. Two, invent- ory gains due to rising oil prices can also help step up margins. However,	your intention with every	
260	Petroleum (HPCL) and Bharat Pet- roleum (BPCL) took a haircut on	wise, to ensure domestic availability of downstream products - petrol,	for export-focussed refiners such as Reliance Industries, the windfall tax		gers happen not coz of increase in Sales
Imports 220	their marketing margins, as they ended up incurring losses on their sales of auto fuels. Thus, while these	diesel, and aviation turbine fuel (ATF) — it had imposed additional duty on exports, at ₹6 per litre on	may be important to keep a watch on. Abolishment or significant modera- tion will be positive for Reliance In-	or PAT but coz of "M by 15% cagr with a 3	argins". Any co which can grow its sales x change in Ebitda margins over 5
Imports as a % of total	companies recorded historic gross	petrol and ATF and ₹13 per litre on	tion will be positive for Reliance In- dustries. For oil marketing compan- ies (HPCL, BPCL, IOCL), any change	years,will be a very si @Arunstockguru	gnificant winner.
Total			in the retail sale price of petrol, diesel and ATF will be important to mon-		ke 9-12 months to work their way into
production 80 ≧	Production ONGC What Investors should keep tabs on the change of the ch		itor. Higher crude prices, without any change in retail fuel prices, will also not help oil marketing companies	 the underlying economy.Rate hikes started in the US in March will fully work thru into the US economy by Jan-Mar 2023. Present corporate earnings and the Q3 GDP growth 	
01L //C/ Private 20	While it is hard to predict the way forward for oil prices, there are a few	Given the regulatory controls and volatility in crude prices, the	since marketing losses would wipe off the higher refining margins.		mplete interest rate hike yet.
FY12 FY19 FY20 FY21 FY22	factors that one needs to keep a close watch on. One is changes in the windfall	performance of upstream and downstream companies has never been	While the case for a steady to higher oil prices in the near term may	Entry and riding is or	nly one side of storyhow to plan exit
How they fare	tax. Any downward revision of the quantum of tax, or Government completely doing away with the new tax	consistent. Long-term investing in this sector has not worked well, due to up and down cycles and volatility in financial	seem more realistic, should crude prices head south, the exchequer will heave a big sigh of relief. However,	and take home profit us should keep impro	ts is another level of competence all of
Company Price (₹) 6-month return % PE (TTM) Dividend yield (%) BPCL 302 -15.7 22.4 4.4	regime in a very optimistic case, will spell a big relief for the industry. Also, changes	performance of these companies. Investors eveing opportunities must	for refiners and oil producers, this will mean not just lower realisation	@MashraniVivek	then decades shows that hall marketer
HPCL 204 -24.2 NA 5.2 IOCL 68.6 -18.6 7.6 10.3	in the retail prices of petrol, diesel and ATF will play a crucial role in determining	time it well, pick the right business. For instance, if you want to play the upside in	but also inventory losses, which will impact profitability. For oil market-		st two decades shows that bull markets id bear markets are getting shorter.
MRPL 55 -29.2 2.1 0.0 RIL 2.592 -1.1 27.3 0.3	the profitability of OMCs. After all, given the capital-intensive nature of the business, the Government should	refining margins in a rising crude oil scenario, Reliance Industries and Indian Oil Corporation, which enjoy superior	ing companies, it will be lower mar- keting losses compensating for lower refining margins. Hence, falling	@vijayKedia1	
CPCL 209 -26.0 0.9 1.6 ONGC 138 -17.4 3.5 6.4	ensure a fair and remunerative policy framework in order to help companies	refining margins relative to industry, may merit attention. During downcycles	crude prices, while good for country and consumer, may not help the per-	Readers can share the section on our webs	heir views and suggestions in the comments ite, send e-mail and tweet to us
01000 138 -17.4 3.5 0.4					essline.com/portfolio/



Further rate hike fears	Indian express	13	Bureau

CRUDE WATCH FURTHER RATE HIKE FEARS: OIL UP 5%

New York: Oil prices settled up by more than 5% on Friday amid uncertainty around future rate hikes by the US Fed. Brent futures settled up \$3.99 to \$98.57 per barrel, a weekly gain of 2.9%. US WTI futures were up \$2.96, or 5%, at \$92.61, a 4.7% weekly gain. **REUTERS**







HPCL reports 43% growth in revenue from operations

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Bureau

HPCL reports 43% growth in revenue from operations

HPCL has reported revenue from operations of ₹ 1,14,172 crore for the period July-Sep 2022 registering growth of 30% over revenue from operations during the corresponding period of previous year (₹ 87,600 crore).

For the period Apr-Sep 2022, the growth in revenue from operations was 43%

with revenue at ₹ 2,35,621 crore as compared to ₹ 1,65,186 crore during the corresponding period of previous year.

previous year. With changed input cost dynamics during Q2 FY22-23, the Company was able to negotiate better prices and partially mitigate the effect of high costs. Nonetheless, high input costs and consequent depressed marketing margins continued to impact the profitability, resulting in Net loss of ₹2,172 crore during July-Sep 2022 (after factoring onetime grant towards LPG Under-recoveries) as compared toPAT of ₹1,924 crore during the corresponding period of previous year. For the period Apr-Sep 2022, Net Loss was ₹12,369 crore as compared to PAT of ₹3,719 crore during the corresponding period of previous year.

HPCL reported consolidated Net Loss of ₹11,033 crore for period Apr-Sep 2022 as compared to consolidated PAT of ₹3,923 crore during the corresponding period of previous year.