ONGC News as on 21 August 2023 (Print)

Publication : Financial Express	Editions : New Delhi
Date :21 August 2023	Page : 3, 4

FINANCES OF IOC, BPCL, HPCL IMPROVE

OMCs may see cut in capital infusion

Centre likely to review ₹30,000-crore plan

PRASANTA SAHU
New Delhi, August 20

WITH STATE-RUN OIL marketing companies (OMCs) recouping most of the FY23 losses in the marketing margins in the current financial year by not cutting retail prices even after crude prices fell sharply, the Centre is considering scaling down the equity infusion plan for the three companies.

In the Budget 2023-24, the government had announced ₹30,000-crore equity capital investment in the three OMCs — Indian Oil (IOC), Bharat Petroleum (BPCL) and Hindustan Petroleum (HPCL) — towards energy transition and net-zero objectives. "I have my doubts whether support from the exchequer will be required to the extent announced in the Budget. We are reassessing (the requirements)," an official aware of the matter told *FE*.

Following the Budget announcement, the BPCL board in June approved an ₹18,000-crore rights issue to shareholders, entailing at least ₹9,500-crore capital infusion by the Centre for its 52.98% stake. In July, the IOC board approved a rights issue for raising ₹22,000 crore, which requires the government to infuse at least ₹11,330 crore for its 51.5% stake.

Usually, promoters commit to fully subscribing to their portion of the rights and the undersubscribed portion as well. The remaining amount from ₹30,000 crore was to go to HPCL, a subsidiary of state-run upstream major ONGC, likely through a preferential allotment.

The Budget allocation was based on the assessment that OMCs would have some difficulty in incurring capital expenditure because oil prices were high and they were not able to sell auto fuels at remunerative rates in FY23.

The combined loss of three state-run retailers — IOC, BPCL and HPCL — for the first half of the last financial year was a whopping ₹21,201 crore due to petrol and diesel prices freezing when global prices rose.

Continued on Page 4

MONEY MATTERS

- **IOC, BPCL, HPCL recoup most of FY23 losses in the marketing margins in the current financial year**
- FY24 Budget allocation was based on the assessment that their capex would suffer due to high oil prices
- OMCs were not able to sell auto fuels at remunerative rates in FY23
- Indian basket of crude averaged **$74-75/barrel** in May and June, **$80** in July & **$86.69** in August
- OMCs expected to continue making profit **till the oil price remains below $80-85** per barrel, say experts

Publication : Financial Express	Editions : New Delhi
Date :21 August 2023	Page : 3, 4

OMCs likely to see cut in capital infusion over better finances

The government didn't want to subsidise the OMCs but it also didn't want their capital expenditure to suffer either, since it is a thrust area to boost economic activity and growth. "Of course, recently oil prices went up, but in between they were doing pretty well (in April-July 2023)," the official said.

Due to the Russia-Ukraine war, the Indian basket of crude prices shot up by an average of 18% in FY23 to \$93.15/barrel compared with \$79.18/barrel in FY22. The Indian basket of crude oil averaged \$74-75/barrel in May and June 2023, \$80/barrel in July and \$86.69/barrel in August reflecting fluctuations in prices due to global developments. OMCs are expected to continue making profit till the oil price remains below \$80-85 a barrel, analysts reckon. However, the official said no final decision on the extent of capital infusion has been taken by the government as yet even though IOC and BPCL have announced their rights issue plans. "It is too early to say whether OMCs are doing very well. The capital infusion may also go through as per the Budget plan," the official added. IOC has projected a

capex of ₹30,395 crore in FY24 compared with ₹35,205 crore in FY23. BPCL's estimated capex is ₹10,000 crore in FY24 from ₹11,527 crore in FY23. HPCL to invest ₹10,210 crore in FY24 against ₹13,847 crore in FY23.

The share price of IOC, BPCL and HPCL fell 0.95%, 1.27% and 0.17%, respectively, on Friday on the BSE.

Publication : Millennium Post	Editions : New Delhi
Date :21 August 2023	Page : 9

ONGC Videsh secures 3-yr extension for Vietnamese oil block in South China Sea

NEW DELHI: India's flagship overseas firm ONGC Videsh Ltd (OVL) has secured another three-year extension to explore oil and gas in a Vietnamese block in the contested waters of the South China Sea, the firm's parent ONGC said.

This is the eighth extension for OVL, the overseas arm of state-owned Oil and Natural Gas Corporation (ONGC). The seventh extension to explore oil and gas was till June 15, 2023 and PTI on August 13 reported that the company was in talks with Vietnamese authorities for another three-year extension.

"OVL "secures extension of 3 more years to explore in South China Sea's Block 128! India's strategic commitment stays strong as ONGC Videsh continues its exploration journey with its 8th extension till 15 June 2026," ONGC said in a post on social messaging platform X, formerly known as Twitter.

The firm had in a proposal to regulator PVN sought a three-year extension of the exploration phase-1.

"We are embracing challenges, safeguarding interests & fostering partnerships," ONGC said.

The company has so far not found any commercially recoverable oil and gas reserves in the block in the 17 years it has been exploring there but has continued presence there because of India's strategic interest in the South China Sea.

Vietnam too wants the Indian firm to counter China's interventions in the contested waters. OVL had signed a production sharing contract (PSC) with Vietnam's national oil firm PetroVietnam for deepwater exploratory Block- 128 having an area of 7,058 square kilometres in Offshore PhuKhanh Basin, Vietnam in May 2006.

An investment licence was issued to it on June 16, 2006, thereby giving effect to the PSC. The firm completed the licence requirement of shooting 3D seismic data and reprocessing of 2D seismic data as well as drilling of the committed one well.

Officials said OVL acquired 3D seismic data and reprocessed 2D seismic data to fulfil a part of the minimum work programme of the phase-1 of exploration period.

Also, petroleum system modelling studies have been carried out based on data provided by PetroVietnam. OVL first took a two-year extension of the exploration period till June 2014 and then another for one year.

A third extension was granted on May 28, 2015, and a fourth in 2016. It got the fifth extension for two years in 2017 and a sixth from June 16, 2019 to June 15, 2021.

The seventh extension of two years was till June 15, 2023. Another official said the company had a couple of years ago drilled a well on the block but it could not reach the target depth and so it now has to drill the well all over again.

The company has not found any hydrocarbon in the block but is continuing to stay invested to maintain India's strategic interest. The block lies in the part of the South China Sea over which China claims sovereignty.

In 2011, Beijing had warned OVL that its exploration activities off the Vietnam coast were illegal and violated China's sovereignty, but the company continued exploring oil and gas.

OVL made a foray into Vietnam as early as 1988 when it bagged the exploration licence for Block 06.1. OVL owns a 45 per cent stake in Block 06.1 and its share of condensate and oil equivalent gas production from the block was 0.693 million tonne during the 2022-23 fiscal.

The production sharing contract (PSC) for Block 06.1 ws till May 18, 2023 but the Vietnam government has extended it for another 16 years.

The 955 sq km Block 06.1 located in Nam Con Son basin has two producing fields — Lan Tay and Lan Rosneft — and has a 35 per cent stake while the remaining 20 per cent is with PetroVietnam.

The firm in 2006 got two exploration blocks — Block 127 and Block 128. While Block 127 was relinquished due to poor prospects, the other block was retained. The first extension for Block 128 followed China putting the area under the block for global bidding.

AGENCIES

Takeaways

- This is the eighth extension for OVL, the overseas arm of state-owned Oil and Natural Gas Corporation (ONGC)
- 'We are embracing challenges, safeguarding interests & fostering partnerships'
- The company has so far not found any commercially recoverable oil and gas reserves in the block in the 17 years it has been exploring there but has continued presence there because of India's strategic interest in the South China Sea
- Vietnam too wants the Indian firm to counter China's interventions in the contested waters

Publication : Rashtriya Sahara (Hindi)	Editions : New Delhi
Date :21 August 2023	Page : 13

ओवीएल को तेल ब्लॉक के लिए विस्तार मिला

नई दिल्ली (भाषा)। ओएनजीसी विदेश लिमिटेड (ओवीएल) को दक्षिण चीन सागर में स्थित वियतनाम ब्लाक में तेल और गैस की खोज के लिए तीन साल का विस्तार मिला है। यह तेल और प्राकृतिक गैस निगम (ओएनजीसी) की विदेशी शाखा ओवीएल के लिए आठवां विस्तार है। ओएनजीसी ने यह जानकारी दी। तेल और गैस की खोज के लिए सातवां विस्तार 15 जून, 2023 तक था और कंपनी तीन साल के विस्तार के लिए वियतनामी अधिकारियों के साथ बातचीत कर रही थी। ओवीएल ने अन्वेषण चरण-1 के तीन साल के विस्तार के लिए नियामक पीवीएन को एक प्रस्ताव दिया था, जिसे मंजूर कर लिया गया है। कंपनी को पिछले 17 वर्षों से इस ब्लॉक में कोई भी व्यावसायिक रूप से उपयोगी तेल और गैस भंडार नहीं मिला है, लेकिन दक्षिण चीन सागर में भारत के रणनीतिक हित के कारण उसने वहां अपनी उपस्थिति जारी रखी है।

Publication : The Economic Times	Editions : Mumbai
Date :21 August 2023	Page : 11

OVL Gets another 3-yr Extension for Vietnamese Oil & Gas Block

New Delhi: India's flagship overseas firm ONGC Videsh (OVL) has secured another 3-year extension to explore oil and gas in a Vietnamese block in the contested waters of the South China Sea, the firm's parent ONGC said. This is the eighth extension for OVL. The last extension was till June 15, 2023.

OVL "secures extension of 3 more years to explore in South China Sea's Block 128! India's strategic commitment stays strong as ONGC Videsh continues its exploration journey with its 8th extension till 15 June 2026," ONGC said in a post on social messaging platform X, formerly known as Twitter. The firm had in a proposal to regulator PVN sought a three-year extension of the exploration phase-1. – **PTI**

Publication : The Free Press Journal	Editions : Mumbai
Date :21 August 2023	Page : 6

OVL gets 3-yr extension for Vietnamese oil block

India's flagship overseas firm ONGC Videsh Ltd (OVL) has secured another three-year extension to explore oil and gas in a Vietnamese block in the contested waters of the South China Sea, the firm's parent ONGC said. This is the eighth extension for OVL, the overseas arm of state-owned Oil and Natural Gas Corporation (ONGC). The seventh extension to explore oil and gas was till June 15, 2023 and PTI on August 13 reported that the company was in talks for another three-year extension.

Publication : The Hindu	Editions : New Delhi
Date :21 August 2023	Page : 8

NEWS IN NUMBERS

The extension OVL secured to explore oil in Vietnamese block

3 in years, is the extension ONGC Videsh Ltd (OVL) secured to explore oil and gas in a Vietnamese block in the South China Sea. The company has not found any recoverable oil and gas reserves in the block in the last 17 years. PTI

Dam managements against which H.P. govt. will take action

21 The Himachal Pradesh government has found that 21 out of the 23 dams in the State have violated safety norms. The government has said that it will take action against their managements. PTI

The investment for new transmission lines in Mumbai by Adani

2,000 in ₹ crore. Adani Electricity Mumbai is investing to build two new transmissions lines to strengthen its network as it tries to go more green. PTI

Govt. to procure more onions to maintain 5-lakh-tn buffer stock

2 in lakh tonnes. The government will use this quantity of onion for retail intervention. The announcement has come a day after the government imposed a 40% duty on the export of onions. PTI

The amount infused by Foreign Portfolio Investors this month

8,400 in ₹ crore. This is due to uncertainty in global markets, China's economic concerns and stability of domestic economy. PTI

COMPILED BY THE HINDU DATA TEAM

Publication : The Hindu Business Line	Editions : New Delhi
Date :21 August 2023	Page : 3

OVL gets extension on South China Sea project

Press Trust of India
New Delhi

India's flagship overseas firm ONGC Videsh Ltd (OVL) has secured another three-year extension to explore oil and gas in a Vietnamese block in the contested waters of the South China Sea, the firm's parent ONGC said.

This is the eighth extension for OVL, the overseas arm of state-owned Oil and Natural Gas Corporation (ONGC).

The seventh extension to explore oil and gas was till June 15, 2023.

OVL "secures extension of 3 more years to explore in South China Sea's Block 128! India's strategic commitment stays strong as ONGC Videsh continues its exploration journey with its 8th extension till 15 June 2026," ONGC said in a post on X. The firm had in a proposal to regulator PVN sought a three-year extension of the exploration phase-1

The company has so far not found any commercially recoverable oil and gas reserves in the block in the 17 years it has been exploring there but has continued presence there because of India's strategic interest in the South China Sea. Vietnam too wants the Indian firm to counter China's interventions in the contested waters.

Publication : The Indian Express	Editions : New Delhi
Date :21 August 2023	Page : 15

Centre may scale down equity infusion plan for 3 state-run oil-marketing companies

PRASANTA SAHU
NEW DELHI, AUGUST 20

WITH STATE-run oil marketing companies (OMCs) recouping most of the FY23 losses in the marketing margins in the current financial year by not cutting retail prices even after crude prices fell sharply, the Centre is considering scaling down the equity infusion plan for the three companies.

In the Budget 2023-24, the government had announced Rs 30,000-crore equity capital investment in the three OMCs — Indian Oil (IOC), Bharat Petroleum (BPCL) and Hindustan Petroleum (HPCL) — towards energy transition and net-zero objectives.

"I have my doubts whether support from the exchequer will be required to the extent announced in the Budget. We are reassessing (the requirements)," an official aware of the matter told FE.

Following the Budget announcement, the BPCL board in June approved an Rs 18,000-crore rights issue to shareholders, entailing at least Rs 9,500-crore capital infusion by the Centre for its 52.98 per cent stake. In July, the IOC board approved a rights issue for raising Rs 22,000 crore, which requires the government to infuse at least

Rs 11,330 crore for its 51.5 per cent stake.

Usually, promoters commit to fully subscribing to their portion of the rights and the undersubscribed portion as well. The remaining amount from Rs 30,000 crore was to go to HPCL, a subsidiary of state-run upstream major ONGC, likely through a preferential allotment.

The Budget allocation was based on the assessment that OMCs would have some difficulty in incurring capital expenditure because oil prices were high and they were not able to sell auto fuels at remunerative rates in FY23.

The combined loss of three state-run retailers – IOC, BPCL and HPCL – for the first half of the last financial year was a whopping Rs 21,201 crore due to petrol and diesel prices freezing when global prices rose.

The government didn't want to subsidise the OMCs but it also didn't want their capital expenditure to suffer either, since it is a thrust area to boost economic activity and growth.

"Of course, recently oil prices went up, but in between they were doing pretty well (in April-July 2023)," the official said.

Due to the Russia-Ukraine war, the Indian basket of crude prices shot up by an average of 18 per cent in FY23 to \$93.15/barrel compared with \$79.18/barrel in FY22. The Indian basket of crude oil averaged \$74-75/barrel in May and June 2023, \$80/barrel in July and \$86.69/barrel in August reflecting fluctuations in prices due to global developments. OMCs are expected to continue making profit till the oil price remains below \$80-85 a barrel, analysts reckon.

However, the official said no final decision on the extent of capital infusion has been taken by the government as yet even though IOC and BPCL have announced their rights issue plans. "It is too early to say whether OMCs are doing very well. The capital infusion may also go through as per the Budget plan," the official added.

IOC has projected a capex of Rs 30,395 crore in FY24 compared with Rs 35,205 crore in FY23. **FE**

Publication : The Telegraph	Editions : Kolkata
Date :21 August 2023	Page : 8

OVL Vietnam

NEW DELHI: ONGC Videsh Ltd (OVL) has secured another three-year extension to explore oil and gas in a Vietnamese block in the contested waters of the South China Sea, the firm's parent ONGC said. This is the eighth extension for OVL, the overseas arm of state-owned Oil and Natural Gas Corporation (ONGC). The seventh extension to explore oil and gas was till June 15, 2023. PTI

Publication : The Telegraph	Editions : Kolkata
Date :21 August 2023	Page : 8

Poll brakes on selloffs

R. SURYAMURTHY

New Delhi: The finance ministry has started applying the brakes on the sale of government assets — a sign of elections down the road — at the cost of missing the divestment targets for the fiscal.

Officials said they are facing resistance from the administrative ministries and other quarters to strategic sales.

Analysts said the government would be keen to delay such sales than allow discontent of the workers or allegations on the valuation of the asset to become the talking point and an issue served on the platter for the Opposition in the poll season.

The Centre is already beseiged by high prices — retail inflation soared to 7.44 per cent in July — with the Lok Sabha elections less than a year ahead.

Strategic selloffs would provide another ammo to the Opposition, which has been criticising the government of crony capitalism, analysts said.

"Now with elections approaching, the government will go slow with the strategic disinvestment transactions that are already in the pipeline. There have been instances where the disinvestment department faced resistance from administrative ministries as well as other quarters when it tried to sell government stake in some of the PSUs," the official said.

A lack of investor appetite after the pandemic has also held back the disinvestment department from restarting the sale of certain state-owned companies such as Bharat Petroleum Coproration Limited.

The government has faced limited success in strategic divestment. Barring the sale of Air India, there has been hardly any big divestment in the recent past.

The only other two big transactions recently have been the merger of HPCL with ONGC and REC with Power Finance Corporation.

The strategic divestments in IDBI Bank, Shipping Corp of India, Container Corp of India, Rashtriya Ispat Nigam, Ferro Scrap Nigam and Nagarnar Steel Plant of NMDC are likely only after the elections, the analysts said.

SLOWDOWN

- Administrative ministries facing resistance against selloffs
- Divestments become a poll issue because of worker concerns and questions over valuations
- Centre already under attack because of high retail inflation

Publication : Western Times	Editions : Ahmedabad
Date :21 August 2023	Page : 5

ONGC signs term contract with BPCL for sale of crude oil

New Delhi: Oil and Natural Gas Corp. Ltd. (ONGC) has inked a term contract with Bharat Petroleum Corp. Ltd. (BPCL) for the sale of crude oil from the Mumbai region, the company said. The signing ceremony took place at ONGC NBP Green Heights, Mumbai, with key representatives from both companies in attendance. ONGC's Executive Director - Chief Marketing, Sanjay Kumar, and BPCL's Executive Director (IT), Manoj Heda, were among the dignitaries present at the event.

The contract follows the Indian government's decision to grant marketing and pricing freedom for domestic crude oil, replacing the previous allocation mechanism. Under the new regime, ONGC had initiated the first-ever e-auction of Mumbai Offshore crude oil.

BPCL's Mumbai refinery has a long-standing association with ONGC, processing their crude oil since 1976. The pipeline connection between the two entities facilitates seamless logistical operations, making BPCL an ideal partner for ONGC's crude oil sales. As the energy market dynamics continue to evolve, ONGC remains steadfast in its pursuit of innovation and excellence in the sector, reinforcing its position as a key player in India's oil and gas industry.

Publication : Business Standard	Editions : Mumbai
Date :21 August 2023	Page : 4

NHAI, GAIL join hands to simplify infra expansion

Sign MoU to expedite crossing permissions, resolve disputes

DHRUVAKSH SAHA
New Delhi, 20 August

State-owned GAIL (India) and the National Highway Authority of India (NHAI) have signed a memorandum of understanding (MoU) to simplify their infrastructure expansion works, as the country-wide networks of highways and gas pipelines often end up getting in each other's way amid complex permission and transactional procedures.

The agreement between the highways authority and the public-sector undertaking (PSU), signed on August 3, is aimed at expediting crossing permissions, standardising financial procedures, and establishing dispute-resolution mechanisms, *Business Standard* has learnt.

The agreement will be valid until 2026, and can be extended based on a mutual agreement between the two entities.

For easier crossing permissions and clearances, both NHAI and GAIL (India) will be bound to issue no-objection certificates (NOC) within 60 days if one of them is building new assets over an area where the other entity already has projects.

Moreover, if no communication is made objecting to the proposed work within 60 days, the NOC will be deemed issued by default.

NHAI will also be expected not to levy charges on GAIL (India) or its agencies for the laying of new natural gas, liquefied petroleum gas, and other hydrocarbon gas pipelines, which will be built along or across existing national highways. Similarly, GAIL will not charge NHAI for building new highways over its existing pipelines.

Under the agreement, NHAI, when working on expansion or new highways, will bear the cost of building protective portals or shifting gas pipelines if the pipelines have been laid before the official declaration of the highway.

Vice versa, if the pipelines were laid after the declaration of a highway stretch, the cost of such a work will be borne by GAIL. The company is also expected to obtain insurance cover from NHAI before allowing the construction of national highways over pipelines.

NHAI owns a national highway network of more than 144,000 km across the country. GAIL (India) owns and operates a network of around 14,617 km of natural gas pipelines with a capacity of 206 mmscmd (million metric standard cubic metres per day) spread across 19 states and three Union Territories.

It is also working concurrently to increase the spread through multiple projects, such as the ₹51,000 crore Urja Ganga Pipeline covering 2,540 km in Uttar Pradesh, Bihar, Jharkhand, West Bengal, and Odisha which will cater to millions of households.

GAIL's LNG infrastructure is being strengthened to bring LNG from key ports in western India to the energy-starved eastern regions.

The port of Dahej in Gujarat is the largest single-location LNG storage and regasification terminal in the country.

(With inputs from Subhayan Chakraborty)

CLEARING BOTTLENECKS

- Move to expedite crossing permissions, standardise financial procedures, and establish dispute-resolution mechanisms
- Both NHAI and GAIL to issue NOC within 60 days if one of them is building new assets over an overlapping area
- If no communication is made objecting the proposed works within 60 days, the NoC will be deemed issued by default

Publication : The Economic Times	Editions : New Delhi
Date :21 August 2023	Page : 4

IOC Begins Digitalisation Drive to Optimise Ops, Management

Move is helping refiner boost its efficiency as well as bottom line

Sanjeev.Choudhary
@timesgroup.com

New Delhi: Indian Oil Corporation (IOC), the nation's top refiner, has embarked on a major data-driven digitalisation drive to optimise its crude purchase, refinery operations and financial management, which has helped boost its efficiency as well as bottom line, said a senior executive.

"What we have begun doing is to use the immense data available to us to drive our decisions," Manish Grover, executive director (strategic information systems), Indian Oil Corporation, told **ET**.

IOC generates a sea of data daily from its operations spanning refineries, pipelines, petrol pumps, aviation fuel stations, natural gas networks and petrochemicals.

"We operate refineries at 10 locations as a group. We deal with as many as 400 types of neat crude at a time. Crude is imported at three ports and then transferred to various refineries, most of which are landlocked. In this complex exercise, we end up dealing with as many as 12,000 variants of crude mixes at a time," said Grover. "And then you have exigencies created by the war which requires you to take quick decisions for crude purchases at high sea and quicker unloading schedule for them."

The objective is to improve yields and cut down on any interruptions, said Grover, adding that each day of refining interruption would mean a potential loss of Rs 200-300 crore in sales. The new digital architecture at the firm helps "predict what can go wrong and help us act to prevent that", he said.

"We have created digital twins of the refinery units, which helps us optimise the operation, resulting in annual gains that run into millions of dollars," said Grover.

Publication : Financial Express	Editions : Mumbai
Date :21 August 2023	Page : 3, 7

Vijay Kirloskar moves Sebi against TD Power

IN A MOVE that could further escalate the dispute between TD Power Systems and shareholder Vijay Kirloskar, the latter has moved the Sebi accusing the firm of "deliberately and dishonestly" avoiding compliance disclosures, reports **Rajesh Kurup.** ■ PAGE 7

Publication : Financial Express	Editions : Mumbai
Date :21 August 2023	Page : 3, 7

Vijay Kirloskar moves Sebi against TD Power

Accuses it of avoiding compliance disclosures

RAJESH KURUP
Mumbai, August 20

IN A MOVE that could further escalate the dispute between TD Power Systems (TDPSL) and shareholder Vijay Kirloskar, the latter has moved the Securities and Exchange Board of India (Sebi) accusing the Bengaluru-based firm of "deliberately and dishonestly" avoiding compliance disclosures.

Kirloskar, who is the chairman of Bengaluru-based Kirloskar Electric Company, had earlier moved the Karnataka high court staking claims to about 2.51 crore shares worth ₹555 crore of TDPSL, a company founded by him in 1999.

In the latest salvo, Kirloskar shot off a letter to the market regulator last week accusing the company of non-compliance with the disclosure norms and sought an investigation in to the issue. This followed a disclosure by TDPSL to stock exchanges on August 12 stating that its chairman and non-executive director Mohib Khericha is not a shareholder and the issue (claims of shares) is sub-judice.

"It is relevant to note that TDPSL by merely stating that Khericha is currently not a shareholder of the company cannot seek to deliberately and dishonestly avoid complying with its disclosure obligations...," it said.

Khericha continues to be a director of TDPSL, even though he has recently ceased to be a shareholder of the company in his individual capacity, while Kirloskar continues to be a shareholder.

Under the Sebi listing rules, companies are required to disclose agreements entered into by a director with a shareholder which could, either directly or indirectly, impact the management or control of the listed entity. Recently, TDPSL promoters including Khericha, Nikhil Kumar, Chartered Capital, Saphire Finman Services and Hitoshi Matsuo sold about 3.78 crore shares representing 24.21% of its equity in the open market sale (partly through block deals). These shares were acquired by institutional investors such as Aditya Birla Sun Life MF, BNP Paribas, HDFC MF, ICICI Prudential MF, Goldman Sachs LIC MF, Mahindra MF, Mirae MF, Oxbow Master Fund, Quant MF, Societe Generale among others. The sale resulted in the shareholding of promoters going down from 58.45% to 34.30% in one quarter. Earlier this month, proxy advisory firm InGovern Research Services raised flags over corporate governance issues at TDPSL and asked shareholders to vote against a resolution to reappoint Khericha as a director. It also wanted shareholders to demand a forensic audit into the engineering services firm's actions.

Based out of Bengaluru, the ₹4,000-crore TDPSL manufactures generators and motors for the power sector.

BONE OF CONTENTION

- **Vijay Kirloskar, chairman of Bengaluru-based Kirloskar Electric Company**, has accused the Bengaluru-based TDPSL of "deliberately and dishonestly" avoiding compliance disclosures

- Kirloskar had earlier moved the Karnataka high court staking claims to about **2.51 crore** shares worth **₹555 cr** of TDPSL, a company founded by him in 1999
- In the latest salvo, Kirloskar shot off a letter to the market regulator last week accusing the company of non-compliance with the disclosure norms and sought an investigation in tothe issue

Publication : Mint	Editions : Mumbai
Date :21 August 2023	Page : 2

Govt's electric mobility push may focus on public transport, charging

Rituraj Baruah & Subhash Narayan

NEW DELHI

The Centre is considering shifting its financial assistance for adoption of electric vehicles (EVs) toward public transport such as e-buses.

The support for purchase of private electric two-wheelers may be gradually phased out, said a person in the know of the developments.

"There is a view that the subsidies should gradually be phased out for private two-wheelers and assistance should go for public transport and charging infrastructure," the person added.

The proposal comes at a time EVs have by and large penetrated the two-wheeler segment, while electric buses are yet to gain momentum.

The ongoing FAME II scheme was started on 1 April 2019, with budgetary support of ₹10,000 crore. This phase focuses on supporting electrification of public and shared transportation and aims to support 7,090 buses, 500,000 three-wheelers, 55,000 passenger cars and 1 million two-wheelers through demand incentivization along with the creation of charging infrastructure. The scheme has been extended till March 2024.

EVs have by and large penetrated the two-wheeler segment, while electric buses are yet to gain momentum.. BLOOMBERG

As of 1 August 2023, the ministry of heavy industries had sanctioned 6,315 electric buses for 65 cities, state transport units or state governments intracity operations. Another 753,140 two-wheelers, 85,168 three-wheelers and 9,270 four-wheelers have sold under the scheme, according to data presented by Krishan Pal Gurjar, in the union minister of state for heavy industries, Parliament.

Data from the ministry showed that in FY23, only 1.88% of buses sold in the country were EVs.

In May, the ministry increased the funding support for e-buses to ₹4,307 crore from the budgeted ₹3,545 crore. Further, the union cabinet last week approved a bus scheme, the PM-eBus Sewa, for augmenting city bus operations by 10,000 e-buses on a PPP model.

The scheme has an estimated cost of ₹57,613 crore, out of which a support of ₹20,000 crore will be provided by the government.

Mint earlier reported that allocation for FAME III may jump to around ₹30,000 crore from ₹10,000 crore earmarked for the current FAME II scheme. The scheme is expected to increase incentives for e-buses.

Amid consultations industry stakeholders have suggested bringing in more sectors under the subsidy scheme including private bus fleets.

"We would suggest that assistance under FAME scheme is given to more sectors including trucks, heavy duty vehicles, farm tractors and off-roading vehicles. Further, private fleets of buses can also brought under the ambit of FAME as currently buses of state transport undertakings only are supported. There is a need to broaden the beneficiary base adding more vehicle segments," said Rahul Walawalkar, President, Indian Energy Storage Alliance.

Queries sent to the ministry of heavy industries remained unanswered till press time.

rituraj.baruah@livemint.com

Publication : Western Times	Editions : Ahmedabad
Date :21 August 2023	Page : 2

Punjab signs power purchase agreement of 1,200 MW with SJVN

Chandigarh, (IANS) Punjab Chief Minister Bhagwant Mann on Thursday said the state government has signed a power purchase agreement of 1,200 MW with Sutlej Jal Vidyut Nigam (SJVN).

He said that PSPCL had floated tenders for procurement of power from solar projects located in Punjab and elsewhere in the country.

He said that SJVN Green Energy Limited proposed Rs 2.53 per unit from 1,000 MW in Bikaner in Rajasthan and Bhuj in Gujarat and Rs 2.75 per unit from 200 MW in Hoshiarpur in Punjab).

Mann said for the first time the Swiss Challenge Method (SCM) was implemented to invite counter bidding.

Earlier bidding was of 2.59 per unit but was negotiated and brought at 2.53, thereby saving money. Likewise, he said for 200 MW bid was made at Rs 2.79 but was finally agreed to Rs 2.75 per unit, he said.

Mann said the government will save Rs 431 crore through this negotiation, adding to avoid transmission cost these projects will be started soon.

The Chief Minister said the earlier governments had plundered public money by signing these agreements to benefit the private players.

He said from 2007-2017 none of the project was below Rs 7, whereas this pact has been signed at a nominal cost.

Mann said this will save a lot of public money and will be immensely beneficial for the state. Punjab will soon become the first state to implement policy for banking the power. This will be a revolutionary step aimed at further making the state power surplus in the country, he said.

Mann said this will herald a revolution in providing cheap, regular and uninterrupted power to the masses.

The Chief Minister said the agreement rates have been fixed for 25 years without any further rise in cost. He further said no transmission charges and no transmission losses will not be paid by PSPCL.

The estimated daily production of green power is 83 lakh units. It will further help supplying power to tubewells during the day as solar energy will be available in the day, he said.

He said the government is heading towards purchasing the Goindwal power plant. He said efforts are being made to revise the agreement clauses with the other private thermal plants in the state. The Chief Minister categorically said the free power to the farmers will continue. Also there is no proposal to levy any rate on free power to the food growers.