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ONGC Videsh makes 4th find in Colombian block

AMRITHA PILLAY
Mumbai, 4 December

Oil Natural Gas Corporation (ONGC) on Friday announced its overseas subsidiary struck commercial oil in one of its Colombian blocks. This is the fourth commercial find in the block by ONGC Videsh.

In its statement, ONGC said ONGC Videsh (OVL) has made a significant strike of oil in its onshore block CPO-5, Colombia, in Llanos Basin.

The firm said: "Currently, the well (Indico-2) is flowing under short-term testing with multi-bean study for further evaluation."

OVL is the operator in the block with a 70 per cent stake, along with its partner Geopark, an independent oil and gas company focused in Latin America.

The company added light oil was discovered in the first well "Indico-1X" in the Indico field in December 2018.

"(So far) it has demonstrated a sustained flow at 5,200 barrels of oil per day, with a cumulative production of over 3 million barrels of oil," the statement said.

ONGC said the company plans to drill more wells to explore the other plays in the block shortly. OVL is also undertaking additional 3D seismic data to map more drillable prospects in the other sectors of the block. CPO-5 block is a large on-land block covering an area of 1,992 km2.

Overall, ONGC Videsh holds a participating interest in seven exploratory blocks in the Colombian oil and gas sector. Besides, it has an interest in two other producing blocks through a 50 per cent stake in JV company Mansarovar Energy Colombia.

The Financial Express
OVL finds oil in Colombia block
Dec 5, 2020 | Delhi | Pg No.: 1,5 | | Sq Cm:83 | AVE: 273263 | PR Value: 1366313

OVL finds oil in Colombia block

STATE-RUN OIL and Natural Gas Corporation (ONGC) said on Friday that its wholly-owned overseas subsidiary ONGC Videsh (OVL) has made a "significant discovery" of oil in one of its onshore wells in Colombia, reports **fe Bureau** in **New Delhi**. During initial testing, the well produced 6,300 barrels-per-day of crude oil, the company said. The well is in the CPO-5 block in Colombia, where OVL holds 70% stake. The remaining stake in the block is held by GeoPark. **PAGE 5**

DISCOVERY

ONGC Videsh strikes commercial oil in Colombia block

FE BUREAU
New Delhi, December 4

STATE-RUN OIL and Natural Gas (ONGC) on Friday said its wholly owned overseas subsidiary ONGC Videsh (OVL) has made a "significant discovery" of oil in one of its onshore wells in Colombia.

During initial testing, the well produced 6,300 barrels-per-day of crude oil, the company said.

The well is in the CPO-5 block in Colombia, where OVL holds 70% stake. The remaining stake in the block is held by GeoPark, an independent oil and gas company focussed in Latin America.

This is the fourth commercial find in the block by OVL.

"The company now plans to drill more wells to explore the other plays in the block in immediate future," ONGC said in a statement.

OVL is also undertaking additional 3D seismic data to map more drillable prospects in the other sectors of the block.

Though domestic crude oil production has been faltering in the absence of adequate incentives in low oil price scenario, overseas production is continuously on the rise. Overseas oil and gas production as a percentage of domestic output has risen from 14.8% in FY16 to 38.7% in FY20. Domestic crude oil production has fallen 6% annually to 30.5 million

tonne in FY20. About 60% of that has been produced by ONGC. Another 27% was extracted by private companies and other joint ventures, while the remaining output was from state-run Oil India.

ONGC is grappling with under-recoveries stemming from low crude and gas prices, and coupled with disruption in demand for refined products, the company's cash flow and leverage is seen to weaken.

ONGC is understood to have requested the government to consider exempting it from payment of cess, royalties, and profit petroleum until crude prices are less than $45 per barrel.

With the government reducing domestic natural gas price to $1.79 per million British thermal units, the company expects to face a loss of around ₹7,000 crore in FY21 from its gas businesses. The average gas output cost of ONGC — which produces about 80% of the domestic natural gas — is $3.7 per mmBtu.

OVL reports striking oil in Colombia onshore block

OUR BUREAU

New Delhi, December 4

ONGC Videsh Limited (OVL) has reported striking oil in its onshore block CPO-5, Colombia, in Llanos Basin.

A company statement said that OVL is the operator in the block with 70 per cent stake along with its Partner Geopark Ltd (with 30 per cent stake), an independent oil and gas company focussed in Latin America.

The well Indico-2 lies approximately 0.9 km northwest of the well Indico-1 in subsurface and was spudded on September 21, 2020. Currently, the Well is flowing under short-term testing with multibean study for further evaluation. This is the fourth commercial find in the block by OVL. The light oil was discovered in the first well Indico-1X in the Indico field during December 2018, and to-date it has demonstrated a sustained flow at 5,200 barrels of oil per day with a cumulative production of over three million barrels of oil so far.

CPO-5 is a large onland block covering an area of 1,992 square km and offers multi-play Exploratory and Appraisal opportunities. The company now plans to drill more wells to explore the other plays in the block in immediate future.

OVL is also undertaking additional 3D Seismic data to map more drillable prospects in the other sectors of the block, the statement said.

ONGC Videsh strikes commercial oil in block CPO-5 in Colombia

ONGC Videsh Ltd has made a major commercially-viable discovery of oil in one of the exploratory blocks it operates in Colombia, its parent Oil and Natural Gas Corp Ltd today said in a release. ONGC Videsh, which is the overseas investment arm of state-owned ONGC, has 70% stake in the said onshore block, CPO-5, in Colombia's Llanos Basin.

Telegraph
OVL Colombia find
Dec 5, 2020 | Kolkata | Pg No.: 12 | | Sq Cm:18 | AVE: 236189 | PR Value: 1180943

OVL Colombia find

NEW DELHI: ONGC Videsh on Friday said it has made a significant strike of oil in its onshore block CPO-5, Colombia, in Llanos Basin. OVL is an operator in the block with a 70 per cent stake along with its partner Geopark, an independent oil and gas company focussed in Latin America.

Cargo volumes at state ports decline 10.53% in April-Nov

P MANOJ

Mumbai, December 4

India's dozen state-owned ports handled a combined 414.304 million tonnes (mt) of cargo from April to November, 10.53 per cent lower than the 463.054 mt handled during the same period last year.

With the exception of Mormugao Port Trust, all the other 11 ports continue to suffer from volume declines triggered by the coronavirus-induced demand destruction. However, the extent of volume decline year-on-year has been reducing since July, suggesting a gradual recovery in India's external trade driven by higher exports.

Drastic drop

Petroleum, oil and lubricants (POL) cargo comprising crude oil, petroleum products, LPG and LNG, other liquids, thermal and steam coal, coking coal and containers reported double-digit declines during the April-November period compared to last year.

JNPT handled 2.762 million TEUs during the period as against 3.360 million TEUs last year

Container volumes declined 13.98 per cent to 5.767 million twenty-foot equivalent units (TEUs) from 6.704 million TEUs a year ago.

Jawaharlal Nehru Port Trust (JNPT), India's biggest state-owned container gateway, handled 2.762 million TEUs during April-November, down from 3.360 million TEUs last year.

Thermal and coking coal voulmes plunged 17.22 per cent and 14.71 per cent, respectively, during the period to 48.160 mt and 31.519 mt, respectively, from a year ago.

However, iron ore including pellets jumped 31.01 per cent to 44.487 mt during the period compared to 33.958 mt last year.

Finished and raw fertiliser cargo witnessed an increase between April and November registering 7.49 per cent and 15.08 per cent growth respectively to 7.308 mt and 4.906 mt respectively from a year earlier.

Mormugao Port Trust handled 12.209 mt between April and November from 10.384 mt a year ago.

China's top chipmaker, oil giant in US 'blacklist'

REUTERS

Washington, December 4

The Trump administration on Thursday added China's top chipmaker, SMIC, and oil giant CNOOC to a blacklist of alleged Chinese military companies, drawing condemnation from Beijing as President-elect Joe Biden prepares to take office. The Department of Defense designated a total of four additional companies as owned or controlled by the Chinese military, including China Construction Technology Co Ltd and China International Engineering Consulting Corp.

The move, first reported by Reuters on Sunday, takes to 35 the total number of blacklisted companies. While the list did not initially trigger any penalties, a recent executive order by Republican President Donald Trump will prevent US investors from buying the firms' securities from late next year.

In Beijing, a foreign ministry spokeswoman said China opposed US efforts to suppress its companies, adding that Washington's moves run counter to principles of market competition. "The US should stop abusing national power and national security concepts to suppress foreign companies," Hua Chunying told a regular news briefing on Friday.

In a stock market statement, SMIC said it strongly opposed the decision, which reflected a fundamental misunderstanding by the US administration of the end-uses of its business and technology. The company also said there was no major impact from its addition to the list. Its Hong Kong shares closed Friday down 5.4 per cent after having resumed trading in the afternoon following a suspension.

CNOOC, formally known as China National Offshore Oil Corp, said it was "shocked and regretful" at being added to the list. The move was based on "false and inaccurate information", it said in a statement on its website.

In and exchange filing, the state-owned company's listed arm, CNOOC Ltd, said it was assessing the impact of the situation on the group and would closely monitor developments. Shares of CNOOC Ltd had fallen nearly 14 per cent percent after Sunday's report, and tumbled 3.9 per cent by Friday's market close.

SMIC, which relies heavily on equipment from US suppliers, was already in Washington's crosshairs.

In September, the US Commerce Department informed some firms they needed to obtain a licence before supplying goods and services to SMIC after concluding there was an unacceptable risk that equipment supplied to it could be used for military purposes.

Denmark set to end all new oil and gas exploration

Denmark has decided to end all new oil and gas offshore activities in the North Sea by 2050 and has cancelled its latest licensing round, saying the country is "now putting an end to the fossil era." The Danish Parliament voted late Thursday to end the offshore gas and oil extraction that started in 1972 and has made it the largest producer in the European Union. **AP**

Diesel crosses ₹73-mark, petrol price nears ₹83

PRESS TRUST OF INDIA
New Delhi, December 4

DIESEL PRICE ON Friday crossed ₹73 a litre mark in Delhi and petrol rate neared ₹83 after 12th increase in the last fortnight.

Petrol price was on Friday hiked by 20 paise per litre and diesel by 23 paise in line with the firming international oil rates, according to a price notification from oil marketing companies.

In 15 days, the petrol price has gone up by ₹1.8 per litre and diesel rate has risen by ₹2.61

Petrol price in Delhi rose to ₹82.86 per litre from ₹82.66. Diesel rate went up from ₹72.84 to ₹73.07 per litre.

This is the 12th increase in rates since November 20 when oil companies resumed daily price revision after a nearly two-month hiatus. In 15 days, the petrol price has gone up by ₹1.8 per litre and diesel rate has risen by ₹2.61.

Prior to the November 20 hike, petrol price had been static since September 22 and diesel rate hadn't changed since October 2.

Public sector oil marketing companies — Indian Oil Corporation, Bharat Petroleum Corporation and Hindustan Petroleum Corporation — revise rates of petrol and diesel daily based on benchmark international oil price and foreign exchange rate.

They have, however, resorted to calibrating the rates since the pandemic broke out with a view to avoiding volatility in retail prices.

The 58-day hiatus in petrol price revision and 48-day status quo on diesel rate were preceded by no change in rates between June 30 and August 15 and an 85-day status quo between March 17 and June 6.

In Mumbai, the petrol price on Friday was raised to ₹89.52 per litre from ₹89.33, while diesel rate went up from ₹79.42 to ₹79.66.

The Hindu Business Line

ENTERPRISE CONNECT

Dec 5, 2020 | Delhi | Pg No.: 4 | | Sq Cm:190 | AVE: 351819 | PR Value: 1759093

ENTERPRISE CONNECT

A Business Initiative

Confidence Groups enters CNG/LNG Sector

It is a moment of pride to share that as of date 1st December 2020, one of the biggest City Gas Distribution Companies formaly known as Maharashtra Natural Gas Limited (MNGL) has awarded the first in India and one of the pioneering innovative projects of supplying Compressed Natural Gas (CNG) through Mobile Re-Fuelling Unit (MRU) to Confidence Petroleum India Limited for Pune.This auspicious function was blessed and held under the able leadership of Honourable Minister Shri Dharmendra

Pradhan, Petroleum and Natural Gas & Steel.The minister was accompanied by the Secretary of MoPNG Shri Tarun Kapoor. The function was also graced by the head of the OMCs', including IOCL, BPCK, HPCl, GAIL, IGL. Other stakeholders, like heads of the many CGD companies, made their presence for this function.Confidence Group CMD Nitin Khara said on This occasion " CNG/LNG is a natural progression for us, with decades of experience of handling petroleum products and operations of LPG stations, we will leave no stone unturned to make the country's first MRU a big success.

HAL Delivers Biggest Ever Cryogenic Propellant Tank to ISRO

HAL has delivered the biggest cryogenic propellant tank (C32 LH2) ever fabricated by the Company to ISRO much ahead of the contractual schedule at a program held here recently. The C32-LH2 tank is a developmental cryogenic propellant tank of aluminium alloy designed for improving the payload capability of GSLV MK-III launching vehicle.The propellant tank was handed over by Mr M S Velpari, Director (Operations), HAL to Dr V Narayanan, Director (LPSC), ISRO in the presence of Mr S Somanath, Director (VSSC) with other senior scientists from

ISRO, participating in virtual mode and other senior officials of HAL.Mr Somanath, Director, VSSC, ISRO acknowledged HAL's contributions to India's space program as one of the valuable partners of ISRO in its long journey. While appreciating HAL's capability in absorbing any technological advancements and developments in productionizing any types of space hardware and structures for the space launch vehicle, he highlighted HAL's role in developing eco-system by sharing the knowledge among private players towards strengthening the supply chain. Dr. V Narayanan, Director (LPSC), while receiving the hardware, thanked the entire workforce of HAL for successful production of the developmental project.Mr. Velpari reiterated HAL's commitment to bring this mutual cooperation and support to the utmost level.

IIM Nagpur Welcomes Industry Leaders in Utkarsh 2.0 – HR Leaders' Conclave online

The Indian Institute of Management Nagpur (IIMN) welcomed industry leaders in human resource management for a two-day HR conclave, Utkarsh 2.0 in a scintillating online ceremony on Saturday. The theme for this year is 'Rethinking and Redefining HR in the Post-Pandemic Era.' Utkarsh is a platform where industry professionals and thought leaders from various sectors come together to participate in an HR panel discussion that aims towards spotlighting the current challenges faced by organizations and employees. The discussion would thus facilitate students to understand how organizations are managing their most crucial wealth, that is, human resources. This edition of Utkarsh focuses on public sector undertakings (PSUs) which make for an interesting study in HR management under the current circumstances. The online opening ceremony began with an address by IIMN Director Prof. Bhimaraya Metri. Prof. Metri began by welcoming the keynote speaker for the event, Mr. Richard Rekhy (Board Member – KPMG Dubai; Former CEO – KPMG India). He went on to elaborate how IIM Nagpur is stepping up with its educational and training offerings with the introduction of the PhD programme and Executive Education – the latter aimed specifically towards impacting management education in Nagpur and adjoining areas.

IndianOil : Launches XP100 – India's first 100 Octane petrol - World's best premium grade petrol for high-end bikes & cars

In a move that can be a potential game-changer in the petroleum fuel retail market in India, IndianOil has launched world-class premium grade Petrol (100Octane) in the country. Branded as XP100, the premium grade petrol was launched across ten cities by Mr. Dharmendra Pradhan, Minister of Petroleum & Natural Gas and Steel, in the virtual presence of Mr. Tarun Kapoor, Secretary, MoP&NG; Mr. Shrikant Madhav Vaidya, Chairman,Dr. SSV Ramakumar, Director (R&D); IndianOil, Mr. Gurmeet Singh, Director (Marketing), IndianOil, and other senior officials. Complimenting IndianOil on this suave market move, Mr. Dharmendra Pradhan, Minister of Petroleum & Natural Gas and Steel, said, "With this fuel, India has joined the league of select countries worldwide where petrol with 100 or higher Octane number is sold. Launch of world-class products such as XP100 prove that we are focussed on providing better energy solutions to all. The fact

that these solutions are being deployed with homegrown technology developed by our scientists is a matter of pride. This is yet another step in the direction of the Atmanirbhar Bharat initiative which our Government is keenly implementing in energy sector, in line with our PM's Energy Vision."Mr. Shrikant Madhav Vaidya, Chairman, IndianOil, said, "XP100 is an ultra-modern, ultra-premium product designed to thrill your senses. It is the finest grade of petrol to give your vehicle higher power & performance and give you a delightful drive."IndianOil is the first company in India to launch the premium world-class petrol that enhances the performance of high-end luxury cars and bikes.

Punjab National Bank completes IT integration of all branches of erstwhile Oriental Bank of Commerce

Punjab National Bank (PNB), India's leading public sector bank, has completed IT integration of all branches of erstwhile Oriental Bank of Commerce with PNB.All customers of eOBCare now migrated to CBS of Punjab National Bank wherein they can transact seamlessly via existing branches & digital banking channels like Internet Banking&Mobile Banking. The ATM Switch and terminals also rowedsmoothly into the PNB Network. The entire migration has been completed without effecting any change in their account numbers, debit cards or Net Banking credentials.On this achievement, MD& CEO of Punjab National Bank, Shri CH.S.S. Mallikarjuna Rao, said, "It is a moment of accomplishment for us to be able to offer synchronised services across eOBC branches and digital delivery channels. It is now our priority to bring all branches of eUNI in sync with PNB in order to amplify our potential and offer state-of-the-art services across all branches throughout the country."

PRMIA Board announces the appointment of Shri SrinivasaRao Sureddi, DMD&CRO, SBI as their Director & APAC Representative

Shri Srinivasa Rao Sureddi, Dy Managing Director & Chief Risk Officer is one of the four highly qualified professionals elected to the PRMIA Board. He will serve on PRMIA Board as Director andAsia Pacific Representative for 3 years effective 01 January 2021. The other Directors for this prestigious position are Lakshmi Shyam-Sunder, Vice President and Chief Risk Officer, World Bank Group, Thomas Wilson, Chief Risk Officer, Allianz SE, and Carlosda

Costa, Lecturer in Finance, Risk Management, and Accounting, Simon Fraser University &the University of British Columbia.PRMIA is a non-profit, well-recognized, and highly respected global association dedicated to defining and promoting best practices in risk management. Established in 2002, PRMIA offers a range of competency-focused training and certification courses required for becoming an effective business, finance, and risk-professional. PRMIA is a member-led association and the new Directors were elected from a pool of very strong and highly qualified candidates by PRMIA members.Shri Rao joined State Bank of India, India's largest bank, in 1990 as a Probationary Officer. Over the last 30 years, he has successfully led high-performing teams in the areas of Banking, Credit, Risk Management, and Subsidiaries in SBI, the largest Bank in India.

Union Bank of India achieved another Key Milestone with IT integration of all branches of e-Corporation Bank

State owned Union Bank of India has achieved another key milestone under amalgamation process of three Banks. With today's IT Integration, all branches of erstwhile Corporation Bank (including service branches and specialized branches) have been fully integrated with Union Bank of India.All Customers of erstwhile Corporation Bank have been successfully migrated to CBS of Union Bank of India in record time. Along with this feat, Bank has successfully rolled out Internet Banking, Mobile Banking, UPI, IMPS, FI Gateway, Treasury and Swift for erstwhile Corp Bank customers thereby enabling them to transact seamlessly across branches and delivery channels of UBI. The Bank has earlier migrated ATM Switch and ATM terminals smoothly into UBI Network. The entire migration has been completed at record time with least inconvenience to Customers, i.e. without effecting any change in their account numbers, debit cards or Net Banking credentials. The entire migration has been executed in association with Infosys, EY, and BCG.It is pertinent to mention that the Bank has already accomplished administrative amalgamation process with roll out of new Organisation Structure, harmonized products & processes etc.On this achievement, MD& CEO of Union Bank of India, Shri Rajkiran Rai G said, "We are extremely delighted to achieve complete integration of all e-CB branches, and delivery channels. It opens huge opportunity for our Customers and enhances our capability to offer innovative products and services." He also added that as per plan, in next phase, all branches of e-Andhra Bank shall also migrate to Finacle 10 well within current fiscal.

Punjab National Bank launches PNB LenS to speed up loan delivery

Punjab National Bank (PNB), India's leading public sector bank, launched a tech-based loan management solution called PNB LenS - The Lending Solution, to speed-up and maintain accuracy in online loan processing and sanctioning of credit proposals.Post-merger, it was paramountto have a stringent loan management solution, which can be used for activities related tolead capturing,loan appraisal, sanction, and documentation. PNB started development/customization of an IT-based solution PNB LenS - The Lending Solution for loan management. It facilitates field functionaries in uniform and consistent appraisal methodology to improve due diligence standards.The main purpose behind the PNB LenS is to standardize the system, process and appraisal formats for loan processing, speed up the process of credit sanctions, auto-generate loan documents for each type of credit facilities, reduce delay, cost, and human errors involved in manual processing, digital record maintenance, security & data privacy, and ready to use monitoring and MIS reports for better tracking and transparency. This system is envisaged to be implemented in a phased manner for all kinds of loans - MSME, Agriculture,Retail &other credit.

Govt's FY21 borrowings up, but 44 ministries spent less than allocation; only 10 expended more

SHISHIR SINHA

New Delhi, December 4

The Centre's borrowing so far in FY21, at ₹9-lakh crore as on November 20, has been 68 per cent higher than in the same period last fiscal year. Though the Finance Ministry views this positively, as a means for higher public expenditure, data show that just 10 ministries and departments were able to spend a higher share of the allocation, while 44 spent less.

According to the Finance Ministry, as on November 20, the Central government's gross market borrowings touched ₹9.05-lakh crore, against the enhanced target of ₹12-lakh crore for the full fiscal year.

"During almost nine months of pandemic-depressed growth and revenues, a significant scale-up of borrowings is ample demonstration of the government's commitment to provide sustained fiscal stimulus through maintaining high public expenditure levels in the economy," a Finance Ministry report said.

Lower Expenditure

Ministry	FY21 Budget estimate (₹ cr)	FY21 Actuals (April-Oct '20) (₹ cr)	% of Actuals to Budget FY21	% of Actuals to Budget FY20
Ministry of Finance	11,68,937.34	5,51,547.15	47	51
Ministry of Home Affairs	1,67,250.33	83,309.74	50	65
Ministry of Defence	4,71,378.00	2,65,795.86	56	69
Minstry of Human Resource Development	99,311.52	35,879.51	36	56
Ministry of Road Transport and Highways	91,823.22	53,741.96	59	63

However, the ministry-wise expenditure figures during the April-October period paint a different picture — most Central ministries/departments have spent far less this year. Data presented by the Controller-General of Accounts show that the Education Ministry (earlier known as the Human Resources Development Ministry), with a budget of around ₹1-lakh crore, has spent just 36 per cent of it so far. During the corresponding period of last fiscal, it had spent 56 per cent of the BE (Budget Estimate).

The Defence Ministry got ₹4.71-lakh crore but managed to spend only ₹2.65-lakh crore — 56 per cent of the BE against 69 per cent in the previous-year period.

Expenditure cap

Finance Ministry officials said one reason for the ministries/departments spending less could be the cash management system, where expenditure is capped. For this, all ministries and departments are clubbed into three categories based on demands/appropriations approved in the Budget. For the first category (Agriculture, Health and Family Welfare, Pharmaceuticals, Consumer Affairs, Food and Public Distribution, Civil Aviation, Fertiliser, Defence and 10 others) there is no cap.

For the second category (Posts, Defence Pension, transfer to Union Territories, Oil and Road Transport and Highways, and 16 others) the quarterly limit was set at 20 per cent with a monthly limit of 8 per cent, 6 per cent and 6 per cent. For the final category, comprising 52 ministries/departments, the expenditure cap was 15 per cent for a quarter and 5 per cent for a month.

"Since this cap is applicable for the first three quarters, expenditure was affected," the official said. He added that now the cap has been relaxed, and expenditure is expected to improve.

Oil near $50 after OPEC+ clinches compromise deal

ANN KOH & JAMES THORNHILL
4 December

Oil extended gains toward $50 a barrel after OPEC+ reached a compromise deal to gradually taper production cuts, ending days of uncertainty after cracks emerged in the alliance earlier in the week.

Futures surged 1.8 per cent in London after closing at the highest level in nine months on Thursday. The group will start adding 500,000 barrels a day of crude to the market in January, with ministers holding monthly meetings to decide on the next steps. The deal avoided a breakdown of OPEC+ unity after a tense split between Saudi Arabia and the United Arab Emirates. The oil futures curve, meanwhile, is signalling tighter supply and a brighter long term outlook. The prompt timespread for global benchmark Brent crude moved further into backwardation, while the nearest December contract is trading at a higher level than the same contract for December 2022. **BLOOMBERG**

OPEC+ leaders make a 'tiring' decision on oil cuts

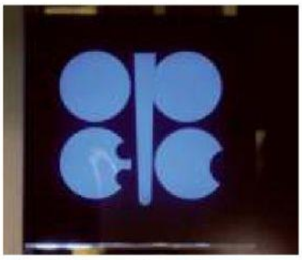
To gently ease output in 2021

BLOOMBERG
December 4

After five days of difficult talks that exposed new rifts between core members, OPEC+ agreed to gently ease output cuts next year. The deal appeared to satisfy the oil market and most of the cartels members, but strained the group's unity and set up testing times ahead.

Saudi Energy Minister, Prince Abdulaziz bin Salman, de facto leader of the group alongside his Russian counterpart, was frank that the deal was hard-won.

"It's very excruciating, its very tiring," Prince Abdulaziz told reporters after the meeting on Thursday. If you want to work with 23 countries, you have to be very congenial to the idea of flexibility, he said.



The deal on oil production has strained OPEC allies' unity

The prince has signed up to more grueling schedule of meetings between the Organization of Petroleum Exporting Countries and its allies which will define the trajectory of crude prices for months to come.

After a split emerged between Saudi Arabia and the United Arab Emirates, the cartel couldn't agree on what had been widely expected before this week: a full three-month delay to the scheduled January output increase. Instead, the Ministers resolved to add 5,00,000 barrels a day of production to the market next month, then hold monthly meetings to decide on subsequent moves.

The accord could add a maximum of 2 million barrels a day to the market, but ministers could equally decide to cut production again if needed, said Russia's Deputy Prime Minister, Alexander Novak. The maximum change in any month will be 5,00,000 barrels a day in either direction.

The revised deal is not as conclusive as many OPEC-watchers had expected but it could be a rational response to the tremendous uncertainty in energy markets.

While a breakthrough in vaccines to tackle the coronavirus spurred a rally in oil prices, a resurgence in infections has triggered a new wave of lockdowns and inflicted a fresh blow to fuel consumption. The cartel and the wider industry have downgraded their outlooks for 2021, with a picture thatss sharply polarized between recovery in Asia and stagnation in Europe.

The January output increase, which is just a quarter of what would have occurred under the previous OPEC+ deal, is likely to keep the oil market in deficit throughout the first quarter, according to *Bloomberg* calculations.

The Hindu
Baghjan well abandoned
Dec 5, 2020 | Mumbai | Pg No.: 4 | | Sq Cm:37 | AVE: 84456 | PR Value: 422279

Baghjan well abandoned

SPECIAL CORREPONDENT
GUWAHATI

The Oil India Limited (OIL) has abandoned its blowout well in eastern Assam's Baghjan seven months after it burst out of control and caught fire later.

A statement from the oil exploration major, headquartered at Duliajan in eastern Assam's Dibrugarh district, said the process of abandoning Well No. 5 was completed on Thursday evening.

The well is one of more than 20 in OIL's Baghjan Oilfield close to the Dibru-Saikhowa National Park in the adjoining Tinsukia district.

Brent moves closer to $50/bbl

London: Brent crude oil futures rose to just under $50 a barrel on Friday as expectations of a US economic stimulus package and hopes of a vaccine for the coronavirus overrode rising supply and increased Covid-19 deaths. A bipartisan $908 billion coronavirus aid plan gained momentum in the US Congress. Brent was up 42 cents at $49.13 a barrel by 1619 GMT, while US West Texas Intermediate rose 46 cents to $46.10 a barrel. Both benchmarks are set for a fifth straight week of gains. **REUTERS**

Diesel rises, petrol nears ₹83 in Delhi

PRESS TRUST OF INDIA
NEW DELHI

Diesel price on Friday crossed ₹73-a-litre in Delhi and the petrol rate neared ₹83 after the 12th increase in the last fortnight.

Petrol price was raised by 20 paise per litre and diesel by 23 paise in line with the firming international oil rates, according to a notification from oil marketing companies.

Petrol price in Delhi rose to ₹82.86 per litre from ₹82.66. Diesel rate went up from ₹72.84 to ₹73.07. In 15 days, the petrol price has gone up by ₹1.8 per litre and diesel rate has risen by ₹2.61. Rates vary from State to State depending on the incidence of local sales tax or VAT.

Diesel crosses ₹73-mark, petrol nears ₹83 in Delhi

Diesel price crossed Rs 73 a litre mark in Delhi and petrol rate neared Rs 83 after 12th increase in the last fortnight. Petrol price was on Friday hiked by 20 paise per litre and diesel by 23 paise. Petrol price in Delhi rose to Rs 82.86 per litre from Rs 82.66. Diesel rate went up from Rs 72.84 to Rs 73.07 per litre. In 15 days, the petrol price has gone up by Rs 1.8 per litre and diesel rate has risen by Rs 2.61.