ONGC News, 25.11.2020 Print

GAIL proposes Kondapalli-Tirupati natural gas pipeline

N. RAVI KUMAR
HYDERABAD

State-owned GAIL is planning a 450-km pipeline from Kondapalli, near Vijayawada, to Tirupati for supplying natural gas to industries and city gas distribution projects.

Though the proposed infrastructure is for catering to consumers in Andhra Pradesh, the bi-directional pipeline, is expected to emerge as a crucial component of a larger natural gas pipeline network in the region, over time. Submitting an expression of interest for developing the pipeline to regulator PNGRB, the firm said the pipeline will originate from Kondapalli in KG Basin network in Andhra Pradesh and connect Amravathi, Narasaraopet, Podili and Tirupati.

On natural gas sources for the pipeline, GAIL said ONGC had indicated additional HPHT gas availability at Odalrevu and Mallavaram in KG Basin. It counted the R Series gas from RIL field as well as other natural gas pipelines such as East West Pipeline, IOC's Ennore-Bengaluru pipeline and RLNG terminal in Ennore, besides gas from other interconnected pipelines as sources.

Pegging the potential gas demand en route at 4-5 MMSCMD, GAIL said the pipeline would have capacity of 4 MMSCMD.

The Financial Express
Oil hits highest since March as vaccine raises demand hopes
Nov 25, 2020 | Delhi | Pg No.: 11 | | Sq Cm:135 | AVE: 441114 | PR Value: 2205568

Oil hits highest since March as vaccine raises demand hopes

ALEX LAWLER
London, November 24

OIL HIT ITS highest since in March on Tuesday, rising above $47 a barrel as a third promising coronavirus vaccine raised demand recovery hopes and US President-elect Joe Biden received the go-ahead to begin his transition.

AstraZeneca on Monday said its Covid-19 shot was 70% effective in trials and could be up to 90% effective, giving the fight against the pandemic a third potential vaccine after positive results from Pfizer-BioNTech and Moderna.

Brent crude rose $1.16, or 2.5%, to $47.22 a barrel by 1445 GMT and hit a session peak of $47.23, its highest since March 6. US West Texas Intermediate crude gained 88 cents, or 2%, to $43.94.

"The fight against the coronavirus is intensifying and is proving to be increasingly successful," said Tamas Varga of broker PVM.

"Next year's oil demand estimates are bound to be amended upwards."This is Brent's highest since the collapse of an OPEC-led output pact sent prices crashing in March.Also supporting oil and wider financial markets, US President Donald Trump on Monday allowed officials to proceed with a transition to Joe Biden's administration. "In the short term, this is good for markets in general as well as for the oil market," said Bjarne Schieldrop of SEB.

Expectations that US crude inventories edged lower last week also added support.

After the March collapse of OPEC's previous output pact led to a brief Saudi Arabia-Russia price war, OPEC and allies agreed a new deal on record production cuts to support prices.OPEC+, as the group is known, is expected to roll over those cuts into 2021 after a meeting over Nov. 30 to Dec. 1 following technical talks this week. **—REUTERS**

Shift focus from 'cost' to 'quality', Gadkari tells auto industry

G BALACHANDAR
Chennai, November 24

Union Minister for Road Transport & Highways & MSMEs (Micro, Small and Medium Enterprises) Nitin Gadkari on Monday urged the Indian automobile industry to move away from a cost-centric approach to quality-oriented one to serve the needs of the customers and the society.

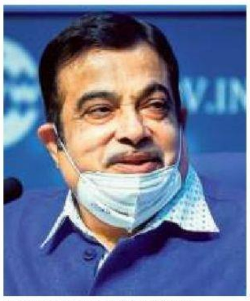
"I have been telling this to the Indian manufacturers. Don't be cost-centric and you should be quality-centric. Even a poor man in this country is keen to buy a quality TV irrespective of its economic status. So the industry should improve quality while finding the ways and means to reduce the cost at the same time," he said addressing online the 9th edition of CII Autoserve 2020, an automotive aftermarket event that is happening on CII Hive virtual platform from November 23-December 22. While stating that the Indian automobile industry has made significant achievements in developing global design and manufacturing capabilities, he urged the industry to adopt international vehicle standards for various vehicle accessories, spare parts, body framework and safety features and devices.

Road safety

Gadkari sought industry's collective co-operation to reduce accidents on roads with more safety features. "Road accidents are serious things as every year we see 5 lakh accidents and 1.5 lakh deaths. Our trucks and buses should move to European standards, he added.

He also took a dig at the bus bodybuilders in the country for their reluctance to upgrade standards.

"Some of the bodybuilders are not up to the mark. I have been giving time to improve their technology and standards. But they are not doing. It's time they changed their mindset. Otherwise, we will not be able to tolerate the poor-quality type bus body-building which is not good for the safety of the people and the country, he stated.



Union Transport Minister Nitin Gadkari

Fuel flexibility

Gadkari also expressed his disappointment over the lack of co-operation from the automobile manufactures in coming out the different engine options for running on alternative fuel like ethanol, LNG etc. "Same manufacturers offer flex-fuel engines to run on alternative fuel in countries such as US, Brazil and Canada. But they are not doing in India. Ethanol is a green fuel and help curb the pollution and manufacturers should offer flex-fuel engines," he said.

He lauded TVS Motor and Bajaj Auto for launching two wheelers to run on bio-ethanol, outlining government's plan to open ethanol pumps.

While highlighting various programmes including the latest PLI-scheme for the automotive sector, Gadkari urged the auto industry to focus on developing and producing all parts locally instead of relying on imports as it will be beneficial for all stakeholders in the future.

Earlier, Rama Shankar Pandey, Chairman, Aftermarket Committee, ACMA, stressed the need to organise, standardise and digitise the ₹70,000 crore Indian automotive aftermarket through a collaborative approach. Vipin Sondhi, Managing Director & CEO, Ashok Leyland said digital technology could be leveraged to bring all partners and the entire value chain under one platform.

He asserted that the recent PLI-scheme allocation for the automotive industry, along with the earlier Atmanirbhar Bharat measures, would lead to more localisation, the rapid development of parts industry, further fillip to aftermarket and more job creation.

Business Standard
Small firms see sharpest revenue drop in 2 yrs
Nov 25, 2020 | Delhi | Pg No.: 2 | | Sq Cm:287 | AVE: 711547 | PR Value: 3557737

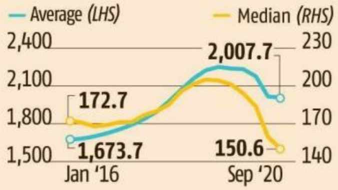
Small firms see sharpest revenue drop in 2 yrs

KRISHNA KANT
Mumbai, 24 November

REVENUE SHARE OF FIRMS (%)

Compiled by *BS* Research Bureau

COMBINED REVENUE OF FIRMS



Source: Capitaline, *Business Standard* Calculation

Smaller companies continue to lose out to their bigger peers and their decline has been the sharpest in two years. There has been steady decline in the revenue share of smaller listed companies, while the bigger ones have raised their share in the overall revenue pie.

The top listed companies in terms of revenue accounted for 77.2 per cent of the combined revenue of all listed companies in the July-September quarter - up from 75.6 per cent a year ago and 75.8 per cent four years ago.

In contrast, the revenue share of other firms (excluding top 200 companies) declined 22.8 per cent in the second quarter of 2020-21, from 24.4 per cent a year ago and 24.2 per cent four years ago in the second quarter of 2015-16.

The analysis is based on the quarterly results of a common sample of 2,353 listed companies across sectors, excluding banks, non-banking financial companies, including insurance and oil & gas companies. All numbers are on a trailing four-quarter (or trailing 12-month) basis to even out quarterly fluctuations due to industry-specific seasonal factors.

The decline of smaller firms is also visible in the growing gap between the average revenue of all listed companies in the *Business Standard* sample and the median revenue. While the average revenue of all listed companies is down 3 per cent in the past three years, the median revenue has shrunk by a quarter during the period.

The companies in the sample reported average revenue of ₹2,008 crore during the 12 months ended September this year, against ₹2,075 crore in September 2018 and ₹1,683 crore in September 2016.

In contrast, median revenue for the sample declined to a four-year low of ₹151 crore during the 12 months ended September this year, from ₹196 crore two years ago and ₹171 crore four years ago.

The contrasting growth between the average and median value is due to a better showing by bigger firms, lifting the average value. But that had no impact on the median value that approximates the growth witnessed by smaller firms.

The average value is calculated by dividing the combined revenue of all firms by the number of firms. The result is greatly influenced by the smaller number of large firms. In contrast, the median represents the middle number when all companies in the sample are sorted in ascending or descending order. Median represents the typical size of a firm in terms of revenue. Riding on bigger companies, India Inc has continued to grow. But a typical firm has shrunk in size in the past four years.

Analysts attribute it to the economic and financial shocks unleashed by demonetisation in November 2016 and the goods and services tax (GST) roll-out in July 2017. "Currency purge and GST were the twin shocks to the system and smaller firms with limited financial power found it tough to survive, leading to slower growth in recent years," says Dhananjay Sinha, head research, Systematix Institutional Research.

He expects the trend to continue unless there is rebound in secular growth, making it easier for smaller firms to thrive.

According to economists, this may have worsened the employment problem in India. "Smaller firms mostly operate in labour-intensive industries and their slower growth or demise will impact job growth," says Devendra Pant, head economist, India Ratings and Research.

According to Sinha, poor performance of smaller firms has also reduced India's growth potential and contributed to the problem of bad loans in the banking and non-banking finance space.

DOMESTIC SUPPLIES UNAFFECTED BY ATTACK ON JEDDAH PLANT: ARAMCO

JEDDAH: Saudi Aramco said on Tuesday its domestic fuel supplies were not affected by an attack from Yemen's Houthi group on a petroleum products distribution plant in the north of Jeddah city, with operations resuming three hours after the incident. Yemen's Iran-aligned Houthi forces on Monday said they fired a missile at and struck the facility. Saudi authorities later confirmed the attack. Aramco's oil production and export facilities are mostly in Saudi Arabia's Eastern Province, more than 1,000 km (620) from Jeddah. One of the 13 tanks used for diesel oil, gasoline and jet fuel at Aramco's North Jeddah Bulk Plant is currently out of action, the facility's manager Abdullah al-Ghamdi told journalists on a tour.

Millenniumpost
IndianOil launches world-class BS-VI diesel engine oils for Trucks
Nov 25, 2020 | Delhi | Pg No.: 9 | | Sq Cm:89 | AVE: 802700 | PR Value: 4013499

IndianOil launches world-class BS-VI diesel engine oils for Trucks

MUMBAI: In line with its commitment to offer innovative products to customers, IndianOil has introduced SERVOPride NXT series of lubricants – a range of premium BS-VI diesel engine oils for next- gen mobility.

SERVOPride NXT lubricants meet the highest specifications - API CK4 - for diesel engines and are also compatible with earlier diesel engine versions.

These oils have been specially formulated at IndianOil's state-of-the-art R&D Centre for superior engine performance, providing fuel economy benefits up to 2% in long haul applications.

The SERVOPride NXT series of lubricants is being offered in three variants, viz. SERVOPride NXT 10W30, SERVOPride NXT 10W40 and SERVOPride NXT 15W40.

Subimal Mondal, Executive Director(Lubes), IndianOil, said, "SERVOPride NXT range of lubricants has been specially-formulated for trucks. They are compliant with BS-VI emission norms and are environment friendly. This offering to our customers is in line with IndianOil's philosophy and commitment towards environment and sustainability." MPOST

Oil-rich Kuwait faces reckoning as debt crisis looms

DUBAI: When Kuwait emerged from a monthslong Coronavirus lockdown, hundreds of Kuwaitis flocked to reopened stores, the lines clogging malls, snaking through hallways and spilling onto sidewalks.

But unlike much of the world, where long lines formed for donated food, Kuwaitis were waiting to buy Cartier jewelry.

The jewelry-store rush by Kuwait's long-coddled citizens is a symptom of a looming disaster. Kuwait, one of the world's wealthiest countries, is facing a debt crisis. The pandemic has sent the price of oil crashing to all-time lows and pushed the petrostate toward a reckoning with its longtime largesse, just as a parliamentary election approaches in December.

COVID, low oil prices and the liquidity crisis have all come together in a perfect storm, said Bader al-Saif, an assistant professor of history at Kuwait University.

Like other Gulf sheikhdoms, Kuwait provides cushy jobs to roughly 90% of citizens on the public payroll, along with generous benefits and subsidies, from cheap electricity and gasoline to free health care and education.

This fall, the ratings agency Moody's downgraded Kuwait for the first time in its history. The finance minister warned the government soon wouldn't be able to pay salaries. Kuwait's national bank said the country's deficit could hit 40% of its gross domestic product this year, the highest level since the financial devastation of the 1990 Iraqi invasion and subsequent Gulf War.

With crude oil prices just above 40 a barrel, other nearby Arab states took on debt, trimmed subsidies or introduced taxes to sustain their spending. Kuwait, however, did none of that. Its break-even price for this year's budget was 86 a barrel, double current sales figures, putting its finances under strain.

That's not to say Kuwait will be begging for aid at international summits any time soon. The Kuwait Investment Authority holds assets of 533 billion, according to the Las Vegas-based Sovereign Wealth Fund Institute, making it the world's fourth-largest such fund.

The problem is Kuwait has no legal framework to deficit-spend beyond its current limit of USD 33 billion. It needs the country's strong and rambunctious 50-seat parliament a rarity among Arab sheikhdoms to grant approval.

A long-awaited public debt bill would allow Kuwait to borrow up to USD 65 billion and relieve the crisis. But drumming up billions for the government remains a thorny issue in a country rocked by high-profile corruption scandals. Public suspicion of government graft and mismanagement is growing alongside Kuwait's liquidity crisis.

Passing the bill will be the first legislative challenge for Kuwait's new emir, Sheikh Nawaf Al Ahmad Al Sabah. Sheikh Nawaf ascended the throne in September following the death of the 91-year-old Sheikh Sabah Al Ahmad Al Sabah, a seasoned diplomat who over 14 years made his tiny state a respected regional mediator. Incoming lawmakers after Kuwait's Dec. 5 election will decide the public debt bill's fate, and it won't be an easy sell. AGENCIES