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The Economic Times

ONGC Awards 49 Marginal Fields to 7 Pvt Companies

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Image: 1 / 1

ONGC Awards 49 Marginal Fields to 7 Pvt Companies

Winners picked up from 13 private cos that had placed bids in Jan

Our Bureau

New Delhi: Oil and Natural Gas Corporation (ONGC) has awarded 49 marginal producing fields to seven undisclosed private companies with an aim to raise output from these ageing fields, the state-run company said.

ONGC picked up winners from 13 private companies that had placed bids in January. The company had sought bids for 64 fields, divided into 17 contract areas, from private players in June last year and extended the bid submission deadline twice to attract investors.

"Through a detailed process of evaluation as per the tender conditions, seven companies have now been awarded 13 onland contract areas spread across the states of Gujarat, Tamil Nadu, Andhra Pradesh and Assam," ONGC said. "It is expected with award of these contract areas, the production from these marginal fields would be enhanced."

Following the award, private players will start operating these fields. The new contractors will bear all new expenses for field operation and receive a share in incremental production beyond the baseline output.

The recent oil crash and the coronavirus pandemic have radically altered outlook for the oil and gas sector. It's unclear how this would impact the private players chosen to take over ONGC's marginal fields. Most of the players that had bid for ONGC's fields are barely known names in the industry. The bidders included Oilmax Energy, Deep Industries, Dravida Petroleum DMCC, Orissa Stevedores, Syndicate Trading, Udayan Oil Solutions, Duganta Oil and Natural Gas, Shivam Crusher, LNG Bharat, Hermes Technologies, Priserve Infrastructure and Advent Oilfield.

Business Standard

ONGC awards 49 marginal fields to seven bidders

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ONGC awards 49 marginal fields to seven bidders

SHINE JACOB

New Delhi, 15 May

State-run Oil and Natural Gas Corporation (ONGC) has awarded 49 marginal oil and gas fields to seven bidders.

These fields are spread across Gujarat, Tamil Nadu, Andhra Pradesh, and Assam, covering 13 onland contract areas. "The bid process for seeking partners for enhancement of production from 64 marginal nomination fields was held recently. Interested companies participated in the international competitive bidding process for 17 onshore contract areas comprising of producing oil and gas fields," ONGC said in a statement.

It is expected with award of these contract areas, the production from these marginal fields would be enhanced. These 64 fields have cumulative reserves of 300 million tonnes of oil and oil equivalent natural gas.

The 13 companies that participated in the bidding include Duganta Oil and Gas, Oilmax, Deep Industries, Dravida Petroleum, Hermes Tech, Shivam Crusher, LNG Bharat, Udayan Oil Solutions, Preserve Infrastructure, Syndicate, M&S Co, Advent Oilfields, and Orissa Stevedores. According to industry players, one of the major drawbacks of the bid was that ONGC sought partners who could raise output beyond a pre-agreed baseline and will share revenues only for incremental production.

Image: 1 / 1

ONGC gives 49 marginal fields to 7 cos

Times News Network

New Delhi: Amid the countrywide lockdown and low oil and gas prices, ONGC late on Thursday night awarded 49 marginal producing fields to seven companies under a government plan to raise production from these acreages that are not economical for the flagship state-run explorer.

The awarded fields make up 13 of the 17 onshore contract areas across Gujarat, Andhra Pradesh, Tamil Nadu and Assam, the company said in a statement but did not identify the winners. The company had bid out 17 onshore contract areas consisting of 64 marginal fields.

With very small output and remote locations, these fields are uneconomical for a large company such as ONGC.

Lesser-known firms win ONGC's bid

NEW DELHI

Lesser-known firms such as Duganta Oil and Gas and Orissa Stevedores Ltd have won 49 small and marginal oil and gas fields that state-owned ONGC had bid out on government direction.

ONGC had at the close of bidding in January received bids for 50 out of the 64 small and marginal oil and gas fields it offered in a bidding round for raising production by involving private companies. Of these, the company has now awarded 49 of them. "Oil and Natural Gas Corporation Ltd (ONGC) placed Notice of Award (NoA) to seven successful bidders in 13 contract areas comprising of 49 marginal oil and gas fields," the company said in a statement.

RAISING PRODUCTION: *ONGC has placed notice of award to seven bidders in 13 contract areas comprising 49 marginal oil and gas fields.*

ONGC clubbed the 64 fields in Gujarat, Assam, Andhra Pradesh, and Tamil Nadu into 17 onshore contract areas by clubbing some of them. These have a cumulative 300 million tonnes of oil and oil equivalent natural gas reserves. As many as 12 companies made 28 bids for 50 fields at the close of bidding on January 17. Sources said 28 bids were received for 14 clusters, covering 50 fields, but none for three clusters that cover 14 fields.

"Through a detailed process of evaluation as per the tender conditions, seven companies have now been awarded 13 onland contract areas spread across the states of Gujarat, Tamil Nadu, Andhra Pradesh and Assam," ONGC said in the statement without giving details of the winners.

Sources said the winners include Duganta Oil and Gas Pvt Ltd which was sole bidder for fields in Assam and Cauvery basin of Tamil Nadu, and Orissa Stevedores Ltd that was bidder for two clusters in Assam.

"It is expected with the award of these contract areas, the production from these marginal fields would be enhanced," the statement said. Duganta Oil and Gas Pvt Ltd had made four bids, while Orissa Stevedores Ltd, Priserve Infrastructure Pvt Ltd and Udayan Oil Solutions Pvt Ltd made three bids each. ONGC bid out the fields on government instructions.

The revenue will be shared on incremental production over and above the baseline production under Business-As-Usual (BAU) scenario. PTI

Image: 1 / 1

Made in India, for and by Indians: RIL

AMRITHA PILLAY
Mumbai, 15 May

Ahead of its largest rights issue, Reliance Industries (RIL) on Friday said it is a 'Made in India', 'Made for India' and 'Made by Indians' company. The statement is in line with Prime Minister Narendra Modi's call for the nation to turn self-reliant.

In a corporate presentation titled 'New Reliance for a New India', released on Friday, RIL termed itself as the best proxy for India's consumption-driven and tech-propelled growth story. The company said it had always aligned its businesses with national goals and priorities for making India self-reliant, strong and prosperous.

The oil to telecom conglomerate is also preparing the ground for its rights issue, which, once fully paid for, will help it raise around ₹53,125 crore. The company had earlier indicated that the rights issue could open on May 22, subject to approvals.

Referring to its digital business, RIL said Jio was best placed to equip micro, small and medium enterprises (MSMEs) with cutting-edge, plug-and-play, technology-enabled tools. Finance Minister Nirmala Sitharaman's Wednesday media briefing on the Covid-19 economic package also focused on MSME development.

RIL also highlighted deals with BP for its fuel retail business and Saudi Aramco for its oil to chemicals business, as the largest foreign direct investments (FDI) in these segments.

The company added, "Even in a challenging global environment, marquee partners and investors have shown high degree of trust".

In the last one month, RIL has announced three different deals for Jio Platforms — Facebook agreed to invest ₹43,574 crore for a 9.99 per cent stake, Vista Equity Partners will invest ₹11,367 crore for a 2.32 per cent equity stake, and private equity firm Silver Lake will pick a 1.15 per cent stake for ₹5,655.75 crore.

THE INDIA PITCH

- Reliance claims it is proxy for India's tech-led growth
- At the start of a new, unprecedented wave of wealth creation
- Omnipresent across the Indian consumer ecosystem
- Best placed to capitalise on India's growth opportunity

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Free Press Journal

Export at 29-year low, plunge 60.28% in April

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Export at 29-year low, plunge 60.28% in April

NEW DELHI: India's exports contracted by a record 60.28% to USD 10.36 billion in April amid the coronavirus lockdown, official data showed on Friday.

Imports too tumbled by 58.65% to USD 17.12 billion in April from USD 41.4 billion in the same month last year, according to the data by the commerce and industry ministry.

The trade deficit narrowed to USD 6.76 billion. Trade deficit in April 2019 stood at USD 15.33 billion.

The country's exports had contracted by 34.57% in March 2020. "The decline in exports has been mainly due to the ongoing global slowdown, which got aggravated due to the current Covid-19 crisis.

The latter resulted in large scale disruptions in supply chains and demand resulting in cancellation of orders," the ministry said.

Major commodity groups which recorded negative export growth during April were gems and jewellery (-98.74%), leather (-93.28%), petroleum products (-66.22%) and engineering goods (-64.76%). Oil imports in April stood at USD 4.66 billion, which was 59.03% lower as compared to the same month last year.

Image: 1 / 1

Exports plunge by record 60.28% in April

PRESS TRUST OF INDIA
NEW DELHI, 15 MAY

Contracting for the second straight month, India's exports shrank by a record 60.28 per cent in April to $10.36 billion, mainly on account of the coronavirus lockdown, official data showed today.

Imports too plunged by 58.65 per cent to $17.12 billion in April, leaving a trade deficit of $6.76 billion as against $15.33 billion in April 2019, according to the data by the commerce and industry ministry.

This is the lowest trade deficit since May 2016, when it had stood at $6.27 billion.

The country's exports had declined by 34.57 per cent in March 2020.

"The decline in exports has been mainly due to the ongoing global slowdown, which got aggravated due to the current Covid-19 crisis. The latter resulted in large scale disruptions in supply chains and demand resulting in cancellation of orders," the ministry said in a statement.

Barring iron ore and pharmaceuticals, all the remaining 28 key sectors registered negative growth in the month under review.

Gems and jewellery shipments declined 98.74 per cent, followed by leather (-93.28 per cent), petroleum products (-66.22 per cent), engineering goods (-64.76 per cent), and chemicals (-42 per cent) .

Oil imports in April were $4.66 billion, which was 59.03 per cent lower as compared to the same month last year.

All 30 key imports sectors like gold, silver, transport equipment, coal, fertiliser, machinery and machine tools posted negative growth during the month.

Non-oil imports fell 58.5 per cent to $12.46 billion in April.Gold imports stood at $2.83 million, as against $4 billion in April 2019.

The nationwide lockdown to contain the spread of the coronavirus outbreak began on 25 March, shutting industrial units and restricting movement of goods.

Millenniumpost

India's gas demand gradually picking up as restrictions ease

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Image: 1 / 1

India's gas demand gradually picking up as restrictions ease

SINGAPORE/NEW DELHI: India's natural gas consumption is recovering slowly as the world's biggest lockdown starts to ease with the gradual resumption of economic and industrial activity, several industry sources said.

Prime Minister Narendra Modi's government is starting to pull back from one of the world's tightest lockdowns of 1.3 billion people, which has left millions out of work and stranded in cities far from home while infections keep rising.

The government has already allowed some economic activity to resume in areas where there are few cases of COVID-19, the disease caused by the Coronavirus.

"Gas demand is rising as some industries are back, like chemicals and pharmaceuticals. Every industry wants to start operations," a liquefied natural gas (LNG) industry official based in India said.

"Some textile, ceramic, and steel (businesses) have started operations, (and) demand from refineries is back to normal."

Daily gas consumption in Morbi in western Gujarat state, the country's largest ceramic industry cluster, has for instance risen to 0.9 million standard cubic meters from zero in April, the official said. Industry players last year pegged its usual gas requirements at 6.5-6.8 million scm per day.

Indian refineries such as Indian Oil Corp and Bharat Petroleum Corp Ltd have come back into the spot market over the past two weeks to seek LNG cargoes for May to June delivery, traders said.

The country's state oil refiners, which together own about 60% of India's refining capacity and are among the biggest buyers of gas, are scaling up crude processing as local fuel demand begins to improve.

India's Gujarat State Petroleum Corp (GSPC) is seeking five LNG cargoes for delivery over July to December, its first requirement since March, when it issued force majeure notices to its suppliers.

An executive from India's top gas importer Petronet, which declared force majeure on purchases from Qatar under long-term deals in late March, also said there had been some recovery in demand compared to last month.

"As and when lockdown eases we hope this demand will recover further," the executive said. "Some industries in Rajasthan and other states have resumed operations."

With Asian spot LNG prices jumping 20% this week on the back of tighter supply, Indian importers may also be hurrying to lock in lower prices, a source familiar with the Indian market said.

"Gas is also finding preference over some of the older coal-based power plants which are less economical or use older technology," he said, adding that air-conditioning use from residential sectors are also rising. AGENCIES

The Asian Age

Merchandise exports drop 60% in April

May 16, 2020 | Delhi | Pg No.: 7 | | Sq Cm:135 | AVE: 472340 | PR Value: 2361702

Image: 1 / 1

Merchandise exports drop 60% in April

FC BUREAU
CHENNAI, APRIL 15

India's overall exports, which includes both merchandise and services, dropped 36.65 per cent in April while imports fell by 47.36 per cent against the year ago month. Exports stood at $27.96 billion and overall imports were estimated to be $27.80 billion, with a trade surplus of 10.16 billion against a deficit of $8.67 billion in April 2019.

Merchandise exports dropped 60.28 per cent to $10.36 billion as compared to $26.07 billion in April 2019. In rupee terms, exports were Rs 78,951.41 crore compared to Rs 1,81,021.34 crore in April 2019, registering a negative growth of 56.39 per cent. Except for iron ore and drugs & pharmaceuticals, which registered a growth of 17.53 per cent and 0.25 per cent, respectively, all other commodity/commodity groups registered negative growth.

Among major commodity groups gems & jewellery was down 98.74 per cent, leather & leather products 93.28 per cent, ready-made garments 91.04 per cent and petroleum products 66.22 per cent. The trade deficit in merchandise was estimated at $6.76 billion against $15.33 billion in April 2019. Imports were down 58.65 per cent to $17.12 billion.

Political & Business Daily

Oil hits one-month high as signs of demand emerge amid coronavirus crisis

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Oil hits one-month high as signs of demand emerge amid coronavirus crisis

LONDON, MAY 15

OIL prices jumped more than 3% on Friday, touching more than one-month highs amid signs that demand for crude was picking up with China reporting increased refinery runs, and rounding out a week of bullish news on the supply front.

Brent crude was up $1.21 cents, or 3.9% at $32.34 a barrel by 0707 GMT, after touching $32.44 the highest since April 14. Brent rose nearly 7% on Thursday and is heading for a 3% gain for the week after rising the previous two weeks.

West Texas Intermediate (WTI) oil was up 92 cents, or 3.3%, at $28.48 a barrel after reaching $28.54, the highest since early April. WTI jumped 9% in the previous session and is also heading for a third weekly increase, up about 15%.

Amid supply cuts by the Organization of the Petroleum Exporting Countries (OPEC) and other major producers, bright spots are also emerging on the demand side. Data released on Friday showed China's daily crude oil use rebounded in April as refineries ramped up operations.

The market mood remains less than euphoric, though, with the coronavirus pandemic far from over and new clusters emerging in some countries where lockdowns have been eased.

"Market forces have aligned producers around the world to support fundamentals, and demand is increasingly showing signs of having troughed," Barclays analyst Amarpreet Singh said in a note.

"However, the sheer size and speed of the disruption and associated inventory overhang will take time to get fully absorbed, in our view," he said.

Barclays still raised its forecasts for Brent and WTI by $5-$6 a barrel for 2020 and by $16 a barrel for 2021.

The International Energy Agency said it expects global crude inventories to fall by about 5.5 million barrels per day (bpd) in the second half of this year.

Meanwhile U.S. crude inventories fell after 15 weeks of declines, the Energy Information Administration said on Wednesday.

Output cuts will boost the trend towards lower inventories, but U.S. crude is unlikely to see strong gains.

"WTI crude will struggle to break above the $30 level until both the economic outlook improves for the U.S. and some of the downside risks ease," said Edward Moya, senior market analyst at OANDA.

On the production side, OPEC and associated producers - collectively known as OPEC+ - had already agreed to cut output by a record of nearly 10 million bpd before Saudi Arabia this week extended its planned reductions for June, pledging to lower supply by nearly 5 million bpd.

Saudi Aramco, the world's largest oil exporter, reduced the volume of crude it will supply to at least three buyers in Asia by as much as 30% for June, three sources with knowledge of the matter told Reuters on Thursday.

OPEC+ now wants to extend overall production cuts beyond May and June when the group next meets, sources told Reuters earlier this week. **—Agencies**