ONGC Subsidiaries

Publication:	Millennium Post	Edition:	New Delhi	Language:	English
Source:	Bureau	Supplement:	N/A	Page No:	8

Doing India proud

With its overseas tentacles offering a diversified and comprehensive array of services, RITES Ltd is now functioning as an Indian multinational, writes **Satyaki Chakraborty**

RITES, the Mini Ratna public sector enterprise has gone global and its performance in the areas of railways and transport infrastructure has got high appreciation from the developing countries of all regions of the world. As a result, the company is getting big orders from the overseas markets, making it one of the most profitable PSEs in the country.

With a track record of over four decades, the company has undertaken projects in over 55 countries including Asia, Africa, Latin America, South America and Middle East regions. RITES Limited is the only export arm of Indian Railways for providing rolling stock overseas, other than Thailand, Malaysia and Indonesia.

In view of the healthy order book and large investments taking place in infrastructure projects in India and overseas, the accelerated growth of the company will continue in years to come. This increase was due to orders flowing in from various infrastructure projects in railways, metros, exports and loco leasing segments

Consultancy for Delhi Metro Phase 1 project has been one of the landmark deals for RITES

RITES has also been engaged in technical services for Metro project in Mauritius, Project Management Consultancy for Trident port in Mauritius, supply of Diesel-Electric Multiple Units (DMU) train sets, Broad Gauge locomotives and AC & Non-AC coaches to Sri Lanka, Feasibility study and Detail design work for Railway Line in Ghana, Integrated Check Posts at Biratnagar in Nepal, Road project at Botswana and Guyana, etc.

During FY 2018-19, RITES achieved its highest ever total standalone revenue of Rs 2,164 crore, up by 36.4 per cent over FY2017-18. Similarly, the operational revenue, excluding other income, has increased by 37.3 per cent and reached Rs 1,969 crore in FY2018-19. Profit before Tax and Profit after Tax in FY 2018-19 have been Rs 677 crore and Rs 445 crore respectively, up by 39.6 per cent and 34.0 per cent over FY 2017-18.

Key business segments continued to register growth over FY 2017-18, with consultancy income going up by 13.3 per cent, leasing up by 12.3 per cent and turnkey revenue up by 287 per cent. Exports revenue during the FY2018-19 was Rs 207 crore.

On a Consolidated Accounts basis, the total revenue has been Rs 2,240 crore in FY 2018-19 as compared to Rs 1,651 crore in FY 2017-18, recording a substantial increase of 35.7 per cent. As a result of better utilisation of human resources, expansion of International Consultancy business, improved efficiency from subsidiary and Joint Venture and economies of scale in turnkey business.

RITES has ended FY 2018-19 with its highest ever order book of Rs 6,097 crore, recording an increase of 27 per cent over FY 2017-18. In view of the healthy order book and large investments taking place in infrastructure projects in India and overseas, the accelerated growth of the company will continue in years to come. This increase was due to orders flowing in from various infrastructure projects in railways, metros, exports and loco leasing segments.

RITES provides a diversified and comprehensive array of services from concept to commissioning in all facets of transport infrastructure and related technologies. Since its inception in 1974, it has evolved from its origin of providing transport infrastructure consultancy and quality assurance services into a multi-disciplinary engineering and consultancy organisation. A key thrust in its overseas projects is to actively pursue and develop cooperative links with local consultants and firms as a means of maximum utilisation of local resources and as an effective instrument of sharing its expertise.

RITES Limited was incorporated as a private limited company by the Ministry of Railways with the name `Rail India Technical and Economic Services Private Limited' and had the benefit of being associated with such a large rail system as the Indian Railways. But two years later, the word `private' was deleted from the name and subsequently the name was again changed to RITES Limited in the year 2000. In 2008, it was converted into a public limited company and upgraded to a Schedule A public sector enterprise. It had already been granted Mini Ratna Category-I status and based on the Public Enterprise Survey 2015-16, the company was ranked No. 1 based on net profit and dividend declared in Industrial Development and Technical Consultancy Services sector.

While the company has a significant presence in the railway sector, it also provides consultancy services across other infrastructure and energy market sectors, including urban transport, roads and highways, ports, inland waterways, airports, institutional buildings, ropeways, power procurement and renewable energy.

RITES Ltd's clients within the country include various Central and state governments, ministries, departments, instrumentalities as well as local government bodies and public sector undertakings. It has been associated with some of the most prestigious projects, such as Dedicated Freight Corridor Corporation of India Limited, High-Speed Rail Corporation of India Limited, Delhi Metro Rail Corporation, Steel Authority of India Limited, Rashtriya Ispat Nigam Limited, Hindustan Petroleum Corporation Limited, Bharat Coking Coal Limited, Metro Link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited, Indian Port Rail Corporation Limited, Airports Authority of India and several others.

RITES also engages with various large private-sector corporations including L&T Metro Rail (Hyderabad), Kanti Bijlee Utpadan Nigam Limited (KBUNL), Cimmco Limited, Titagrah Wagons Limited, Snowmex Engineers Limited, Unity Infraprojects Limited, AFCON Infrastructure Limited, Indian Geotechnical Services Limited, Geokno India Private Limited and NATRIP Implementation Society, among others.

The consultancy project for providing services in relation to the Mass Rapid Transit System for the Delhi Government is considered one of the landmark deals of the company. As such, in 1998-99 the company entered into a contract with Delhi Metro Phase I project for providing construction management and consultancy services to Delhi Metro Rail Corporation Limited. Similarly, in 2004-05, it bagged an order to provide design consultancy services for the 12.5 km long railway tunnel in the Pir- Panjal railway tunnel. It also has a railway concession agreement on PPP model by forming an SPV for Bhuj-Naliya corridor.

RITES is the global face of Indian Railways. Its all-round performance has given a big boost to the image of India's technological capability in the area of high-tech railway infrastructure. The PSE is preparing to further expand its overseas operations in the third decade of the twenty-first century. IPA

Views expressed are strictly personal

Oil and Gas

Publication:	Business Standard	Edition:	Mumbai	Language:	English
Source:	Reuters	Supplement:	N/A	Page No:	1

OIL NEARS 3-MONTH HIGH ON SIGNS OF SHRINKING SUPPLIES

Oil prices rose on Friday to three-month highs after data showed US crude inventories declined much more than expected and upbeat economic data and optimism over a US-China trade deal improved investor sentiment. US crude stocks fell by 5.5 million barrels in the week to December 20 to 441.4 million barrels, the Energy Information Administration said on Friday. The inventory decline far exceeded the 1.7-million-barrel drop expected by analysts in a *Reuters* poll. "Inventories are bullish almost across the board," said Josh Graves, senior market strategist at RJO Futures in Chicago. **REUTERS**

Publication:	The Financial Express	Edition:	New Delhi	Language:	English
Source:	Bozorgmehr Sharafedin	Supplement:	N/A	Page No:	12

Oil steadies near 3-month highs on US and Chinese economic data

BOZORGMEHR SHARAFEDIN
London, December 27

OIL PRICES STEADIED on Friday, hovering just under three-month highs as upbeat economic data from China and the US and optimism over a trade deal between the two major economies improved investor sentiment.

Brent crude was up 1 cent at $67.93 a barrel at 1307 GMT, and the West Texas Intermediate was up 4 cents at $61.72 a barrel.

Volume of oil trade remained thin in the Christmas holidays and New Year breaks.

Data on Friday showed profits at China's industrial firms rose at the fastest pace in eight months in November.

Among sectors, the chemical, petroleum processing and steel industries reported recovering profits last month due to rebounding market demand and rising prices amid easing hostilities with Washington.

China and the US cooled their 17-month long trade war earlier this month, announcing a Phase I agreement that would reduce some US tariffs in exchange for more Chinese purchases of American farm products.

The lingering ripple effect of the trade row, however, showed up in data from Japan, the world's third-biggest economy, on Friday as industrial output shrank for a second month in November. In the US, a survey on Thursday showed that online holiday purchases by US consumers reached a record, beating analysts' expectations and sending US stocks to fresh. US consumers are "showing few signs of tightening their purse strings, which is positive for oil also," said Stephen Innes chief Asia market strategist at AxiTrader.

US crude oil stockpiles likely declined last week, while inventories of gasoline were set to extend their build for the seventh straight week, an extended *Reuters* poll showed on Thursday. The latest poll was done ahead of the weekly status report from the Energy Information Administration, an agency of the US Department of Energy. The EIA report is due at 11 am on Friday. **—REUTERS**

Publication:	The Financial Express	Edition:	New Delhi	Language:	English
Source:	Dina Khrennikova, Olga Tanas	Supplement:	N/A	Page No:	12

Opec+ cuts can't last forever, says Russia's energy minister

DINA KHRENNIKOVA & OLGA TANAS
Moscow, December 27

OPEC+ OUTPUT CUTS have stabilised the global oil market but can't last forever, Russia said as uncertainty persists over the future of the agreement beyond March.

"Oil-production cuts can't be eternal; we will gradually need to make a decision on exiting" the accord, Energy Minister Alexander Novak said in an interview with state television channel Rossiya24. As one of the architects of the Opec+ deal, Russia's view is key, though the nation's oil producers have long pushed for a relaxation of output curbs.

Russia needs to defend its market share and let its oil companies develop new projects, Novak said. The minister didn't specify when the country may decide to withdraw from the agreement, but said he expects to discuss the matter with his Opec+ counterparts next year. Global oil demand may surge as soon as next summer, he said.

Russia, which helped to cement the original deal between the Organization of Petroleum Exporting Countries and its partners back in 2016, has shown this year that it's getting weary of limiting supply. The nation has consistently failed to comply with its quota, overshooting its target for eight months so far in 2019, according to *Bloomberg* calculations based on official statistics.

Oil-production cuts can't be eternal; we will gradually need to make a decision on exiting the accord

— ALEXANDER NOVAK, RUSSIAN ENERGY MINISTER

That trend has continued in December, with Russia pumping 11.252 million barrels a day so far this month, about 62,000 a day above target, according to official data seen by *Bloomberg*.

The country has come up with various explanations for its lack of compliance — from the limitations of a harsh climate to technical issues resulting from the Druzhba oil-contamination crisis.

The nation's largest oil producer, Rosneft PJSC, has criticised the Opec+ deal, saying it serves the interests of Saudi Arabia — the de facto leader of Opec — and the US.

In a revision to the deal in early December, Russia and its Opec+ partners agreed to deepen their curbs in the first quarter of 2020 to 1.7 million barrels a day. Russia is set to enlarge its cuts by 70,000 barrels a day to about 300,000 a day.

Nevertheless, the nation requested that condensate be excluded from its target. Novak has denied that the change is a loophole allowing Russia to pump more oil and claim compliance.

While Russia's official statistics don't provide a breakdown for crude and condensate, the Energy Ministry will regularly inform analysts, the media and Opec about the composition of its output, Novak said.

Opec+ will meet in early March to discuss options for future cooperation on supply.

—BLOOMBERG

Publication:	The Hindu Business Line	Edition:	Mumbai	Language:	English
Source:	Richa Mishra	Supplement:	N/A	Page No:	1

As crude oil prices rise, should the Finance Ministry be worried?

The Indian basket has breached the $65/barrel range

RICHA MISHRA

New Delhi, December 27

A debate has once again started whether Finance Minister Nirmala Sitharaman should be worried about the spike in global crude oil prices, as her team works on the Union Budget.

The price at which the Indian refiners buy crude oil has breached the $65 a barrel range, with global crude oil prices hitting $68 a barrel on Thursday.

The Indian basket — the price at which Indian refiners buy crude — averaged $71 a barrel in April and declined to $59.35 in August; it started to rise from $59.70 in October and hit $62.54 in November.

In December, the basket has been rising and hit $67.29 a barrel on the 24th.

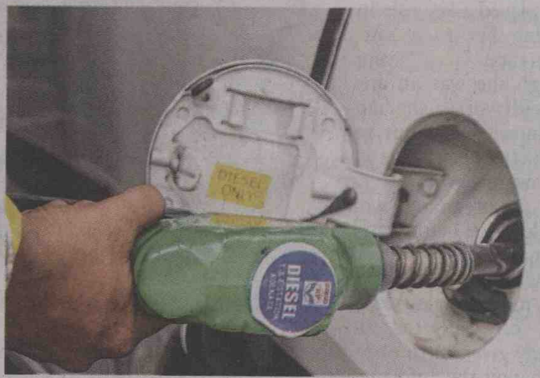
'No dramatic demand rise'

Energy expert Narendra Taneja said: "The oil markets have over-reacted to the reported thaw in the US-China trade talks.

"This will not lead to any dramatic rise in demand for oil by China and other big importers any time soon."

He added: "Stable demand-supply fundamentals and unlikelihood of any geopolitical tremor in January and February mean crude prices should remain within the $60-65 a barrel band in the near future.

"The military exercise by Russia, Iran and China in the waters close to the Gulf would not push up the prices until the US presidential elections are over."



Crude oil price is likely to remain in the $60-65 range

While arguments continue on the oil prices spike, a question arises on whether India has missed the opportunity to usher in reforms in the sector when the prices were low.

The Ministry of Petroleum and Natural Gas has tried to address priority areas such as energy access, energy efficiency, energy sustainability and energy security.

> **While arguments continue on the subject of a spike in oil prices, a question arises on whether India has missed the opportunity to usher in reforms in the sector when the prices were low**

However, concerns still remain even as 2019 comes to an end.

K Ravichandran, Senior Vice-President and Group Head, Corporate Ratings, ICRA, points out that in the upstream segment, a spate of arbitrations/litigations surrounding the interpretation of provisions (such as cost recovery, profit petroleum, taxes) in production sharing contracts, mostly signed during pre-NELP and NELP regimes, continue to dent investor confidence in the oil sector, partly neutralising the various reform measures announced in the last couple of years.

Price controls

"Price controls have made domestically produced natural gas under nominated/pre-NELP/NELP regimes unremunerative, redering further investments unviable in such fields.

"Also, high cess incidence on legacy fields is pulling down the net realisation for upstream companies," he added.

Declining domestic oil production, even as imports rise, still remains a concern.

"Faster regulatory approvals for recent awards could speed up exploratory projects," Ravichandran said.

In view of all this, a larger section in the government believes that rising crude prices are worrisome as they do impact the country's finances, with a minority view that this is not so.

Publication:	Deccan Herald	Edition:	Bangalore	Language:	English
Source:	Annapurna Singh	Supplement:	N/A	Page No:	1

Crude bomb threat for economy

Brent crude prices rise 3% this week, may worsen slowdown

ANNAPURNA SINGH
NEW DELHI, DHNS

Brent crude prices hit a three-month high to trade at $68.07 per barrel on Friday, impacting the rupee, which depreciated 4 paise to close at 71.35 against the US dollar.

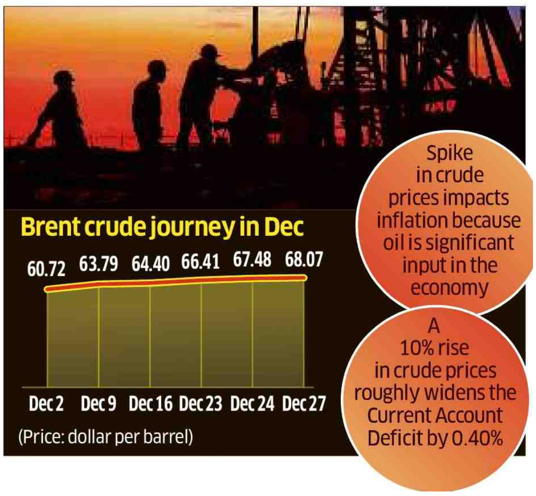
Crude oil prices have risen about 3% this week and 13% since December 2, threatening to roil India's rupee, inflation and current account deficit metrics and impact the overall economy, whose growth has hit a six-and-a-half-year low of 4.5% in the July-September quarter.

A 10% rise in crude prices roughly widens the Current Account Deficit (CAD) by 0.40%, plays out into a 3-4% depreciation in the rupee and pushes up inflation by 0.24%.

A potential breakthrough in the Sino-US trade war and OPEC-led efforts to constrain supply have kept the crude prices up, although, on Friday, trading was quiet as many markets were in holiday mode.

Lower demand also rendered supply cuts by the Organisation of Petroleum Exporting Countries (OPEC) and allies less effective in supporting the market.

▸ Crude bomb, Page 12



Publication:	Deccan Herald	Edition:	Bangalore	Language:	English
Source:	Annapurna Singh	Supplement:	N/A	Page No:	9

Crude bomb threat for economy

CRUDE BOMB, FROM PAGE 1

The OPEC+ grouping agreed in November to extend and deepen production cuts that would take as much as 2.1 million barrels per day (bpd) of supply off the market, or roughly 2% of global demand.

A spike in crude prices impacts inflation in major way because oil is significant input in the economy. Since India is a net importer of the commodity and ships 80% of its domestic consumption, the impact on domestic economy is also seen through a rising CAD.

But this is a second round impact, the first being a sharp increase in petrol and diesel prices, which hit the common man.

A higher crude, on the contrary, is good for oil marketing companies, who earn higher profit due to a pass-through of prices to people. It also means higher revenues for state governments, which impose an ad valorem tax. But the Centre does not earn much as the taxes (excise and customs) are fixed.

Since higher oil prices hit the headline inflation in a significant way, they also limit the Reserve Bank of India's ability to cut policy interest rates even if there is a demand from a slowing economy.

Publication:	The Hindu	Edition:	New Delhi	Language:	English
Source:	Bureau	Supplement:	N/A	Page No:	6

LPG bottling plant inaugurated in Odisha

SPECIAL CORRESPONDENT
BHUBANESWAR

A new LPG bottling plant of the Bharat Petroleum Corporation Limited was inaugurated by Odisha Governor Ganeshi Lal in Bolangir district on Friday.

Prof. Lal inaugurated the plant as Vice-President M. Venkaiah Naidu, who was scheduled to inaugurate the facility, could not reach Bolangir due to inclement weather.

The Vice-President expressed regret for not being able to attend the programme. He was also scheduled to attend the platinum jubilee celebrations of Rajendra College at Bolangir.

In a voice message, Mr. Naidu wished success for the project which was completed three months ahead of schedule. “It will help women and provide employment to the local youths,” he said.

Set up at Barkhani village, the plant is spread over 23 acres and has the capacity to produce 42 lakh cylinders per year. It has been set up at a cost of ₹103 crore.

In his address, the Governor said that the plant will fulfil the needs of the people in 14 districts in the western region of Odisha. The plant is part of the Central government’s ‘Look East’ policy, he added.

Union Minister of Petroleum and Natural Gas Dharmendra Pradhan said providing clean cooking fuel to the people was the main objective of the Centre.

Mr. Pradhan said there were only 13.20 crore LPG consumers in the country till 2014 and now it has crossed 27 crore.

State Agriculture Minister Arun Kumar Sahoo, Lok Sabha MP from Bolangir Sangeeta Kumari Singh Deo and local MLA Narasingha Mishra were present.

Publication:	The Indian Express	Edition:	Mumbai	Language:	English
Source:	Bureau	Supplement:	N/A	Page No:	13

'OPEC+ may consider ending crude oil output cuts in 2020'

REUTERS
MOSCOW/HOUSTON, DEC 27

THE ORGANIZATION of the Petroleum Exporting Counters and its allies, known as Organization of the Petroleum Exporting Countries+ (OPEC+), may consider wrapping up their oil output reduction in 2020, Russian Energy Minister Alexander Novak said on Friday.

"As far as the production cuts are concerned, I repeat once again, this is not an indefinite process. A decision on the exit should be gradually taken in order to keep up market share and so that our companies would be able to provide and implement their future projects," Novak told *Rossiya 24 TV*.

"I think that we will consider that this year."

Russia's energy ministry said that Novak was referring to 2020 when talking about a possible decision to wrap up production curbs "this year".

OPEC+ has been capping its output since 2017 in order to balance out the supply and demand on the global oil market as well as prop up oil prices.

Novak praised the cooperation between OPEC and non-OPEC producers, saying that global oil markets are currently more or less stable.

He said that the oil demand may rise in the summer when more fuel is required by motorists.

OPEC+ this month decided to prolong its oil output restriction deal until the end of March and to deepen the cuts in order to balance out the oil market.

Oil prices rose on Friday to three-month highs after data showed US crude inventories declined much more than expected and upbeat economic data and optimism over a US-China trade deal improved investor sentiment.

Brent crude was up 31 cents at $68.23 a barrel at 10:47 a.m. CST (1647 GMT). West Texas Intermediate was up 13 cents at $61.81 a barrel.

Publication:	Virat Vaibhav (Hindi)	Edition:	New Delhi	Language:	Hindi
Source:	Bureau	Supplement:	N/A	Page No:	14

क्रूड ऑयल : 3 महीने की ऊंचाई पर पहुंचीं कीमतें

नए साल में अमेरिका और चीन के बीच पिछले करीब 17 महीने से चल रहा व्यापार युद्ध खत्म होने के आसार हैं। दोनों देश नए साल में पहले चरण के समझौते पर हस्ताक्षर कर सकते हैं। इससे कच्चे तेल की मांग बढ़ेगी।

कच्चे तेल की कीमतों में शुक्रवार को तेजी आई। पिछले कुछ दिनों से जारी तेजी के चलते इसके भाव तीन महीने की ऊंचाई पर पहुंच गए हैं। दरअसल, छुट्टियों के दौरान अमेरिकी लोगों के जमकर खरीदारी करने की खबर है। इससे अमेरिकी अर्थव्यवस्था में रिकवरी का संकेत माना जा रहा है। इससे कच्चे तेल की कीमतों को सपोर्ट मिला है। ब्रेंट क्रूड वायदा 13 सेंट या 0.2 फीसद बढ़कर 68.05 डॉलर प्रति बैरल पर पहुंच गया। यह कच्चे तेल के भाव का अंतरराष्ट्रीय बेंचमार्क है। दुनिया के करीब 75 फीसद हिस्से में इसे इस्तेमाल में लाया जाता है। इसी तरह से अमेरिका का कच्चा यानी वेस्ट टेक्सास इंटरमीडिएट कॉन्ट्रैक्ट 13 सेंट या 0.2 फीसदी बढ़कर 61.81 डॉलर प्रति बैरल पर पहुंच गया। इस साल ब्रेंट क्रूड का भाव करीब 25 फीसदी उछला है जबकि अमेरिकी कच्चा तेल का भाव 35 फीसदी चढ़ा है। गुरुवार को आए सर्वे से पता चला है कि अमेरिका में छुट्टियों के दौरान लोगों ने जमकर ऑनलाइन खरीदारी की है। यह खरीदारी उम्मीद के मुकाबले ज्यादा है। इसके अलावा कच्चे तेल की कीमतों में तेजी की दूसरी वजह यह है कि नए साल में अमेरिका और चीन के बीच पिछले करीब 17 महीने से चल रहा व्यापार युद्ध खत्म होने के आसार हैं। दोनों देश नए साल में पहले चरण के समझौते पर हस्ताक्षर कर सकते हैं। इससे कच्चे तेल की मांग बढ़ेगी। अमेरिका और चीन दुनिया के दो सबसे आर्थिक ताकवर देश कच्चे तेल के सबसे बड़े उपभोक्ता हैं।

Date	Headline	Publication	Edition	Page No.	Journalist	MAV
ONGC Subsidiaries						
28 Dec 2019	Doing India proud	Millennium Post	New Delhi	8	Bureau	956040
Oil and Gas						
28 Dec 2019	OIL NEARS 3-MONTH HIGH ON SIGNS OF SHRINKING SUPPLIES	Business Standard	Mumbai	1	Reuters	24525
28 Dec 2019	Oil steadies near 3-month highs on US and Chinese economic data	The Financial Express	New Delhi	12	Bozorgmehr Sharafedin	74851
28 Dec 2019	Opec+ cuts can't last forever, says Russia's energy minister	The Financial Express	New Delhi	12	Dina Khrennikova, Olga Tanas	149916.2
28 Dec 2019	AS crude oil prices rise, should the Finance Ministry be worried?	The Hindu Business Line	Mumbai	1	Richa Mishra	164175
28 Dec 2019	Crude bomb threat for economy	Deccan Herald	Bangalore	1, 9	Annapurna Singh	569286
28 Dec 2019	LPG Dottling plant inaugurated in Odisha	The Hindu	New Delhi	6	Bureau	61380.8
28 Dec 2019	'OPEC+ may consider ending crude oil output cuts in 2020'	The Indian Express	Mumbai	13	Bureau	298100.6
28 Dec 2019	Crude Oil: Price reaches 3-month high	Virat Vaibhav (Hindi)	New Delhi	14	Bureau	193392