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# ONGC's safety institute in Goa draws global, domestic biggies

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New Delhi: An in-house institute of ONGC has emerged as a hub for fire safety and disaster management training for the oil, petrochem and airports industries in the Asia-Pacific region.

IPSHEM (Institute of Petroleum Safety, Health and Environment Management), set up by ONGC in Goa for training its personnel, is now doing a brisk business by training personnel from Russia's Rosneft, French major Total and domestic oil majors such as Cairn India, IndianOil,

**The institute is training personnel from Russia's Rosneft, French major Total and domestic oil majors such as Cairn India and IndianOil**

GAIL, Hindustan Petroleum and Oil India Ltd. Airport operators GMR and Airports Authority of India are the latest entities to enrol their personnel for training.

"We have received queries from West Asia also,"

IPSHEM head and ONGC executive director Atul Garg told TOI, prompting a debate whether to turn IPSHEM into a SBU (special business unit) for the industry.

"There are several issues, the first being priority for training ONGC personnel. We have a backlog due to Covid shutdown of in-house personnel who need to be trained in aspects such as sea survival to fire safety. So we will complete the in-house training before looking at meeting industry demand," Garg said, adding that a Rs 120 crore expansion plan has been drawn up.

## **KEC International acquires Spur Infra for ₹62 crore**

KEC International, a RPG Group company, has signed a definitive agreement to buy 100 per cent equity in Spur Infrastructure for an enterprise value of ₹62 crore. Spur Infra is an Indian EPC firm engaged in setting up of cross-country oil & gas pipelines and city gas distribution networks. In the last three years, Spur Infra has an annual revenue in excess of ₹100 crore, a profitable track record, technical expertise, and experienced manpower. **PTI**

## PETROLEUM SHARE IN CENTRE, STATES' EXCHEQUERS

The GST Council discussed the issue of including petroleum in goods and services tax (GST) at its meeting in Lucknow on Friday following the Kerala High Court's suggestion. However, the Council decided against it. The reasons are obvious.

The contribution of taxes on petroleum not included in GST rose substantially in case of the Centre – about 20 per cent in 2019–20 (see chart). While 40 per cent of this should go to the states, in line with the 14th Finance Commission's recommendations, the Centre has been raising cess on petroleum, which is not shared with states. On the other hand, the states' share of non-GST taxes on petroleum has been coming down over the years, but it still stands at 14.09 per cent in 2019–20.

Given that own tax revenues of states came down substantially than Budget Estimates, the share would actually be higher than this. Abhishek Rastogi, partner, Khaitan & Co., said, "The decision for inclusion of petroleum in GST is not simple as several stakeholders have huge revenue implications and the government will have to maintain a fine balance with respect to revenue collections."

Aditya Singhanian, partner, Singhanian GST Consultancy, said the inclusion does not seem to be a reality at least until the revenue from GST is handsome enough to factor in the current revenue arising from



petrol, diesel, etc. Currently, crude oil, natural gas, diesel, petrol, and aviation fuel are outside the ambit of GST and they are subject to the levy of central excise and state-specific value-added tax. However, domestic LPG and PDS kerosene are already subject to GST under the 5 per cent rate category.

COMPILED BY INDIVJAL DHASMANA

### CENTRE in ₹ crore unless specified

	2017-18	2018-19	2019-20	2020-21
Tax collections from petroleum	276,168	279,847	287,540	418,637
CGST	4,488	7,437	6,831	6,158
IGST	9,211	16,479	13,099	11,594
Total tax collections from non-GST petroleum	262,469	255,931	267,610	400,885
Total tax collections of the Centre	1,919,009	2,080,465	2,010,059	2,024,852
% of tax collections from non-GST petroleum to total tax collections	13.68	12.3	13.31	19.8

### STATES in ₹ crore unless specified

	2017-18	2018-19	2019-20	2020-21
Tax collections from petroleum	206,601	227,396	220,841	217,271
SGST/UTGST	4,974	7,961	7,345	6,121
Total tax collections from non-GST petroleum	201,627	219,435	213,496	211,150
States' total own tax revenues	1,130,460	1,268,713	1,409,325	1,498,263
% of tax collections from non-GST petroleum to states' total own tax revenues	17.83	17.29	15.15	14.09

Notes: \* BE Source: Budget papers, Controller General of Accounts, PPAC, RBI, India Ratings

# Chinese firms to invest \$15 bn in Pakistan's petchem sector

**ISLAMABAD:** Chinese companies will invest \$15 billion in Pakistan's petrochemical sector in Gwadar, including the project of energy pipeline from Gwadar to China, official media here reported on Sunday.

However, it was not clear if the projected investment is part of the multi-billion dollar China-Pakistan Economic Corridor or not. China is already carrying out various projects under the over \$60 billion CPEC project, launched in 2015.

Talking to the state-run Associated Press of Pakistan (APP) news agency, Board of



Investment Secretary Fareeha Mazhar said Chinese companies have expressed their readiness to invest \$15 billion in Pakistan's petrochemical sector.

The Chinese companies would invest in the petrochemical sector in Gwadar, including the project of energy pipeline

from Gwadar to China, Mazhar was quoted as saying in the report. She said bilateral talks are underway for investment in various projects related to Chinese investment in Pakistan.

Mazhar expressed hope that Chinese companies would also invest in Pakistan's energy, agriculture, tourism and other sectors in the future.

The Gwadar Port, a part of the CPEC project, is the key node of the Pakistan-China oil and gas pipeline. India has objected to the CPEC as it passes through Pakistan-occupied Kashmir (PoK). PFI

## FIRST COLUMN CONSUMERS EASY PREY TO FOOT THE BILL

A reduction in retail fuel prices is possible if additional excise duties are rolled back



AMIYA KUMAR SAHU

**P**etrol and diesel prices have remained close to Rs. 100 for about 10 weeks since July 8, 2021. The impact of this has been on fuel inflation (Wholesale Price Index) which averaged at more than 25 percent for the last five months.

The international crude oil price, however, reveals a different picture. Brent crude oil prices fell from \$77.16 to \$65.18 between July 5 and Aug 20, a reduction of over 15 percent. In layman's terms, the price of petrol in India could have been decreased to ₹85.

Back in 2017, the Oil Marketing Companies (OMCs) were given a free hand to follow dynamic fuel pricing to make their operations more efficient. Why the OMCs have stopped daily price revisions is a mystery. Is it because they are still controlled by the government which has a majority stake in them?



The RBI has also warned that high prices would trigger higher inflation which would affect growth. But it seems the government has decided to continue milking the cash cows — the consumers.

While protection of consumers' interests necessitates government interventions, a reduction of the high prices seems to be far from reality. In May last year, the government imposed additional excise duty on both petrol and diesel, which included road and infrastructure cess - an additional revenue worth ₹1.6 lakh crore. Since the country was forced into a pandemic-induced lockdown, it made commonsense as well as economic sense, then. The fiscal situation was expected to be tight.

However, since May 2020, the total taxes on petrol have crossed ₹50 per litre. It was a paltry ₹9.48 per litre when the BJP government replaced UPA II in 2014. Is the government still expecting the fiscal situation to be similar to last year's? Let's look at the GST data which might give a clue in support of this.

Back in April 2020, when India was under a complete shutdown, the GST revenue collections fell to ₹32,294 crores from ₹97,597 crores. However, from March to August 2021, the GST collected has been ₹6,98,257 crores. This was a jump of more than 50 percent compared to the same period in the previous year.

The USD/INR exchange rate also has been favourable to import bills of crude oil. The exchange rate corrected from a peak of ₹77.10/USD in April 2020 to ₹72.26/ USD in March 2021. It now is ranging between ₹73 to ₹75.

A reduction in retail prices is unquestionably possible. All that needs to be done is to roll back additional excise duties. At present, the total excise duty on petrol exceeds ₹37 per litre. The other alternative is to bring the petroleum products under GST.

Since the government has remained stubborn after numerous pleas for a reduction in the petrol and diesel prices, a set of new questions arise: Is the government planning to put up a surplus budget in February 2022? Is it anticipating a severe third wave and lockdown similar to last year? Larger subsidy amounts are likely to be given to the poor?

Let's evaluate another argument. Higher prices would reduce consumption of the fossil fuel and help reduce global warming. But we need to reduce dependency on personal vehicles and move to large-scale adoption of public transport. But mass-rapid transport systems are not effective. If the government wants to promote electric vehicles, then we don't have the technology, capacity to produce in large quantities, and required infrastructure for re-charging battery-run vehicles.

*(The writer is Associate Professor, Goa Institute of Management, Goa. The views expressed are personal.)*

# NOTICE BOARD

CORPORATE ASSOCIATE DIARY

EVENTS, HONOURS



## TRAIN SERVICE – CONCOR

CONCOR strengthens its reachability by connecting East & West, starts the train service from Shalimar to Turbhe. The first train departs from Shalimar on 15/09/2021 with full container load.



## AGM – KRIBHCO

KRIBHCO has earned a pre-tax profit of Rs 513.13 Cr during FY 2020-21 and has declared dividend @ 20% on equity capital for the year in its 41st AGM held recently, which was presided over by Dr Chandra Pal Singh (Chairman, KRIBHCO).



## ALLIANCE – PSB

PSB entered into a strategic co-lending alliance with ICCL & IHFL for MSME & Priority Sector Housing Loans respectively. S Krishnan, MD & CEO informed that the co-lending model will improve the flow of credit to the un-served & under-served sector.



## MOU – PNB

PNB has entered into a Co-Lending arrangement with IIFL Home Finance Limited. The MOU was signed by AK Goel (GM – PNB) in the presence of SK Saha (ED-PNB) & SK Dixit (CGM – PNB).



## HINDI DIWAS – ITPO

'Hindi Diwas' was celebrated at India Trade Promotion Organisation (ITPO) at Pragati Maidan, ND. The celebration was marked with distribution of the Awards along with the motivational hindi books.



## AWARDS – BHEL

BHEL has celebrated Utkrishthta Utsav & the "Excel Awards" were conferred on meritorious employees. Dr MN Pandey, M of Heavy Industries, graced the occasion & presented the awards. Dr NS (CMD – BHEL) was present on the occasion.

## APPOINTMENT

**DTL** Dr Sanjay Kumar Lal, an officer of 2001 batch of IRS, has recently joined Delhi Transco Limited as Director (Finance). He has done his Doctorate from prestigious IARI, Pusa, Delhi. He is also a Law Graduate. Dr Sanjay Kumar Lal has a vast experience in the field of Taxation, Account and Finance. He has worked in various capacities in the IT Department in its different wings such as Investigation, International Taxation, headquarters etc. He has also rendered his services in the M/o Finance. Before joining Delhi Transco Limited, he was posted as Commissioner (OSD) at Ghaziabad in the IT Department.



## WORKSHOP – NIOS

NIOS & Vidya Bharati Institute of Higher Education jointly organised 2 days National Workshop on 'National Education Policy 2020: Implementation, Strategy & Progress' at Kalyan Singh Auditorium, Noida, NIOS. Dr S Sarkar, MoS Education, was the chief guest.

**IRCTC** has recently dedicated a new Food Plaza – 'Pop n Hop' for the passengers at New Delhi railway. The 'Pop n Hop' Food Plaza is one of the most exquisite and extensive food and beverage facilities created by IRCTC for the passengers and tourists to have a wide variety of sumptuous food offered in a hygienic and extremely comfortable environment.

**IOCL** and Google Pay have announced a collaboration to make fuelling more rewarding for IndianOil and Google Pay customers. The companies also plan to make IndianOil's countrywide loyalty program XTRAREWARDS accessible on the Google Pay app as the partnership progresses.

**BHEL** has successfully commissioned India's largest floating Solar PV plant. Located at NTPC Simhadri in Andhra Pradesh, the 25 MW floating SPV project covers an area of 100 acres, leading to saving of valuable land resource and conserving water by reducing evaporation.

**UBI** today received the prestigious 'Rajbhasha Kirti Puraskar' for excellent implementation of Hindi during the year 2018-19, 2019-20 & 2020-21 at a glittering function held at Vigyan Bhavan, ND. Rajkiran Rai G, MD & CEO, UBI received the award from Amit Shah, Home & Cooperation Minister.

**IRCTC** is all set to open a new world class Executive Lounge at ND Railway Station for offering an enhanced travel experience to the rail passengers. The new Executive lounge has been set up on first floor of Platform No.1 of New Delhi Railway Station towards Paharganj side. IRCTC is already operating executive lounges at railway stations at Agra, Jaipur, Sealdah, Ahmedabad and Madurai.

**PWERGRID**: An Online Vendor Development Program exclusively for SC-ST Micro and Small Enterprises was organised in association with National SC-ST Hub, Surat by POWERGRID (WR-II). The program was chaired by ED, WR-II in virtual presence of Branch Head of National SC-ST Hub, Surat (NSSHO) & President of Federation of SC-ST Entrepreneurs, Vadodara (FSSE) along with 31 SC-ST MSEs.

**PSB** has announced 'PSB Utsav Mala' for FY 2021-22 for the festive season from 10th September 2021 to 10th November 2021. S Krishnan, MD & CEO of the Bank informed that the Festival Bonanza campaign has been extended to other credit products like MSMEs, Food Processing and Rice Shellers etc, besides retail credit products.

**Amity University** (NOIDA, India) and Baylor College of Medicine (BCM- Houston, USA) researchers have developed a powerful AI platform to find clinically important vaccine targets and epitopes that could transform vaccine discovery process for deadly infectious diseases such as COVID19 and Chagas Disease. The results of this study have been published in UK based journal Scientific Reports, and PubMed.

# Petrol and diesel rates may increase as global oil prices record spike

**Rajeev Jayaswal**

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**NEW DELHI:** State-run fuel retailers may raise petrol and diesel rates soon due to rising international oil prices, bringing to an end about the month-long relief to consumers — initially due to small price cuts, and then maintaining pump prices for about two weeks, people aware of the development said.

Retail prices of petrol and diesel are likely to be affected with the surge in international oil prices which have increased by around \$3 per barrel in the last 10 days, the people cited above said on condition of anonymity. “In case international crude oil prices continue to remain at such high levels, an increase in retail prices going forward will be inevitable,” a person working in an oil company said.

Benchmark crude Brent surged last week to \$75.34 per barrel on Friday close, over 9.1% jump compared to \$69.03 a month ago.

As international oil prices dropped below \$70 a barrel in mid-August, fuel retailers reduced diesel rates by 20 paise per litre on August 18 after an all-time high for 34 days. Petrol prices were also reduced by 20 paise a litre on August 22, after it maintained a record of ₹101.84 per litre in Delhi for 36 days.

Subsequently, petrol and diesel became cheaper in small doses by 65 paise a litre and ₹1.25 per litre, respectively. After that, the prices of the two fuels remained frozen since September 6. On Sunday,

**RETAIL PRICES OF PETROL, DIESEL ARE LIKELY TO BE AFFECTED WITH THE SURGE IN GLOBAL OIL PRICES WHICH HAVE RISEN BY \$3 PER BARREL IN LAST 10 DAYS**

petrol was priced at ₹101.19 per litre in Delhi and diesel at ₹88.62 per litre.

According to the people mentioned above, international crude oil prices rose on subdued US oil production in view of the Ida hurricane which tore through the Gulf of Mexico, and robust demand on optimism about global economic growth.

“Companies were holding prices, and expecting some tax relief from the government in terms of GST (Goods and Services Tax) relief, but the proposal to include petroleum products in GST was declined in the GST Council meeting on Friday, forcing companies to think about raising fuel rates” a second person cited above said.

International oil rates, which are often volatile, directly influence pump prices of petrol and diesel in India. Heavy loads of central and state taxes are also responsible for astronomically high rates of the auto fuels.

India imports more than 80% crude oil it processes and pays in dollars.



# Sports: Tihar inmates to be professionally trained

**NEW DELHI:** The Delhi Prisons Department will soon kick-start a new initiative to impart professional training to inmates of Tihar Jail in various sports, officials said on Sunday.

Prison officials said two-time Olympic medallist Sushil Kumar, lodged in the Tihar jail after being arrested in the Chhatrasal Stadium brawl case which led to death of another wrestler, will also be allowed to engage in the activities as a participant if he shows interest.

“Sushil Kumar is trained in wrestling but if he shows interest in playing badminton, volleyball or any other sports which is being organised under the new initiative, we will allow him to actively engage as a participant,” a senior jail official said. This is the first time that inmates of Tihar jail will be trained in sports with the help of coaches in a more professional and scientific manner, jail officials said.

Under the initiative, sponsored by the Indian Oil Cor-

poration Limited (IOCL) as part of their CSR project, the inmates will be trained in six sports — Kho-Kho, volleyball, badminton, basketball, chess and carrom, they said.

According to jail administration, the IOCL will send professional coaches to Tihar twice a week to train interested inmates in each of these selected games.

They will also provide necessary sports equipments and jerseys for 20 inmates in each sports, a senior jail official said.

Director General (Delhi Prisons) Sandeep Goel said in collaboration with IOCL, the inmates will be soon trained by professional coaches in various sports.

“Such activities will help create a positive and healthy atmosphere inside the prison. It will channelise their energy in a positive direction and most importantly, will help in keeping themselves both physically and mentally fit as well as healthy,” he said. PII

● THE FUEL DELIVERY

# Simple, smart and secure refuelling

This fuel delivery startup delivers diesel for use in agriculture, transportation, retail, manufacturing and more at the doorstep

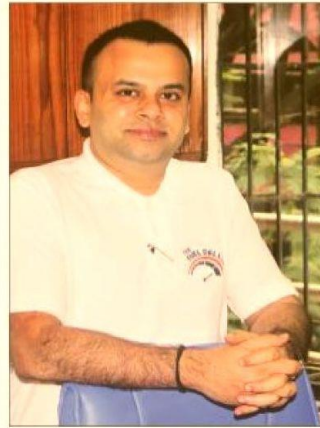
SANDHYA MICHU

**THE PANDEMIC HAS** accelerated digitalisation, with companies going the extra mile to provide doorstep delivery of essential commodities, including fuel. The Fuel Delivery (TFD) is one such startup which takes orders via the mobile app. Founded by Rakshit Mathur in 2020, TFD was set up

with an aim to redefine the fuel distribution landscape through multiple fuels, starting with diesel (HSD) for use in agriculture, transportation, construction, manufacturing, retail, logistics and warehousing, etc. TFD started from Delhi NCR and expanded to Mumbai and Bengaluru. It now plans to expand its operations in Hyderabad, Chennai, Ahmedabad, Pune and Chandigarh. It plans to include doorstep delivery of CNG, once it is approved by the regulatory bodies.

“Our minimum order supply is 50 litres. We also focus on bulk deliveries to sectors such as hospitality, healthcare, construction & development, corporate office, parks, institutions and many others,” informs Mathur.

TFD has leveraged the potential of



Rakshit Mathur, founder, The Fuel Delivery

Internet of Things (IoT). All the delivery vehicles are enabled with an IoT solution that enables monitoring and tracking in real-time while managing logistics better by reducing order fulfillment time. TFD is

supplying about 4,000 litres of diesel a day in Delhi whereas in Mumbai it is around 9,000 litres in a day.

The fuel delivery market is fast evolving with oil marketing companies entering into agreements with startups. “There is potential for startups to become a ‘FuelEnt’ (Fuel Entrepreneur) while generating employment at the grassroots level,” he adds. TFD aims to do a topline of about ₹75 crore in FY22.

Coming to the safety of delivering fuel on demand, the fuel dispensing bowsers are fitted with fittings like spark arrestor, emergency shut-off valve, fusible link, emergency vent, pressure vacuum valve, etc., which are approved by the concerned authorities. The dispensers are also fitted with a meter that tells the customer how much fuel has gone into their generators or associated equipment. It delivers diesel to the user in the manner prescribed by the ministry of petroleum and natural gas and licensed by PESO (Petroleum & Explosives Safety Organisation). The company orders fuel only from its preferred partner, IOCL where the purity of the fuel is ensured both at the source and supply.