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Russia urges India to deepen its investment in oil & gas sector

NEW DELHI: Russia urged India to deepen its investments in the sanction-hit country's oil and gas sector, and is keen on expanding the sales networks of Russian companies in Asia's third-largest economy.

Russia's economy faces its deepest crisis since the 1991 collapse of the Soviet Union, as the West imposes severe sanctions over Moscow's invasion

of Ukraine, *Reuters* reported.

Some western allies have encouraged India to condemn Russia's actions in Ukraine, after New Delhi abstained from voting against Moscow, a long-standing arms supplier, at the United Nations.

"Russia's oil and petroleum product exports to India have approached \$1 billion, and there are clear opportunities to

increase this figure," said Russia's Deputy Prime Minister Alexander Novak, according to a statement shared by Russia's embassy in India late on Friday.

"We are interested in further attracting Indian investment to the Russian oil and gas sector and expanding Russian companies' sales networks in India," Novak told Indian Oil Minister Hardeep Singh Puri. AGENCIES

Shale Drilling Climbs most in a Month as Biden Calls for more Oil

Bloomberg

Shale explorers returned to growth mode this week, adding the most rigs in a month as the Biden administration calls on them to unleash more crude to offset a ban on Russian oil.

Many are wary given Biden's historic hostility toward fossil fuels and the risk that new drilling won't pay off over the long term

The number of rigs drilling for crude in the US rose by 8 to 527 this week, the biggest gain since February 11, according to Baker Hughes Co. data. Most of the expansion, which follows last week's drop of three oil rigs, came in the world's busiest shale patch, the Permian Basin of West Texas and New Mexico.

President Joe Biden has urged US oil companies to step up pro-



duction as sanctions on Russia have helped push oil prices above \$100 a barrel. West Texas Intermediate crude, which was already rallying before the war, is now 66% up since early November.

The plea for more production collides with commitments that major shale explorers have made to prioritise financial discipline over growth, though, and many are wary given Biden's historic hostility toward fossil fuels and the risk that new drilling won't pay off over the long term.

{ IN PROTECTED FOREST AREAS }

Govt weighs proposal to ease clearance norm for oil drilling

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NEW DELHI: The Union environment ministry is considering a proposal on whether extended reach drilling (ERD) in protected forest areas can be exempted from mandatory clearances under the Forest Conservation Act, 1980, according to people aware of the matter and official government documents seen by HT. To make a decision on the proposal, the environment ministry sought a report from the Directorate General of Hydrocarbons (DGH) on the impact of ERD technology, people added. ERD is a technology for drill-



The DGH in their report has said there can be "indirect" impact of such drilling like forest fires resulting from oil leakages. REUTERS

ing longer horizontal wells at a high inclination angle to reach underground oil/natural gas deposits further away from the drilling spot, instead of drilling wells vertically. The Union environment ministry gave the environmental clearance to OIL on May 11 for extension drilling and testing of hydrocarbons at seven locations under Dibru Saikhowa National Park but forest clearance for the project is pending.

The DGH in their report has said there can be "indirect" impacts of such drilling like forest fires resulting from oil leakages; soil surface contamination etc. Environmental experts have said the ministry needs to have a very cautious approach considering that these regions have fragile ecology.

The people cited above said that the findings of DGH's report on ERD—submitted to the ministry by DGH through a letter dated December 31, 2021—were discussed in the ministry's forest advisory committee's (FAC) meeting on February 21. The minutes of FAC's meeting, published last week, stated that "after thorough deliberation and discussion observed that report needs more in-house deliberation at MoEFCC (ministry of environment, forest and climate change) level prior to any decision being taken by FAC".

"We have not taken a call. Several issues related to ERD need to be considered. The drilling in such cases may not affect the surface of the forest, but it is still a drilling activity. Forests have a very delicate balance. Will the drilling

cause any noise or vibrations? Even these aspects cannot be ignored. All direct and indirect impacts of such drilling need to be understood to take a holistic view on the matter. So we have kept the decision in abeyance," said a senior environment ministry official who asked not to be named.

An interim report on the matter was earlier discussed in an MoEFCC meeting on December 10, 2020 under the chairmanship of director general of forests, according to the minutes of FAC's February 21 meeting.

"After deliberating on the report, certain shortcomings were observed. The impact of such technology on forest and wildlife was not considered appropriately in the report. The chairman of the committee was advised to look into the concern of the ministry with regards to impacts on forest and to enhance its report with more scientific data," the minutes added.

DGH submitted a revised report with inputs from Indian Council of Forestry Research and Education (ICFRE) for further consideration of the environment ministry. A subcommittee of ICFRE visited operational sites in Upper Assam during September 27 to October 2, 2021.

The revised report said that no direct impact of the technology was observed on fauna. However, certain indirect impacts could happen—like forest fires resulting from oil leakages, and pollutants such as polycyclic aromatic hydrocarbons (PAHs) causing reproductive effects, impacts of soil surface contamination, among others.

The report concluded that ERD is considered "environmentally safe and the best technology" for tapping the hydrocarbon from beneath without disturbing the surface area.

The minimum linear distance of drilling from the boundary on the ground for protected areas and wildlife corridors should not be less than 1km, and other forest areas recorded as protected forest, reserve forests or village forests should be at least 0.5km away, the report recommended.

"The depth of ERD and vertical wells can be similar at about 3500 to 4000 m but the main difference is that after drilling vertically in case of ERD a diversion is made at an angle to reach the location where oil is available. This is done so that you can reach areas that are difficult to reach. Because we are not able to reach say a forest area and vertical drilling is not recommended inside the forest, ERD can be used," a senior official of OIL explained.

"Having location of well at a depth of 500m and even deeper from the surface of the forest area has no impact on above ground forest biodiversity. In general, the rooting depth of forest species are limited to a maximum of around 60m depth. Thus, it will neither affect the root functioning nor root zone hydrology," the report said, according to the minutes of the FAC meeting.

The DGH report also recommended that ERD projects need not to be considered under the purview of Forest Conservation Act, 1980 since no activity is undertaken directly in the forest area.

ऑटो कंपनियां छह महीने के भीतर फ्लेक्स-फ्यूल वाहनों का विनिर्माण शुरू करेंगी: गडकरी



भाषा। नई दिल्ली

केन्द्रीय मंत्री नितिन गडकरी ने शनिवार को कहा कि ऑटोमोबाइल कंपनियों के शीर्ष अधिकारियों ने उनसे वादा किया है कि वे छह महीने के भीतर फ्लेक्स-फ्यूल वाहनों का विनिर्माण शुरू कर देंगे। गडकरी ने ईटी ग्लोबल बिजनेस समिट को वीडियो कॉन्फ्रेंस के जरिए संबोधित

करते हुए कहा कि सरकार सार्वजनिक परिवहन को 100 प्रतिशत स्वच्छ ऊर्जा स्रोतों से चलाने की योजना पर काम कर रही है। उन्होंने कहा, इस हफ्ते, मैंने सभी बड़ी ऑटोमोबाइल कंपनियों के प्रबंध निदेशकों और सियाम के प्रतिनिधियों के साथ बैठक की। उन्होंने मुझसे वादा किया कि वे ऐसे वाहनों के लिए फ्लेक्स-फ्यूल इंजन का विनिर्माण शुरू करेंगे, जो एक से अधिक ईंधन से चल सकते हैं। फ्लेक्स-फ्यूल, गैसोलीन और मेथनॉल या इथेनॉल के मिश्रण से तैयार एक वैकल्पिक ईंधन है। उन्होंने कहा कि टीवीएस मोटर और बजाज ऑटो जैसी कंपनियों ने पहले ही दोपहिया और तिपहिया वाहनों के लिए फ्लेक्स-फ्यूल इंजन का विनिर्माण शुरू कर दिया है।

श्रीलंका ने सौर ऊर्जा संयंत्र स्थापित करने के लिए भारत के साथ करार किया

● दोनों देश नवीकरणीय ऊर्जा के क्षेत्र में भी सहयोग करेंगे

भाषा । कोलंबो

भारत और श्रीलंका ने द्विपक्षीय आर्थिक साझेदारी को मजबूत करने के प्रयासों के तहत श्रीलंका के समुद्री तट के नजदीक स्थित पूर्वी जिले त्रिंकोमाली में 100 मेगावाट का सौर ऊर्जा संयंत्र बनाने के लिए करार किया है। दोनों देश नवीकरणीय ऊर्जा के क्षेत्र में भी सहयोग करेंगे। समझौते पर हस्ताक्षर श्रीलंका के वित्त मंत्रालय में शुक्रवार को हुए। भारतीय मिशन ने एक बयान में कहा कि भारत के

श्रीलंका की सरकारी तेल कंपनी ने ईंधन की कीमतें बढ़ाई

भाषा । कोलंबो

श्रीलंका की सरकारी तेल और गैस कंपनी सीलोन पेट्रोलियम ने पेट्रोल की कीमत में 77 रुपए प्रति लीटर और डीजल की कीमत में 55 रुपए प्रति लीटर की बढ़ोतरी की है। इससे पहले भारत की प्रमुख तेल कंपनी इंडियन ऑयल कॉरपोरेशन की सहायक कंपनी लंका आईओसी ने ईंधन की कीमतें बढ़ाई थीं। आईओसी

राष्ट्रीय ताप विद्युत निगम (एनटीपीसी) और श्रीलंका के सिलोन इलेक्ट्रिसिटी बोर्ड (सीईबी) के

● सीलोन पेट्रोलियम कॉरपोरेशन (सीपीसी) द्वारा कीमतों में बढ़ोतरी के बाद पेट्रोल की कीमत 43.5 प्रतिशत बढ़कर रिकॉर्ड 254 रुपए प्रति लीटर हो गई है

संयुक्त उद्यम त्रिंकोमाली पावर कंपनी लिमिटेड के लिए जॉइंट वेंचर ऍंड शेयरहोल्डर्स एग्रीमेंट (जेवीएसएचए)

ने पेट्रोल की कीमत में 50 रुपए प्रति लीटर और डीजल की कीमत में 75 रुपए प्रति लीटर की बढ़ोतरी की थी। सीलोन पेट्रोलियम कॉरपोरेशन (सीपीसी) द्वारा कीमतों में बढ़ोतरी के बाद पेट्रोल की कीमत 43.5 प्रतिशत बढ़कर रिकॉर्ड 254 रुपए प्रति लीटर हो गई है, जबकि डीजल 45.5 प्रतिशत बढ़कर 176 रुपए प्रति लीटर के भाव पर पहुंच गया है।

पर हस्ताक्षर किए गए हैं जिसके तहत सामपुर में 100 मेगावाट का सौर ऊर्जा संयंत्र स्थापित किया जाना है।

Petrol hiked by Rs 77 per litre in Sri Lanka

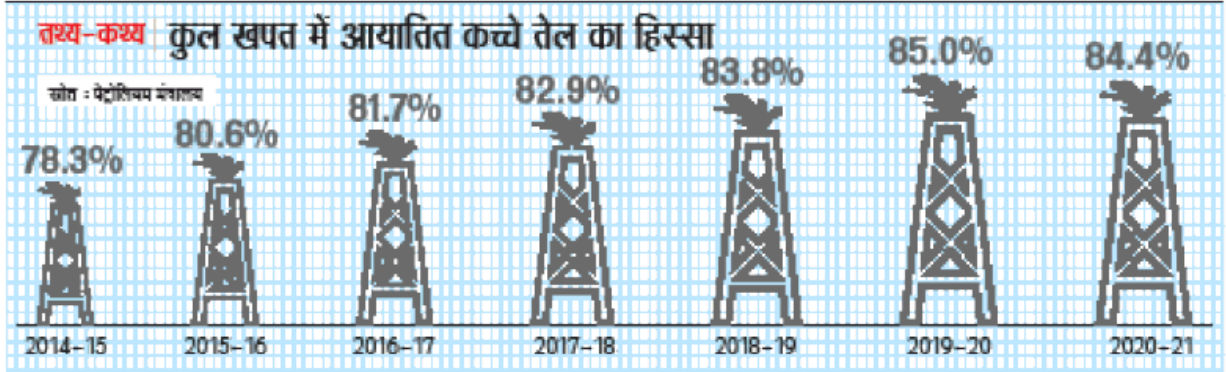
COLOMBO, MARCH 12

Sri Lanka's state-run oil and gas entity Ceylon Petroleum has raised the price of petrol by 77 rupees and diesel by 55 rupees after Lanka IOC, the local subsidiary of India's oil major Indian Oil Corporation, hiked fuel prices in the island nation. IOC had raised petrol and diesel prices by 50 rupees and 75 rupees, respectively.

The Ceylon Petroleum Corporation (CPC) price hike has seen the price of Octane 92 petrol rising by 43.5 per cent to a record 254 rupees a litre while diesel soaring 45.5 per cent to 176 rupees.

The latest Octane 92 petrol price is in par with Lanka IOC price while the diesel is still 38 rupees below the Lanka IOC price. "With lower prices at Lanka IOC, everyone was going there and we had to correct our own loss making," Energy Minister Gamini Lokuge said. Lanka IOC does not receive any subsidy from the Sri Lankan government and its losses are calculated based on actual landed cost of the product. — PTI

Kul khapat mein aayojit kachhe tel ka hissa	Dainik Jagran	8	Bureau
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BIZ TRENDZ

Russia-Ukraine crisis: India needs to relook its energy policy

Looking for alternative cheaper sources of oil is the best way right now to meet the growing challenge of energy security

SUSHMA RAMACHANDRAN

US President Joe Biden's announcement of a ban on purchase of Russian oil and gas may not have come as a surprise but has surely added fuel to the fire of the international oil market. Prices have crossed 130 dollars per barrel and the trend looks firmer by the day. The significant aspect is that it will not materially affect crude oil availability in the US as less than five per cent of the country's energy needs are met from Russia. Besides, efforts are being made to find alternative sources such as Venezuela even though the US had earlier imposed sanctions on it.

The move to ban oil purchases may have been taken by the Biden administration but the repercussions are being felt globally. What is worse is that the impact is not being felt just by Russia but also by emerging economies like India and others which depend largely on imported oil for their energy requirements. This country will naturally face the prospect of paying vastly more for oil from abroad but it has the advantage of adequate foreign exchange reserves to provide a cushion in the short run. Currently, India has the fourth highest such reserves at 635 billion dollars. It would not be prudent, however, to draw on these reserves in the medium or long term. Instead, it must be hoped that the surge in oil prices will be tempered over the next few months as both producing and consuming countries ponder over the long term ramifications of pricing energy at such stratospheric levels.

Currently there are limited options before the government to meet the impending energy crisis. It needs, however, to weigh all of them carefully in the country's self-interest. Finance Minister Nirmala



Sitharaman has already commented that alternative sources are being considered for buying oil. This could be a reference to the reported offer from Russia to sell oil at heavily discounted rates to this country. The proposal is of mutual benefit at a time when global prices are nearly double of the rates assumed for the purposes of budgetary calculations. As against a presumption that oil prices would range around \$70 to \$75 per barrel in the next fiscal, these are now ruling as earlier mentioned, at over \$130 per barrel. In this backdrop, it would make sense to accept the Russian offer though this is bound to upset western countries especially the US. In fact, some bankers are reported to have opposed the idea as it would draw the ire of western countries. These fears are not unfounded as the sanc-

tion proposals are snowballing rapidly in a bid to get Russia to withdraw its aggression against Ukraine.

At the same time, it must be recognized that European countries have imposed sanctions in a selective fashion. Russian oil and gas supplies continue to flow to Europe which draws as much as 40 per cent of its energy needs from that country. The banking sanctions are also not applicable on payments for the oil and gas supplies. In fact, there is now a worry that Russia may close the tap on these supplies creating an energy crisis for Europe. Top leaders in that country have also been warning that sanctions may lead to prices touching peaks of 300 dollars per barrel in the near future. In this backdrop, it would be in the country's interest to go ahead with imports from Russia to offset the

high prices from other sources.

One must also remember that Russia is the largest oil exporter and the third largest oil producer in the world. It exports over 7 million barrels of crude oil and petroleum products per day. In case Russian oil is to exit world markets, it would be extremely difficult to find alternatives for such huge quantities of this fossil fuel. Even if sanctions on Iran are lifted, as it looks they may be in the near future, it will not be possible to provide enough crude oil to compensate for the loss of Russian oil.

Even as the country is in the midst of this crisis, it is the right time for policymakers to review India's long term energy plans and make course corrections. The heavy dependence on oil purchases from abroad makes this country highly

vulnerable in such emergencies. Ways must be found to surmount this problem. One path is to give a greater push to renewable energy. On this score, there is no doubt that the present government has taken several initiatives to ramp up renewable energy capacities. It also must be conceded that targets for creating non-fossil fuel energy capacity especially solar power have been reached well ahead of their original time line. The push for electric vehicles which has annoyed domestic car manufacturers is equally a positive step towards reducing consumption of costly fossil fuels.

Another issue that needs to be urgently reviewed is the drive to carry out more intensive oil exploration in prospective onshore and offshore locations. Till now, the numerous bidding rounds for oil and gas exploration and production in selected locations have not attracted oil majors. It is time that more tangible incentives are offered to lure foreign companies which have the experience and expertise to locate new oil sources within the country. In fact, it is precisely during eras of high oil prices that exploration activity is stepped up as the returns on investment become much more lucrative. Conversely, low oil prices lead to a decline in exploration operations.

Every crisis has a silver lining. In India's case, it could be that the Ukraine conflict leads to a relook at the country's medium and long term outlook in the energy sector. In the short run, however, oil purchases are going to become more expensive at a time when demand is rising in the economy. Looking for alternative cheaper sources of oil is the best way right now to meet the growing challenge of energy security.

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