



ONGC News as on 23 August 2023 (Print)

Publication : Business Standard	Editions : Ahmedabad
Date :23 August 2023	Page : 6



CRUDE OIL REFINING OUTPUT ROSE 2.2% TO 21.9 MT IN JULY: MINISTRY

Indian refiners processed 21.9 million tonnes (mt) of crude oil in July, 2.2 per cent higher than the 21.42 mt of crude processed in July, 2022, data released by the Petroleum Planning and Analysis Cell (PPAC) on Tuesday showed. Refining throughput increased by 1.7 per cent sequentially from the preceding month of June.

Of this, government owned oil PSUs and joint ventures processed 14.7 mt,

while private refiners processed 7.2 mt of crude oil, the data showed.

Domestic crude production rose by an annual 2.1 per cent to 2.5 mt in July. Production rose by 2.8 per cent sequentially from the 2.43 mt of production registered in the preceding month of June. Out of 2.5 mt, state-owned Oil and Natural Gas Corporation (ONGC) produced 1.62 mt, followed by Oil India at 0.28 mt.

SUBHAYAN CHAKRABORTY

STEADY RISE

■ Crude oil processed by refiners
■ Domestic crude oil produced (Million tonnes)



Source : Petroleum Planning and Analysis Cell

कच्चे तेल के शोधन में 2.2% वृद्धि

शुभायन चक्रवर्ती
नई दिल्ली, 22 अगस्त

भारत की तेल शोधन कंपनियों ने जुलाई में 219 लाख टन कच्चे तेल का शोधन किया है, जो जुलाई 2022 के 214.2 लाख टन की तुलना में 2.2 प्रतिशत ज्यादा है। पेट्रोलीयम प्लानिंग ऐंड एनॉलिसिस सेल (पीपीएससी) द्वारा मंगलवार को जारी आंकड़ों से यह पता चलता है। जून महीने की तुलना में जुलाई में तेल शोधन 1.7 प्रतिशत बढ़ा है।

आंकड़ों से पता चलता है कि इसमें में सरकार के तेल के सार्वजनिक उद्यमों (पीएसयू) और संयुक्त उद्यमों से 147 लाख टन शोधन हुआ है, जबकि निजी क्षेत्र के तेल शोधकों ने 72 लाख टन तेलशोधन किया है।

जुलाई महीने में घरेलू कच्चे तेल का उत्पादन पिछले साल की समान अवधि की तुलना में 2.1 प्रतिशत बढ़कर 25 लाख



■ देश की तेल शोधन कंपनियों ने जुलाई में 219 लाख टन कच्चे तेल का शोधन किया

टन हो गया है। वहीं पिछले महीने जून के 24.3 लाख टन की तुलना में उत्पादन में 2.8 प्रतिशत बढ़ोतरी हुई है। 25 लाख टन

में से सरकारी कंपनी तेल एवं प्राकृतिक गैस निगम (ओएनजीसी) ने 16.2 लाख टन उत्पादन किया है, उसके बाद अयल इंडिया लिमिटेड (ओआईएल) ने 2.8 लाख टन उत्पादन किया। पिछले साल की समान अवधि की तुलना में जुलाई महीने में कच्चे तेल का आयात 6.3 प्रतिशत घटकर 193.2 लाख टन गया है।

चालू वित्त वर्ष के शुरुआती 4 महीनों में कच्चे तेल के आयात की मात्रा कुल मिलाकर 2.3 प्रतिशत कम हुई है।

इस अवधि के दौरान पेट्रोलीयम निर्यातकों के संगठन ओपेक से कच्चे तेल का आयात की हिस्सेदारी कुल आयात में घटकर 45 प्रतिशत रह गई है, जो पिछले साल की समान अवधि में 63.8 प्रतिशत थी। लंदन की कमोडिटी डेटा एनॉलिसिस प्रोवाइडर वोटैक्सा ने अनुमान लगाया है जुलाई में लगातार दसवें महीने रूस कच्चे तेल का सबसे बड़ा आपूर्तिकर्ता बनकर उभरा है।

पायलटों की गलती और सुरक्षा खामी से हुआ था मुंबई हेलीकाप्टर हादसा

नई दिल्ली, प्रेढ़ : मुंबई के गहरे समुद्र में ओएनजीसी संचालित सागर किरण रिज में पिछले साल जून में हुए हेलीकाप्टर हादसे की अंतिम जांच रिपोर्ट में बताया गया कि पायलट हेलीकाप्टर के आटोमैटिक फ्लाइट कंट्रोल सिस्टम से अच्छी तरह से वाकिफ नहीं थे और यात्रियों के सुरक्षा वीडियो में दिशानिर्देशों को सही तरीके से नहीं दिखाया गया ताकि वह लाइफ जैकेट को ठीक से खोल सकें।

एयरक्राफ्ट एक्सीडेंट इन्वेस्टिगेशन ब्यूरो (एएआइबी) की जांच के मुताबिक, पवन हंस के संचालित 'सिकोरोस्की एस-76डी' हेलीकाप्टर में सवार सभी सात लोगों को सुरक्षित निकाल लिया गया था, लेकिन केवल पांच लोग ही लाइफ जैकेट खोलने में कामयाब रहे।

'साटीज' (फेरे) के लिए जाने वाले संचालक कंपनी पवन हंस के सिकोरोस्की हेलीकाप्टर 28 जून, 2022 को दुर्घटनाग्रस्त हुआ था, जिसमें हेलीकाप्टर ने रिज से वापसी के दौरान अपना नियंत्रण खो दिया था और गहरे समुद्र में डूब गया था।

Publication : Millennium Post	Editions : Kolkata
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Vedanta seeks minimum \$9.5 for Rajasthan gas

NEW DELHI: Billionaire Anil Agarwal's Vedanta Ltd is seeking a minimum of \$9.5 for the natural gas it produces from its Rajasthan block, according to a tender floated by the firm for the sale of the fuel.

Vedanta sought bids from users for 0.6 million standard cubic meters per day of gas it plans to produce from the RJ-ON-90/1 block in the Barmer basin of Rajasthan in three months beginning October 1.

Gas extracted from below ground is used to produce electricity, make fertilizer, turned into CNG to fire automobiles, or piped to household kitchens for cooking purposes.

In the tender, Vedanta asked users to quote a variable 'P' that they are willing to pay over and above 14.5 per cent of Brent crude oil price.



At the current Brent price of \$84 per barrel, the base comes at \$12.18 (14.5 per cent of \$84). Users have to quote a 'P' over and above this price.

Gas price will be calculated as lower of Platts LNG WIM (the price of liquefied natural gas delivered on India's west

coast) and 14.50 per cent of Brent Price + P, it said.

"Notwithstanding the value calculated (through the formula), the Sales gas price for any month shall not be lower than \$9.5 per million British thermal unit," the tender said.

The price being sought by

Vedanta is almost 50 per cent premium over the ceiling price of \$6.5 per mmBtu paid to state-owned producers like ONGC for output from legacy or old fields.

E-bidding is planned for September 8.

Block RJ-ON-90/1 Block, where a subsidiary of Vedanta holds 70 per cent stake, is predominantly an oil production block but it also has some gas resources. State-owned Oil and Natural Gas Corporation (ONGC) holds the remaining 30 per cent interest in the block.

Vedanta in the tender document said it has developed the Raageshwari gas terminal to process and deliver natural gas produced from the RJ block at Barmer. RGT is connected by the Barmer-Pali pipeline (Mehsana-Bhatinda Pipeline) of GSPL India Gasnet Ltd. 711

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Vedanta seeks \$9.5 for Rajasthan gas

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E-bidding is planned for 8 September.

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State-owned Oil and Natural Gas Corporation (ONGC) holds the remaining 30% interest in the block.

PTI

Publication : The Economic Times	Editions : New Delhi
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State Oil Cos Spend 1/3 of Capex Target till July

Our Bureau

New Delhi: State-run oil and gas companies have altogether spent ₹34,000 crore in the first four months of the current fiscal year, about a third of their annual capex target of ₹1,06,000 crore, government data showed.

Indian Oil Corp, the nation's top refiner, has spent ₹10,770 crore in the April-July period, the highest among state oil and gas firms.

It also has the largest capex target of ₹30,395 crore for



the financial year. ONGC, the largest producer of oil and gas in the country, spent ₹10,295 crore in the four months against an annual target of ₹30,125 crore. Hindustan Petroleum, which has an annual capex target of ₹10,210 crore, spent ₹3,593 crore. Bharat Petroleum has used up only ₹1,930 crore against an annual target of ₹10,000 crore. GAIL, the nation's top natural gas transporter and marketer, has spent ₹2,716 crore. It has a target of ₹30,395 crore for current fiscal year.

Vedanta seeks \$9.50 per unit for Rajasthan gas

New Delhi: Billionaire Anil Agarwal's Vedanta Ltd is seeking a minimum of \$9.50 per unit for the natural gas it produces from its Rajasthan block, according to a tender floated by the firm for the sale of the fuel.

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Gas price will be calculated as lower of Platts LNG WIM (the price of liquefied natural gas delivered on India's west coast) and 14.50 per cent of Brent Price + P, it said.

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lower than \$9.5 per million British thermal units," the tender said.

The price being sought by Vedanta is at an almost 50 per cent premium over the ceiling price of \$6.5 per mmBtu paid to state-owned producers such as ONGC for output from legacy or old fields. E-bidding is planned for September 8.

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State-owned Oil and Natural Gas Corporation (ONGC) holds the remaining 30 per cent interest in the block. **PTI**



Publication : Hindustan Times	Editions : New Delhi
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GAIL Director (Finance) wins the 'CFO Leadership Award'

Rakesh Kumar Jain, Director (Finance) of GAIL (India) Limited, has been honoured with the prestigious 'CFO Leadership Award' by CMO Asia. The award was presented at the 14th Edition of CMO Asia Awards ceremony held in Singapore. A Cost and Management Accountant by profession, Jain joined GAIL in 1992 as a Management Trainee and has been part of growth trajectory of the company. Prior to his present appointment, he held the position of Executive Director (Finance & Accounts) in GAIL.

Crude import costs down 35%, creates room to cut fuel prices

Rituraj Baruah
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NEW DELHI

India's oil import bill declined 35.3% during the first four months of FY24 due to easing crude oil prices over the past year.

Refiners imported 79.4 million metric tonnes of crude oil for \$41.6 billion during April-July, compared to \$13.3 billion in the same period of last fiscal, according to the Petroleum Planning & Analysis Cell (PPAC).

This fall in import expense for the refineries and oil marketing companies (OMC) comes in the backdrop of around 30% fall in international crude oil prices. The Brent crude in July averaged at \$80.05 per barrel, compared to \$122.70 a barrel in July last year. In June this year, Brent was at \$74.70 per barrel. The Indian crude basket price in July averaged at \$80.37 per barrel, down from \$105.49 during July 2022.

Global crude prices have eased from the multi-year highs reached in the first half of last year as supply concerns somewhat eased and demand



Refiners imported 79.4 mn metric tonnes of crude oil during April-July. BLOOMBERG

weakened owing to a projected global slowdown.

This fall in the import bill will likely see oil marketing companies, which operate most of the refineries in the country, increase their refining and marketing margins—and profits too—as retail fuel prices have remained unchanged since May last year. In the first quarter of FY24, OMCs, which are public sector companies, reported healthy profits. Among them, Indian Oil Corporation reported net profit of ₹14,735 crore for April-June

compared to a net loss of ₹883 crore in the same period last year. The other OMCs, Bharat Petroleum Corporation Ltd (BPCL) and Hindustan Petroleum Corporation Ltd (HPCL), reported net profits of ₹10,644 crore and ₹6,765.5 crore, respectively.

Indian refiners have been buying discounted Russian oil for most part of the past one-and-a-half year since the Russia-Ukraine conflict broke out, allowing them to record a significant jump in refining margins, while petrol and diesel prices have largely remained the same since May last year.

In FY23, the gross refining margin (GRM) of IOCL, BPCL and HPCL was \$19.52, \$20.24 and \$12.09 per barrel, respectively, compared to \$11.25, \$9.09 and \$7.19.

Union minister for petroleum and natural gas Hardeep Singh Puri recently said there is a possibility OMCs may cut petrol and diesel prices post their robust earnings for the April-June quarter. "They have made good earnings, and if international prices don't go through the roof and remain stable, it's always a possibility."

CERC issues staff paper on power market coupling

SHREYA JAI
New Delhi, 22 August

The apex electricity sector regulator — the Central Electricity Regulatory Commission (CERC) — has issued a staff paper on the proposed power market coupling which would entail a merger of all existing power trading companies into one single marketplace for electricity trading. Following the directions of the power ministry, CERC has initiated the regulatory process by issuing an initial staff paper and invited stakeholders' comments.

The proposed coupling of the market is aimed at merging all existing power market platforms and the contracts offered by them. The setting up of a Market Coupling Operator (MCO) to be entrusted with operations of the spot power trading market has also been examined under the proposed structure. CERC has suggested a unified body of all power exchanges as the MCO, or a separate institution such as Grid India to act as the MCO.



INDIA'S POWER MARKET STRUCTURE

- Long-term power purchase agreement holds 90% of the discoms' demand
- Spot power exchanges have 7% market share
- India has three power exchanges — IEX, PXIL, and HPX
- IEX holds about 90% of the day-ahead spot power trading market
- PXIL has 40% market share in the term-ahead market and Renewable Energy Certificates

India has three power exchanges, all privately owned, which operate in the spot power market, which caters to short-term power trading. Power distribution companies, or discoms, which sell electricity to consumers, usually have long-term power-purchase contracts with power generators. However, for last-minute

requirements, the discoms approach the exchanges, which have several gencons as power sellers. The price is discovered through trade done on the exchange's platform.

Of the three power exchanges, the India Energy Exchange (IEX) is the oldest and the biggest, and holds almost a monopoly in day-ahead

power trading. These exchanges have several power trading mechanisms — term ahead, green term ahead, day ahead, intraday, and real time market. Day-ahead market entails trading of power a day before. Sellers are power-generating stations and buyers range from discoms, industrials, and commercial consumers.

The other exchanges are the Power Exchange India Ltd (PXIL), in which state-owned NTPC bought a 5 per cent stake recently, and the newly created Hindustan Power Exchange (HPX). The IEX controls close to 90 per cent of the day-ahead spot power trading market. The PXIL has a 40 per cent market share in the term-ahead market and Renewable Energy Certificates (RECs).

If proposed market coupling goes through, it will give a boost to the PXIL and HPX but would be a major hit to the IEX, which is the market leader. Experts fear not only will the IEX lose its market to other players but there is a chance it might cease to exist.

The concept of market coupling has been adopted from the European electricity market, where there is cross-country power trading through different transmission networks. This makes the role of a single MCO necessary. Several stakeholders have pointed out, India has only one transmission operator and one grid manager, managing the network of all states, so a MCO is not required.

The Union power ministry, however, has pointed out the mismatch in the power trade with an exchange with the necessary transmission network it has access to.

When CERC issued the draft power market regulation suggesting market coupling for the first time in 2021, it received diverse comments from the various industry stakeholders. India's largest power generator, NTPC, voted in favour of coupling and said, "Market coupling would result in a larger marketplace with higher volumes and more efficient price discovery instead of a number of smaller markets (exchanges)."



Publication : Business Standard	Editions : Mumbai
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OMCs revise ethanol price for maize, damaged grains

Oil-marketing companies (OMCs) have further raised the procurement price of ethanol made from damaged foodgrain and maize by ₹3.71 per litre, taking the total procurement price to ₹8.46 per litre for damaged grain and ₹9.72 per litre for maize for the remaining period of 2022-23 supply year that ends in October. This final price includes the interim relief announced on August 7. The additional incentive has been announced in view of the continuing deadlock over supply of surplus Food Corporation of India rice for ethanol blending that has threatened to jeopardise the total programme. **BS REPORTER**

Publication : Financial Express	Editions : New Delhi
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'Renewables to be 65% of energy mix by 2030'

PRESS TRUST OF INDIA
New Delhi, August 22

UNION POWER MINISTER R K Singh said on Tuesday renewables will account for 65% of the country's energy mix by 2030.

India has 186 GW non-fossil fuel-based installed power generation capacity at present, the Union minister of power, new and renewable energy said.

"In 2015, we planned to have 40% renewables in our energy mix by 2030. We achieved the target in 2021, nine years earlier," he said, adding that the share of renewable energy in the total installed power generation capacity will be 65% by 2030.

Speaking at an event for the release of a book authored by ReNew Power chairman Sumant Sinha, the minister said the speed of capacity addition of renewable energy is mind boggling. "We have planned 50 GW renewable energy capacity addition every year," he said.

Govt hikes ethanol price again to achieve 12% blending target

Prabhudatta Mishra
New Delhi

In a span of 15 days, distilleries have got a second hike in rates of ethanol purchased by oil marketing companies (OMCs) as the government does not want the target of achieving 12 per cent blending to be disrupted in any way after the Food Corporation of India (FCI) halted supply of subsidised rice.

In a notification, the government has raised prices of ethanol made from damaged/broken rice and maize by ₹3.71/litre with immediate effect to help distilleries continue production, official sources said. Ethanol made from damaged/broken rice was increased by ₹4.75/litre from August 7 and from maize by ₹6.01/litre. After Tuesday's upward revision as "additional incentives", ethanol prices stand at ₹64/litre (from damaged rice) and ₹66.07/litre (from maize), up by 15-17 per cent



from the rates fixed for the season. Until July 31, the OMCs had achieved 11.77 per cent blending since the ethanol season started in December 2022, industry sources said. The government has shortened the current ethanol season to 11 months and from the 2023-24 season, it has been changed to run from November to October.

OPERATIONS HALTED

Out of 21.25 crore litres contracted by OMCs in current season to buy from grain-based plants and to be produced from

damaged rice, distilleries have supplied only 9.52 crore litres whereas the season will end in October 31. The current decision to hike rates may help the distilleries to speed up manufacturing and supply the whatever possible out of remaining 11.73 crore litres during August-October, sources said.

Many distilleries stopped operation in July after the FCI stopped issuing rice and if they do not operate during August-October, there is a chance of fall in blending rate from current level, industry earlier informed the government demanding the mid-season price revision. Acting on the industry's apprehension, an inter-ministerial group was constituted to recommend revised ethanol prices for next season in view of the expected higher availability of sugarcane that may increase diversion towards ethanol. The panel was also tasked to recommend if any incentive in prices of ethanol is required mid season.