ONGC News as on 24 December 2024 (Print & Online)

Publication : Business Standard	Editions : New Delhi
Date :24 December 2024	Page : 4

Oil, gas producers may seek uniform taxes across blocks

Relief from state levies among other demands

SUBHAYAN CHAKRABORTY
New Delhi, 23 December

In the runup to the Budget, upstream oil and gas companies have called for a review of the taxes levied on older oil blocks, which account for nearly 90 per cent of domestic production, according to officials from two large exploration and production (E&P) firms.

The removal of a number of cesses imposed by states, exemption from Customs duty on a larger set of imports, and greater ease in exploration are among the key issues raised during discussions with the government.

In meetings with the finance and petroleum ministries, the industry has urged the government to align taxes imposed under previous regimes, such as New Exploration Licensing Policy (NELP) and Pre-NELP, on a par with the current Hydrocarbon Exploration and Licensing Policy (HELP) regime.

The NELP replaced the nomination regime in 1999 and remained in place until 2017, when the HELP regime came into force. The industry has asked the government to rationalise taxes from the current levels of over 60 per cent to 40 per cent, in line with global benchmarks.

A key step towards this would be for the government to rationalise royalty rates across regimes, and roll back the 20 per cent oil industry development (OID) cess that pre-NELP and nomination blocks attract, an official at an E&P major said on condition of anonymity.

"In these two categories of blocks, the cost of production per barrel is higher, while the net profit per barrel is lower, owing to the OID cess, higher royalty payments, and profit split with government nominees," he stressed.

The Centre has been asked to intervene with states to reduce or scrap land taxes in Assam and Rajasthan, and the consent for operation fees levied by Andhra Pradesh's Pollution Control Board, another official said.

The demand to bring oil and gas sales under the GST framework to adjust input tax credit has also received a fresh impetus from the private sector in recent months, he said.

Meanwhile, industry players have welcomed the scrapping of the Special Additional Excise Duty (SAED) or windfall tax, which was in force for 29-months, in early December. The levy had raised the tax burden by an additional 10 per cent on average. India's E&P sector is dominated by two government companies -- Oil and Natural Gas Corporation and Oil India ---that account for 71 per cent and 9 per cent of India's total crude oil production. Cairn Oil & Gas, part of the Vedanta group, and RIL subsidiary Reliance Petroleum are the two major private sector upstream companies.

Ease of investments

India imports 87 per cent of its crude oil requirements. While the crude oil import bill shrank to $139.8 billion in FY24, down 13.3 per cent from $161.4 billion in FY23, this reduction was mostly due to major discounts on Russian crude oil. With an aim to progressively reduce import dependence, the government wants $100 billion in investments in the E&P sector by 2030, particularly in key offshore areas, such as the Andaman Sea. However, it has struggled to attract sufficient interest.

The country has seen an aggregate capital expenditure of $2–3 billion, far short of the $15–20 billion required to achieve the government's targets, said industry insiders.

Industry players have also called for a single window of clearance or a centralised coordinating body to streamline exploration processes. They advocate delegating powers to district forest officers, as is done in other mining industries, and revisiting the policy that prohibits exploration in mining lease areas.

Publication : Business Standard (Hindi)	Editions : New Delhi
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पुराने तेल ब्लॉक के कर पर हो पुनर्विचार

शुभायन चक्रवर्ती
नई दिल्ली, 23 दिसंबर

तेल व गैस कंपनियों ने पुराने तेल ब्लॉकों पर लगने वाले कर की समीक्षा की मांग की है, जिनकी कुल घरेलू उत्पादन में हिस्सेदारी करीब 90 प्रतिशत है। दो बड़ी अन्वेषण एवं उत्पादन (ईऐंडपी) कंपनियों के अधिकारियों ने यह जानकारी दी।

सरकार के साथ बातचीत में उठाए गए अन्य महत्त्वपूर्ण मसलों में राज्यों द्वारा लगाए गए कई उपकर खत्म किया जाना, आयात पर सीमा शुल्क में छूट और अन्वेषण को सरल बनाना शामिल है।

वित्त और पेट्रोलियम मंत्रालय के साथ बैठक के दौरान उद्योग ने नई अन्वेषण लाइसेंसिंग नीति (एनईएलपी) और प्री-एनईएलपी जैसी पिछली व्यवस्थाओं के तहत लगाए गए कर को वर्तमान हाइड्रोकार्बन अन्वेषण और लाइसेंसिंग नीति (एचईएलपी) व्यवस्था के बराबर किए जाने की मांग की है।

नॉमिनेशन की नीति की जगह 1999 में एनईएलपी नीति लाई गई थी। यह करीब दो दशक, 2017 तक चली, जब एचईएलपी नीति लागू की गई। उद्योग ने सरकार से कहा है कि मौजूदा 60 प्रतिशत से अधिक कर को घटाकर 40 प्रतिशत किया जाना चाहिए, जो वैश्विक स्तर पर है।

एक प्रमुख अधिकारी ने नाम न बताए जाने की शर्त पर कहा कि इस दिशा में सरकार के लिए महत्त्वपूर्ण कदम यह होगा कि सभी व्यवस्थाओं में रॉयल्टी दरों को तार्किक बनाया जाए और एनईएलपी के पहले तथा नामांकन ब्लॉकों पर लगने वाले 20 प्रतिशत तेल उद्योग विकास (ओआईडी) उपकर को वापस लिया जाए।

उन्होंने कहा, 'इन 2 श्रेणी के ब्लॉकों में प्रति बैरल उत्पादन की लागत ज्यादा है, जबकि प्रति बैरल शुद्ध मुनाफा कम है। ओआईडी उपकर, ज्यादा रॉयल्टी भुगतान और सरकार द्वारा नामित के साथ मुनाफा बंटने के कारण ऐसा होता है।'

एक अन्य अधिकारी ने कहा कि केंद्र से मांग की गई है कि असम और राजस्थान में स्क्रैप और भूमि कर घटाने और आंध्र प्रदेश के प्रदूषण नियंत्रण बोर्ड द्वारा लगाए गए परिचालन शुल्क पर सहमति बनाने के लिए वह हस्तक्षेप करे।

उन्होंने कहा कि इनपुट टैक्स क्रेडिट को समायोजित करने के लिए तेल और गैस की बिक्री को जीएसटी ढांचे के तहत लाने की मांग को भी हाल के महीनों में निजी क्षेत्र से नए सिरे से प्रोत्साहन मिला है।

बहरहाल उद्योग के लोगों ने विशेष अतिरिक्त उत्पाद शुल्क (एसएईडी) या अप्रत्याशित लाभ कर खत्म किए जाने का स्वागत किया है, जिसे 29 महीने बाद दिसंबर में खत्म कर दिया गया था। इस शुल्क से औसतन 10 प्रतिशत अतिरिक्त बोझ बढ़ गया था। भारत के ईऐंडपी सेक्टर पर मुख्य रूप से 2 सरकारी कंपनियों तेल और प्राकृतिक गैस निगम (ओएनजीसी) और ऑयल इंडिया लिमिटेड का प्रभुत्व है, जिनकी भारत के कुल कच्चा तेल उत्पादन में क्रमशः 71 प्रतिशत और 9 प्रतिशत हिस्सेदारी है। वेदांत समूह की केयर्न ऑयल ऐंड गैस और आरआईएल की सहायक इकाई रिलायंस पेट्रोलियम निजी क्षेत्र की दो प्रमुख अपस्ट्रीम कंपनियां हैं।

भारत इस समय कच्चे तेल की अपनी कुल जरूरतों का 87 प्रतिशत आयात करता है। कच्चे तेल के आयात का बिल वित्त वर्ष 2024 में घटकर 139.8 अरब डॉलर रह गया है, जो वित्त वर्ष 2023 के 161.4 अरब डॉलर की तुलना में 13.3 प्रतिशत कम है। रूस से सस्ता तेल मिलने के कारण ऐसा हुआ है।

निर्यात पर निर्भरता घटाने पर नजर रखते हुए सरकार 2030 तक ईऐंडपी सेक्टर पर 100 अरब डॉलर निवेश करना चाहती है। खासकर प्रमुख अपतटीय इलाकों जैसे अंडमान सागर में यह निवेश होगा, लेकिन इसमें रुचि जगाने के लिए संघर्ष करना पड़ रहा है।

बजट पूर्व मांग

- पुराने तेल ब्लॉकों पर लगने वाले कर की समीक्षा की मांग, जिनका कुल घरेलू उत्पादन में 90 % हिस्सा
- मौजूदा 60 प्रतिशत से अधिक कर को घटाकर 40% किए जाने की मांग, जितना वैश्विक स्तर पर लगता है
- राज्य के शुल्कों से राहत, सीमा शुल्क में और छूट, एकल खिड़की मंजूरी सहित अन्य मांगें भी

अर्थशास्त्रियों से मिलेंगे प्रधानमंत्री

प्रधानमंत्री नरेंद्र मोदी मंगलवार को प्रमुख अर्थशास्त्रियों और क्षेत्र के विशेषज्ञों से मिलेंगे। एक अधिकारी ने बताया कि इस दौरान वह आगामी बजट के लिए उनके विचार और सुझाव लेंगे। केंद्रीय वित्त मंत्री निर्मला सीतारमण एक फरवरी, 2025 को लोक सभा में 2025-26 का बजट पेश करेंगी। नीति आयोग के उपाध्यक्ष सुमन बेरी और अन्य सदस्य भी बैठक में शामिल होंगे। *भाषा*

पश्चिम एशिया से तेल आयात बढ़ा, रूस से घटा

भारत का नवंबर में पश्चिम एशिया से कच्चे तेल का आयात बढ़कर 9 महीने के उच्च स्तर पर पहुंच गया है, जबकि रूस से आयात पिछली 3 तिमाहियों में सबसे कम रहा है। जहाजों की आवाजाही के आंकड़ों से यह पता चला है।

भारत के रिफाइनर रूस के सस्ते तेल का लाभ उठा रहे हैं। हालांकि यूक्रेन से युद्ध में रूस पर लगे प्रतिबंधों के कारण समस्याएं हो रही हैं। विश्व के तीसरे सबसे बड़े तेल आयातक और उपभोक्ता भारत ने रूस से नवंबर महीने में अक्टूबर की तुलना में 13 फीसदी कम तेल का आयात किया है। नवंबर में रूस से आयात 15.2 लाख बैरल प्रतिदिन (बीपीडी) रहा है, जो भारत के कुल आयात का करीब 32 फीसदी है। आंकड़ों से पता चलता है कि पश्चिम एशिया से भारत ने कुल 22.8 लाख बीपीडी तेल खरीदा है, जो अक्टूबर से 10.8 फीसदी ज्यादा है और यह भारत के कुल आयात का 48 फीसदी है। कुछ रिफाइनरों ने अपने संयंत्रों के रखरखाव के काम के कारण रूस से तेल लेना कम किया है और पश्चिम एशिया से सालाना सौदों की प्रतिबद्धता के मुताबिक तेल खरीदा है। सूत्रों ने बताया कि नवंबर में रूस के प्रमुख पश्चिमी बंदरगाहों से तेल निर्यात में गिरावट आई है, जिसकी वजह रखरखाव का काम पूरा कर चुके स्थानीय रिफाइनरियों की तरफ से बढ़ी मांग थी। भारत ने नवंबर में करीब 47 लाख बैरल प्रतिदिन तेल का आयात किया है, जो अक्टूबर से 2.5 फीसदी और एक साल पहले की समान अवधि की तुलना में 5 फीसदी ज्यादा है। इसके बावजूद रूस, भारत का सबसे बड़ा तेल आपूर्तिकर्ता बना हुआ है। *रॉयटर्स*

Publication : Millennium Post	Editions : Kolkata
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Bangladesh owes Tripura unpaid electricity bills worth ₹200 crore, says CM Manik Saha

Tripura supplies 60-70 megawatts of power to the neighbouring country

AGARTALA: Bangladesh owes Tripura Rs 200 crore in electricity dues but no decision has been taken on halting power supply to the neighbouring country yet, Chief Minister Manik Saha said on Monday.

Tripura supplies 60-70 megawatts of power to the neighbouring country according to an agreement signed by the Tripura State Electricity Corporation Limited through the NTPC Vidyut Vyapar Nigam Limited with the Bangladesh Power Development Board. "Bangladesh has not paid us about Rs 200 crore for supplying electricity. The outstanding (amount) is increasing every day. We hope that they will clear their dues so that the power supply is not disrupted," Saha said.

Asked whether the Tripura government would stop the supply of electricity if Dhaka fails to pay the dues, the chief minister said no decision has been taken on it yet.

He said several pieces of machinery at the power generation plant in Tripura were brought through either Bangladeshi territory or Chittagong port. Therefore, out of gratitude,e the Tripura government started supplying power to the country following a pact.

"But I don't know how long we will be able to continue the supply of electricity to Bangladesh if they don't clear the dues," he said.

Tripura began supplying power to Bangladesh in March 2016. The electricity is produced at the state-owned OTPC gas-based power plant in southern Tripura's Palatana

Tripura began supplying power to Bangladesh in March 2016. The electricity is produced at the state-owned ONGC Tripura Power Company's (OTPC) gas-based 726 MW generation capacity power plant in southern Tripura's Palatana.

According to reports, Adani Power, which exports power to Bangladesh from its 1,600 MW Godda plant in Jharkhand, reduced the supply to 520 MW from around 1,400-1,500 MW in August due to non-payment of USD 800 million by the country.

Asked about the impacts on Tripura due to the reported attacks on Hindus and other minorities in Bangladesh, Saha said there is no major influx from the neighbouring country to his state yet.

"But we are closely monitoring the situation along the border since the border is porous as there are many gaps. However, as of now, there is no major influx from Bangladesh after the present turmoil started in that country in August," he said.

Tripura is surrounded by Bangladesh on its north, south and west and the length of its international border is 856 km, which is 84 per cent of its total border.

Commenting on the recent breach of security at the Bangladesh Assistant High Commission in Agartala, the chief minister said he had taken strong action in the case.

"We have arrested several people who were involved in it. We have also taken action against policemen who were responsible for the security of the premises where the breach took place," he said.

Saha said after the fall of the Sheikh Hasina government in Bangladesh, trade has been affected and the import of Bangladeshi goods to Tripura has come down significantly.

He said among the goods that come to Tripura from Bangladesh are cement, stone chips and Hilsa fish. "Supply has been disrupted. It is their loss," he said. Asked about the communication network with Bangladesh, he said if the railway line is restored between Agartala and Dhaka, it would be immensely beneficial for both the country. "If Chittagong port is allowed to be used without any disruption, the entire Northeastern states will be significantly benefitted," he said.

The direct road distance to Chittagong port from Agartala is around 175 km. A rail line linking Agartala with Akhaura in Bangladesh was inaugurated by Prime Minister Narendra Modi and his then Bangladeshi counterpart Sheikh Hasina on November 1, 2023. The project has a length of 5.46 km in India and 6.78 km in Bangladesh.

The cost of the Indian portion was Rs 708.73 crore and funded by the Ministry of Development of North Eastern Region (DoNER). The cost of the Bangladesh portion was Rs 392.52 crore. The Bangladesh portion is funded by the Ministry of External Affairs India and executed by the Bangladesh Railway.

If the overland transport right is allowed by Bangladesh, the travel time between Agartala and Kolkata is expected to come down from about 30 hours to about 10 hours.

The existing train commute distance between the two cities is 1,581 km and it requires a reroute via Guwahati and Lumding in Assam. This would be curtailed to 460 km, officials said. PTI

Publication : The Hindu Business Line | Editions : New Delhi
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Bangladesh owes Tripura ₹200 crore in unpaid electricity bills

Press Trust of India
Agartala

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"Bangladesh has not paid us about ₹200 crore for supplying electricity. The outstanding (amount) is increasing every day."

"We hope that they will clear their dues so that the power supply is not disrupted," Saha told *PTI* here in an interview.

Asked whether the Tripura government would stop the supply of electricity if Dhaka fails to pay the dues, the Chief Minister said no decision has been taken on it yet.

SUPPLY RESTORED

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Therefore, out of gratitude, the Tripura government started supplying power to the country following a pact.

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ADANI ROW

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Publication : The Economic Times	Editions : New Delhi
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ISPRL Looks to Trade Part of Stored Oil

Indian Strategic Petroleum Reserves (ISPRL), which manages India's emergency crude stockpile, plans to partner with a global oil trader such as Vitol, Glencore or Shell to begin trading a portion of its own stored oil. **Sanjeev Choudhary** reports. ▶▶ 7

Publication : The Economic Times	Editions : New Delhi
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ISPRL Looks to Trade Part of Stored Oil

Co plans partnership with Shell & Vitol, among others; could float EoI in a month

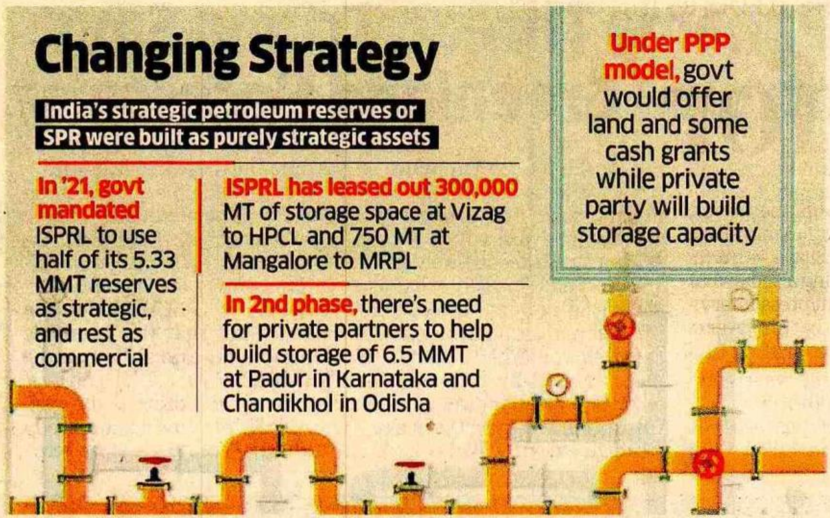
Sanjeev Choudhary

New Delhi: Indian Strategic Petroleum Reserves Ltd (ISPRL), which manages the country's emergency crude stockpile, plans to partner with a global oil trader such as Vitol, Glencore and Shell to begin trading a portion of its own stored oil.

The state-owned company is looking to float an expression of interest (EoI) in a month, inviting reputed local and global oil traders to suggest potential partnership models, an official said, on the condition of anonymity. The company has about 5 million barrels of crude which are available for trade.

"ISPRL doesn't have in-house expertise in oil trading, which is available with some of the reputed oil companies. So, we want to invite them to partner with us," said an official. "We are open to ideas for partnership. We will study all the suggestions before firming up a viable partnership model."

The company has the government mandate to trade a fifth of its oil reserves, but it lacks trading experience, an inherently big-money, high-risk business and often the domain of global trading powerhouses that take enormous risks and reap rich rewards. There are barely any local oil traders. "We want to carry out due diligence prior to commencing trading activities due to the high risks involved in it," said the official.



India's strategic petroleum reserves (SPR) were originally built as purely strategic assets, but the government reset its objective in 2021 by mandating ISPRL to use only half of its 5.33 million metric tonnes (MMT) reserves as strategic and the balance as commercial.

It allowed ISPRL to lease 30% of the capacity to refiners or traders for a fee and use the balance 20% of the volume for trading.

ISPRL has leased out 300,000 metric tonnes (MT) of storage space at Vizag to Hindustan Petroleum Corp (HPCL) and 750 MT at Mangalore to Mangalore Refinery and Petrochemicals (MRPL), the official said, adding that MRPL is expected to begin storing oil in a month or so. ISPRL is yet to find a lessee for 200 TMT capacity available at Vizag.

In the second phase of SPR expansion, India wants private partners to help build storage (6.5 MMT) at Padur in Karnataka and Chandikhol in Odisha.

ISPRL's request for proposal (RFP) to find private partners hasn't attracted a good response, the official said. Another RFP has been floated this month, which will close in February.

In the PPP model, the Centre would offer land and some cash grants while the private party would build the storage and use it for storing oil without any restrictions.

Publication : The Hindu Business Line	Editions : New Delhi
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OIL to set up subsidiary for green energy foray, plans to invest ₹25,000 crore by 2040

RE PUSH. Targets non-fossil fuel energy to account for 5-7 per cent of its total energy portfolio by 2030

Rishi Ranjan Kala
New Delhi

Oil India (OIL) will set up a wholly-owned subsidiary — OIL Green Energy — that will manage all its green and alternative energy businesses, for which the State-run company plans to invest ₹25,000 crore by 2040. The company is targeting non-fossil fuel energy to account for 5-7 per cent of its total energy portfolio by 2030, which will be further enhanced to 12-15 per cent by 2040.

These form part of the 21st report by the Committee on Public Undertakings, which was placed in Parliament last week. The replies of the Ministry of Petroleum and Natural Gas (MoPNG) were received by the panel on October 14.

The Ministry informed that the Maharatna company started diversifying into low carbon and green energy space "organically" since 2012.

"OIL is now planning to diversify into green and alternate energy businesses not just for captive consumption, but to emerge as a well-diversified integrated energy player. To address the above, OIL has formulated a strategy to dedicatedly focus on green and alternate energy business, and has accordingly decided to form a wholly-owned subsidiary, OIL Green Energy, to manage the green and alternate energy business," it added.

OIL has a target to achieve the green and alternate energy capacity of 3.5-4 million tonnes of oil equivalent by 2040, the panel added.

AMBITIOUS TARGET. By 2040, OIL expects non-fossil energy to constitute 12-15 per cent of its energy portfolio

The subsidiary would cover biofuels, green hydrogen, renewable energy, carbon capture utilisation and storage (CCUS), methanol and geothermal, and other opportunities directly or indirectly supporting decarbonisation and energy transition, MoPNG said in its response.

The market attractiveness and strategic fit for the above energy domains have been assessed and recommended along with the detailed strategy formulation exercise taking into consideration various parameters such as industry overview, key success factors, cost and return and market share, etc., the ministry added.

OIL has an installed renewable energy capacity of 188.1 megawatt (MW), which includes 174.1 MW of wind and 14 MW of solar power projects spread across Rajasthan, Madhya Pradesh, Gujarat and Assam. These projects entailed an investment of ₹1,230.73 crore and the total revenue generated from RE projects till FY22 was ₹870 crore. It is also setting up India's first Anion Exchange Membrane (AEM) technology-based green hydrogen plant (100 kilowatt) at its Jorhat facility in Assam.

FIRST FCEV BUS

OIL is also supporting the development of India's first nine-metre Hydrogen Fuel Cell Electric Vehicle (FCEV) bus through its start-up programme, SNEH.

The CPSU is also undertaking a project to establish 25 compressed biogas plants across India.

Publication : Business Standard	Editions : New Delhi
Date :24 December 2024	Page : 1, 4

Rupee touches fresh low of 85.12 against dollar

The rupee hit a new low of 85.12 per dollar on Monday due to month-end demand for dollars among importers and tracking weakening of the Chinese Yuan. In CY24, the rupee has depreciated by 2.24 per cent. 4

Publication : Business Standard	Editions : New Delhi
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₹ hits new low of 85.12 vs $

ANJALI KUMARI
Mumbai, 23 December

The rupee hit a new low of 85.12 per dollar on Monday due to month-end demand for dollars among importers and tracking weakening of the Chinese Yuan, said dealers. The rise in crude oil prices further weighed on the domestic currency.

The local currency had settled at 85.02 per dollar following a choppy trade on Friday after touching ₹85.11 per dollar before regaining lost ground against the greenback on the back of FTSE (Financial Times Stock Exchange) rebalancing inflow. In this calendar year (CY24), the rupee has depreciated by 2.24 per cent. In December so far, it witnessed 0.73 per cent depreciation.

The Reserve bank of India (RBI) intervened in the foreign exchange market via dollar sales, thereby avoiding further depreciation. India's forex reserves have declined to a six-month low, highlighting the RBI's timely interventions to mitigate excessive depreciation of the currency.

SLIPPERY SLOPE (₹ vs $)

Meanwhile, despite the subdued trading volumes expected this week due to the holiday season, the Sensex reshuffle, marked by Zomato's inclusion, is projected to bring net inflows of $260 million, potentially giving some support to the Indian currency.

"Looking ahead, this week is expected to be relatively subdued due to the holiday season in key markets like the US and Europe, leading to thin trading volumes and reduced market volatility. The Dollar Index is likely to remain around its elevated level of 108, while EM (emerging market) currencies may continue to face headwinds in the near term," said Amit Pabari, managing director, CR Forex.

Brent crude oil prices gained 0.41 per cent to reach $73.24 per barrel, backed by easing concerns over a potential US government shutdown and a softer US Personal Consumption Expenditures Price Index. The latter fuelled optimism about policy easing by the Federal Reserve.

"As we approach the month end, quarter end and calendar year end, we expect some gain in the rupee rates before weakness commences again in January," said Anil Kumar Bhansali, head of treasury and executive director at Finrex Treasury Advisors LLP.

Publication : Financial Express	Editions : New Delhi
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West Asian share of crude imports at 9-month high

• Russia continues to be the top oil supplier to India

NIDHI VERMA
New Delhi, December 23

CHANGING DYNAMICS

- India imported **2.28 mn bpd** of West Asian oil, an increase of **10.8%** over Oct
- This lifted the share of OPEC's oil in India's crude intake to an eight-month high of **53%**
- It shipped in **13%** less Russia oil compared with Oct at 1.52 mn bpd

- Some refiners reduced intake of Russian oil due to maintenance turnarounds at their plants
- India overall imported about 4.7 mn bpd of oil in Nov, up 2.5% from Oct and up by 5% from a year earlier

INDIA'S NOVEMBER CRUDE imports showed West Asian oil at a nine-month high while Russia accounted for its smallest share in three quarters, ship tracking data obtained from sources showed.

Refiners in India have been gorging on cheaper Russian oil despite problems posed by sanctions aimed at reducing Moscow's oil revenue to fund its war in Ukraine.

The world's third-biggest oil importer and consumer in November shipped in 13% less Russia oil compared with October at 1.52 million barrels per day (bpd), about 32% of India's overall intake, the data showed.

It imported 2.28 million bpd of West Asian oil, an increase of 10.8% over October, accounting for about 48% of overall imports, the data showed.

Some refiners reduced intake of Russian oil due to maintenance turnarounds at their plants and continued to lift committed volumes under annual contracts with West Asian producers, an India refining official said.

Russia's oil exports from its key western ports in November fell due to higher demand from local refiners who had finished maintenance, sources said.

Also, Russia, an ally of Organization of the Petroleum Exporting Countries, promised to make additional cuts to its oil output from the end of 2024 to compensate for overproduction earlier.

India imported about 4.7 million bpd of oil in November, up 2.5% from October and up by 5% from a year earlier, the data showed.

Russia continued to be the top oil supplier to India followed by Iraq and Saudi Arabia.

Increased purchases of the West Asian oil lifted the share of OPEC's oil in India's crude intake to an eight-month high of 53%.

In contrast, the share of Commonwealth of Independent States including Russia, Kazakhstan and Azerbaijan, in India imports declined to 35% in November from 40% in October, the data showed.

—REUTERS

Publication : Financial Express	Editions : New Delhi
Date :24 December 2024	Page : 8

Europe's hottest stock has an American architect

FORCED TO SEEK a government rescue barely a year ago, Siemens Energy was an unlikely candidate for Europe's best performing stock of 2024. The fact that a General Electric spin-off, GE Vernova, unwittingly assisted its rival's resurrection is even more remarkable. Yet the more investors compare the two electrical power-equipment giants, the more the German firm should benefit.

Spun out of Siemens AG in 2020, Siemens Energy was forced to ask Berlin for financial guarantees in 2023 following quality problems and massive losses at its wind unit. From that nadir, the stock price has since increased around sevenfold as investors bet the wind issues won't require a dilutive recapitalisation and began paying more attention to the company's gas turbine and power-grid activities, which are benefitting from rising electricity demand. This year's 300% price gain exceeds that of any other member of the Stoxx Europe 600 index.

Siemens Energy's stock market debut during the early part of a global pandemic was inauspicious: the gas and power activities appeared to be low-growth and were barely profitable, triggering significant restructuring. Things soon got much worse: In 2022, Siemens Energy agreed to pay €4 billion to purchase the roughly one-third of shares in power subsidiary Siemens Gamesa it didn't already own.

But the wind unit hadn't sufficiently taken into account the risk of inflation when pricing contracts, and had neglected reliability in its hurry to develop larger, more powerful onshore wind turbines; the cost of rectifying blade and bearing problems contributed to a €4.5 billion net loss in fiscal 2023. The wind division continues to lose more than €400 million per quarter and isn't expected to break even until 2026.

After pausing sales of the two problematic onshore designs, Siemens Gamesa has its work cut out to convince customers the equipment is reliable. The second coming of Donald Trump — no fan of wind power — isn't encouraging.

CHRIS BRYANT
Bloomberg

But in hindsight, investors may have overreacted to headlines describing the rescue as a government bailout. Siemens Energy didn't require taxpayer money per se; the main problem was banks weren't willing to underwrite its large, multi-year contracts. Berlin ended up providing counter-guarantees, while former parent Siemens chipped in a couple of billion euros by purchasing a stake in an Indian joint-venture from Siemens Energy.

The increased demand for power isn't just because of trends like population growth, rising temperatures (spurring demand for air conditioning) and electric vehicles. The International Energy Agency says global electricity consumption could grow six times faster than energy demand until 2035. Meanwhile, 2024 is expected to be the first year that global utilities spent more on capex than the oil and gas industry, according to GE Vernova.

Spurred also by the shift away from burning coal and oil and the need to ensure electricity supply continuity on dark, windless days, the gas turbine market is returning to growth. Industry-wide turbine orders are on track for their best year since 2015, notes Morgan Stanley analyst Max Yates. Revenue at Siemens Energy's grid technology unit grew by around one-third in fiscal 2024, with an hike of around one-quarter expected in the coming year. The division is planning to hire thousands of new staff.

Thanks to customer prepayments, plus proceeds from the India disposal, the group has already swung back to a net cash position. But the terms of its government rescue currently prevent the firm from paying dividends: so it's likely to try to unhook itself from that support as quickly as possible.

This divergence in capital returns — earlier this month GE Vernova announced a modest dividend and up to $6 billion of share buybacks — is one reason why investors tend to favour the US company. While GE Vernova's wind unit has also been losing money after offshore turbines suffered blade failures, it's not been as big a disaster as Siemens Gamesa. The upshot is that GE Vernova's market capitalisation is more than twice as large its German rival's even though both companies have similar revenue.

European investors have become wearily accustomed to US firms fetching a giant premium. And it's fair to say both companies trade on very high multiples of near-term earnings. Still, Siemens Energy's massive equipment and service order backlog provides a decent visibility on future earnings. If shareholders can gain more confidence the wind reliability issues are truly in the past, its breakout year could turn out to be more than a flash in the pan.

Publication : Hindustan Times	Editions : New Delhi
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{ OUR TAKE }

Making friends in the Gulf region

Upgrading ties with Kuwait is sound policy given the extended neighbourhood holds strategic and economic importance for India

India's decision to upgrade its relations with Kuwait to a strategic partnership and Prime Minister Narendra Modi's visit over the weekend to the West Asian country, the first by an Indian premier in more than four decades, were timely signals of its importance in the extended neighbourhood. After all, Kuwait is home to one million Indians, one of the largest concentrations of citizens in the region, and the sixth-largest crude supplier to India. Kuwait is also the current chair of the Gulf Cooperation Council (GCC), with which India is negotiating a free trade deal. As one of India's primary sources of oil and home to more than nine million Indians, West Asia is central to India's foreign policy concerns.

India's outreach to West Asian powers has coincided with a shift by those countries from their long-standing proximity to Pakistan because of an understanding of the greater benefits of strategic and economic ties with New Delhi. This outreach comprises both bilateral deals with key countries such as Saudi Arabia and the United Arab Emirates (UAE), and multilateral engagements such as the India-Middle East-Europe Economic Corridor. New Delhi has managed to build these ties without upsetting any of the major fault lines that shape relations among various countries in West Asia.

Strategic ties between India and Kuwait received a boost from the finalisation of an agreement on defence cooperation, which envisages joint exercises, training, collaboration in the defence industry and supply of military equipment. Given that the Kuwait Investment Authority has already pumped more than $10 billion into India, the two countries decided to explore new opportunities in areas such as technology, tourism, health care and food security. They also decided to fast-track negotiations for a bilateral investment treaty. There was also consensus on enhancing cooperation in exploration and production of oil and gas, petrochemical industries, renewable energy, refining, and Kuwait's participation in India's strategic petroleum reserve programme.

While India's relations with Saudi Arabia and the UAE, the main players in West Asia, are better than ever, it is sound policy to develop equally close ties with the other Arab States at a time when a lot of Indian interests are closely tied to developments in the region. The welfare of Indian expatriates and their remittances are crucial for New Delhi. Futuristic plans for collaboration in energy security and food security will help provide a new direction to the age-old ties between India and Kuwait.

Publication : Mint	Editions : New Delhi
Date :24 December 2024	Page : 2

PNGRB to expand LPG pipeline for safer transport, cost cutting

Rituraj Baruah
rituraj.baruah@livemint.com
NEW DELHI

The Petroleum and Natural Gas Regulatory Board (PNGRB) is planning to expand India's pipeline network for safer and eco-friendly transportation of liquified petroleum gas (LPG), said Anil Kumar Jain, the chairperson of PNGRB.

In an interview with *Mint*, Jain noted that LPG consumption in the country would continue for at least the next couple of decades for cooking purposes.

"The role of LPG as a potent medium is there for the next 15 to 20 years minimum. Under these circumstances we need to consider what kind of logistical infra can be provided. Currently, the bulk LPG transport from ports and refineries to bottling plants can be made safer and more efficient," he said, adding that out of the around 28 million tonnes of LPG consumed in the country, only about 9 million tonnes is transported through pipelines. Most of it is transported by tankers through roads and railways, which is also costly.

Anil Kumar Jain, chairperson, PNGRB.

Along with reducing expenses, more use of pipelines would enhance energy security and increase safety, he said. The emphasis on safety gains importance as a recent collision of an LPG tanker and a truck on the Jaipur-Ajmer highway led to loss of 13 lives. Around 30 people survived burn injuries.

"The lifeline of a pipeline is at least 60 years. The fixed capital is recovered during that period. For long distances, pipelines are the most cost-effective. If it's cheaper, then the subsidy outgo would also come down. Our target is to connect all the bottling plants in the country by pipeline in due course," Jain said.

On 10 December, the regulator came up with a proposal for development of nine LPG pipelines in the country with a cumulative length of 3,470 km that would connect 50 bottling plants with ports and refineries. These pipelines would have a capacity to carry 4.29 million tonnes of the cooking fuel per annum. PNGRB has sought views and suggestions from interest parties within 30 days of the of the public notice.

Some of the pipelines proposed include Cherlapally - Nagpur, connective six bottling plants; Shikrapur - Hubli - Goa, connecting seven plants; Mumbai - Aurangabad - Jalgaon; Paradip - Raipur; and Jalandhar - Jammu. The setting up of the pipeline between Shikarpur, Hubli and Goa would lead to savings of ₹1,030 core, 0.82 million road tanker trips and 1.4 million tonnes of CO_2 (Carbon dioxide) emissions, according to a survey by Deloitte and PNGRB.

For an extended version of this story, go to livemint.com

ओएनजीसी
ONGC

Publication : The Hindu Business Line	Editions : New Delhi
Date :24 December 2024	Page : 10

Honeywell developing tech to produce 'Make in India' bio-jet fuel

Rohit Vaid
New Delhi

In a bid to develop 'Make in India' bio-jet fuel, US-based Honeywell is actively advancing technologies that can use locally available feedstocks for the production of sustainable aviation fuel (SAF).

SAF is a biofuel that is low in sulphur content, leading to lesser emissions.

Estimates suggest that SAF significantly reduces carbon emissions from the aviation sector, which is responsible for a substantial share of global greenhouse gas emissions. On average, SAF can reduce lifecycle carbon emissions up to 80 per cent, compared to conventional jet fuel.

Accordingly, under the CORSIA (ICAO's carbon offsetting and reduction scheme for international aviation) mandate, India is committed to blend 1 per cent SAF with traditional jet fuel for all international flights by 2027.

DOMESTIC FLIGHTS

Besides the international mandate, the Centre is actively looking to introduce compulsory blending requirements for domestic flights, based on further consultations with key stakeholders, including the Ministry of Civil Aviation and oil marketing companies.

Speaking to *businessline*, Honeywell India's Vice-President and General Manager for Energy and Sustainability Solutions, Ranjit Kulkarni, said currently, Honeywell is leveraging technology to cover a wide range of feedstocks, including used cooking oils, waste fats, greases, agricultural waste, captured CO_2, green hydrogen, and municipal waste.

"We continue working with national oil companies, private refiners, and new project developers to produce SAF, leveraging our technology portfolio," Kulkarni said.

> India has significant potential to become a global leader in SAF production, driven by its abundant agricultural resources, strategic position, and favourable economic conditions
>
> **RANJIT KULKARNI**
> V-P and GM for Energy and Sustainability Solutions, Honeywell India

"Although multiple feedstock pathways are available, ethanol and vast biomass resources present a significant opportunity for SAF production, and we believe that capitalising on these will enable India's ambition to be a regional hub for SAF."

INDIA OPPORTUNITY

Kulkarni said Honeywell sees the SAF adoption trend as a significant opportunity to support India's sustainability initiatives and to contribute to the "Make in India" programme.

"India has significant potential to become a global leader in SAF production, driven by its abundant agricultural resources, strategic position, and favourable economic conditions."

A key factor in India's SAF potential, said Kulkarni, is the country's surplus agricultural residue, estimated at 230 million tonnes, which can serve as vital feedstock for SAF production.

"Agricultural waste, such as crop residues, will not only provide a sustainable alternative to burning waste but also increase farmers' incomes by 10-15 per cent," he said.

"Additionally, feedstocks like ethanol, municipal solid waste (MSW), used cooking oil (UCO), and potential sources such as sweet sorghum and seaweed further enhance India's SAF capabilities."

Furthermore, he pointed out that India is strategically located to become a key SAF exporter. "Proximity to airline hubs in the Middle East and Europe and favourable cost structures position the country to meet rising global demand for SAF and make it a competitive player in the global aviation fuel market," Kulkarni said.

India's aviation market, according to Kulkarni, is experiencing rapid growth, with domestic passenger traffic expected to reach nearly 300 million by 2030.

"This domestic expansion, combined with global sustainability mandates, increases the demand for SAF to power flights operating in and out of India." In addition, he said, global airlines are exploring partnerships to secure SAF supply chains, creating export opportunities for Indian producers.

As per a Deloitte India report, "Green Wings: India's Sustainable Aviation Fuel (SAF) Revolution in the Making," India has the potential to produce 8-10 million tonnes of SAF annually by 2040, surpassing its estimated domestic demand of 4.5 million tonnes for a 15 per cent SAF blending mandate in aviation.

Publication : The Hindu Business Line	Editions : New Delhi
Date :24 December 2024	Page : 8

Crude oil gains on signs of US inflation easing

Singapore: Crude oil prices rose on Monday as lower-than-expected US inflation data revived hopes for further policy easing, although the outlook for a supply surplus next year weighed on the market. Brent crude futures rose 36 cents, or 0.5 per cent, to $73.30 a barrel by 0421 GMT. REUTERS

Publication : The Statesman	Editions : New Delhi
Date :24 December 2024	Page : 10

Green cement with zero CO2 emissions requires strong-policies, enabling environment, readiness to pay premium

RITWIK MUKHERJEE
KOLKATA, 23 DECEMBER

Who does not know that cement plays a critical role in shaping India's future and driving forward our growth? It's the foundation on which our nation's economy is being built. In fact, it's not just central to the local economy but crucial to the global economy, especially in finance, where global investment is key. India is in a unique position with government capex and private investment aligning to fuel our growth. However, the cement industry is also one of the most energy-intensive and significant greenhouse gas emitters. Growth in this sector must not come at the cost of environmental degradation.

Global warming is an undeniable reality with a sharp rise in the planet's average temperature. Cement, as one of the largest contributors to CO emissions, must evolve to meet this challenge. As global cement production is projected to increase from 4 billion tons annually to 5 billion tonne over the next 30 years, reducing emissions will become the key driver for the industry's sustainability. Among the four strategies—thermal energy efficiency, fuel replacement, carbon capture, utilisation and storage (CCUS), and reducing the clinker-to-cement ratio—clinker replacement emerges as the most effective short-term solution. Replacing clinker offers multiple advantages: it is easy to implement, doesn't require new equipment or fuel changes and delivers measurable and impactful results. This approach has the potential to significantly lower direct emissions while ensuring the industry's growth and sustainability. The cement industry has a pivotal role in combating climate change, and clinker replacement stands out as the most practical, cost-effective step we can take today.

Interestingly, producing clinker requires 1450°C of heat, involving substantial energy consumption. Mining, transportation and other activities also heavily rely on diesel, adding to carbon emissions. While the industry has adopted measures like using fly ash and slag to reduce the clinker factor, much more needs to be done. The government still specifies the use of OPC cement instead of PPC, despite the latter being more sustainable. The government's focus on infrastructure development has been a game-changer. Transportation times have reduced drastically, from six days to four, which has helped the industry significantly. Small recycling units must be established, and individuals, industries and the government must work together to reduce pollution.

The challenge lies in reducing carbon footprints, which makes digitalisation and technological innovation imperative for organisational growth. Adopting the latest digital technologies requires significant investment, technical expertise and, most importantly, a cultural shift within organisations. Leadership plays a pivotal role in driving digital transformation and it is essential for all of us to have a clear vision for a digital future. Digital transformation demands a change in mindset, talent development to bridge skill gaps and opportunities for growth through training. Change management is crucial—addressing concerns, motivating employees, and communicating the vision effectively. Additionally, resource allocation is key, as digital initiatives require strategic investments.

Mind you that cement production accounts for 7-8 per cent of global greenhouse gas emissions, making it a sector under constant scrutiny. In India, per capita cement consumption stands at approximately 250 kg, compared to the global average of 500 kg. With infrastructure being a cornerstone of economic growth, India's cement consumption is poised for sustained growth over the next decade. We now have cement plants capable of operating solely on waste recovery, a significant milestone. However, challenges persist in securing a reliable supply chain and ensuring material availability. Technological innovation within organisations is crucial to address these issues. While the cement production process inherently emits CO_2, capturing it in a commercially viable way is essential. One approach is reducing nitrogen to achieve a dense CO2 concentration, enabling efficient capture. Additionally, the cement industry has potential to produce green hydrogen, a key component for decarbonisation. Green cement with zero CO2 emissions is achievable but it requires robust policies, an enabling environment and cooperative customers willing to pay a premium for sustainable solution. We must take this initiative seriously to achieve net-zero emissions in the cement industry well before 2050.

Online

Headline	ONGC Introduces AI-Driven Well Information System to Enhance Drilling Efficiency		
Publication	APAC News Network	Edition	Online Coverage
Published Date	23 Dec 2024		

ONGC Introduces AI-Driven Well Information System to Enhance Drilling Efficiency

https://apacnewsnetwork.com/2024/12/ongc-introduces-ai-driven-well-information-system-to-enhance-drilling-efficiency/

Dehradun: Oil and Natural Gas Corporation (ONGC) has launched the Well Information System (WIS), a digital tool designed to improve drilling operations and streamline data management.

The system, powered by Generative AI, was unveiled on December 20, 2024, at the Institute of Drilling Technology, Dehradun, by ONGC Director (Technology & Field Services) Om Prakash Singh

The WIS is set to modernize ONGC's approach to data capture, reporting, and analytics in offshore drilling activities. The system enables real-time monitoring and centralized management of operations, reducing manual intervention and improving reporting accuracy. This technology aims to enhance decision-making processes by providing a comprehensive view of drilling operations through advanced analytics.

The system will initially be implemented for daily drilling reports across all offshore rigs. ONGC expects this digital integration to minimize delays in data processing and ensure smoother coordination across its oilfield operations.

The launch of WIS aligns with ONGC's broader objectives to adopt innovative technologies that support smarter and more sustainable energy solutions. By leveraging AI, the company aims to reduce operational inefficiencies while improving transparency and resource management.

Although ONGC has yet to disclose detailed performance metrics for the system, the introduction of WIS represents a significant move toward digital transformation in India's oil and gas sector. As the system is rolled out across more operations, its impact on productivity and sustainability will be closely monitored by the industry.

This development reflects the growing emphasis on integrating advanced technology in energy exploration to address challenges in efficiency and sustainability.

Headline	Central PSUs Clock 47% Rise In FY24 Net		
Publication	Bizz Buzz	Edition	Online Coverage
Published Date	23 Dec 2024		

Central PSUs Clock 47% Rise In FY24 Net

https://www.bizzbuzz.news/markets/central-psus-clock-47-rise-in-fy24-net-1346383

New Delhi: Overall net profit of operating Central Public-Sector Enterprises (CPSEs) rose to Rs3.22 lakh crore in FY24 as against Rs2.18 lakh crore in FY23 showing an increase of over 47 per cent, according to an official report. The market capitalisation (mcap) of CPSEs more than doubled in 2024-25 fiscal as compared to 2023-24 fiscal year, the report said.

The major contributors to the increase in market cap are NTPC Ltd, Oil & Natural Gas Corporation Ltd, Hindustan Aeronautics Ltd, Coal India Ltd and Indian Railway Finance Corporation Ltd.A major proportion of the increase in profit of Rs0.89 lakh crore was contributed by the Petroleum (Refinery & Marketing) group, according to the report compiled by the Public Enterprises Department of the Finance Ministry.

Within the Petroleum (Refinery & Marketing) group, the major contribution towards the increase in Overall Net Profit is contributed by Indian Oil Corporation Ltd (Rs0.31 lakh crore). The profitability of the Petroleum (Refinery & Marketing) group has impacted the overall profitability, the survey said.

Headline	Oil and gas producers call for tax reforms in the upcoming Budget		
Publication	Business Standard	Edition	Online Coverage
Published Date	23 Dec 2024		

Oil and gas producers call for tax reforms in the upcoming Budget

https://www.business-standard.com/budget/news/oil-and-gas-producers-call-for-tax-reforms-in-the-upcoming-budget-124122300968_1.html

In the run-up to the Budget, upstream oil and gas companies have called for a review of the taxes levied on older oil blocks, which account for nearly 90 per cent of domestic production, according to officials from two large exploration and production (E&P) firms.

The removal of a number of cesses imposed by states, exemption from Customs duty on a larger set of imports, and greater ease in exploration are among the key issues raised during discussions with the government.

In meetings with the finance and petroleum ministries, the industry has urged the government to align taxes imposed under previous regimes, such as New Exploration Licensing Policy (NELP) and Pre-NELP, on a par with the current Hydrocarbon Exploration and Licensing Policy (HELP) regime.

The NELP replaced the nomination regime in 1999 and remained in place until 2017, when the HELP regime came into force. The industry has asked the government to rationalise taxes from the current levels of over 60 per cent to 40 per cent, in line with global benchmarks.

A key step towards this would be for the government to rationalise royalty rates across regimes, and roll back the 20 per cent oil industry development (OID) cess that pre-NELP and nomination blocks attract, an official at an E&P major said on condition of anonymity.

In these two categories of blocks, the cost of production per barrel is higher, while the net profit per barrel is lower, owing to the OID cess, higher royalty payments, and profit split with government nominees," he stressed.

The Centre has been asked to intervene with states to reduce or scrap land taxes in Assam and Rajasthan, and the consent for operation fees levied by Andhra Pradeshs Pollution Control Board, another official said.

The demand to bring oil and gas sales under the GST framework to adjust input tax credit has also received a fresh impetus from the private sector in recent months, he said.

Meanwhile, industry players have welcomed the scrapping of the Special Additional Excise Duty (SAED) or windfall tax, which was in force for 29-months, in early December. The levy had raised the tax burden by an additional 10 per cent on average. Indias E&P sector is dominated by two government companies -- Oil and Natural Gas Corporation and Oil India ---that account for 71 per cent and 9 per cent of Indias total crude oil production. Cairn Oil & Gas, part of the Vedanta group, and RIL subsidiary Reliance Petroleum are the two major private sector upstream companies.

India imports 87 per cent of its crude oil requirements. While the crude oil import bill shrank to $139.8 billion in FY24, down 13.3 per cent from $161.4 billion in FY23, this reduction was mostly due to major discounts on Russian crude oil. With an aim to progressively reduce import dependence, the government wants $100 billion in investments in the E&P sector by 2030, particularly in key offshore areas, such as the Andaman Sea. However, it has struggled to attract sufficient interest.

The country has seen an aggregate capital expenditure of $23 billion, far short of the $1520 billion required to achieve the governments targets, said industry insiders. In July, Petroleum and Natural Gas Minister Hardeep Singh Puri announced a joint working group comprising representatives from private E&P operators, national oil companies, and the government to improve ease of doing business in the sector. The group was expected to submit its recommendations on policy revisions within eight weeks. However, officials said work was ongoing in this regard.

Industry players have also called for a single window of clearance or a centralised coordinating body to streamline exploration processes. They advocate delegating powers to district forest officers, as is done in other mining industries, and revisiting the policy that prohibits exploration in mining lease areas.

Prime Minister Narendra Modi will meet eminent economists and sectoral experts on Tuesday to elicit their views and suggestions for the upcoming Budget, a senior government official said. Union Finance Minister Nirmala Sitharaman is scheduled to present the Budget for 2025-26 in the Lok Sabha on February 1, 2025. Besides economists and sectoral experts, Niti Aayog Vice Chairman Suman Bery and other Niti Aayog members will also attend the meeting.

Headline	ONGC Makes Second Attempt to Pick Operation and Maintenance Contractor		
Publication	Construction World	Edition	Online Coverage
Published Date	23 Dec 2024		

ONGC Makes Second Attempt to Pick Operation and Maintenance Contractor

https://www.constructionworld.in/energy-infrastructure/oil-and-gas/ongc-makes-second-attempt-to-pick-operation-and-maintenance-contractor/66711

State-run Oil and Natural Gas Corporation Ltd (ONGC) has called bids, the second in the last one month, from private entities for operation and

maintenance (O&M) of its offshore vessels named Samudra Sevak' and Samudra Prabha'. Bidders can submit offers for either of the two vessels or both the vessels for the one-year contract by 02 January, according to the tender documents. The successful bidder has to mobilise duly approved marine and diving crew fully conforming to scope of work and special conditions of contract with necessary clearances (Port, Customs, Directorate General of Shipping, Ministry of Home Affairs, etc) and commence work within 30 days (including 10 days for hand over, take over) from the date of notification of award (NOA) or on expiry of the ongoing O&M contract, whichever is later.

The ongoing contracts of Samudra Sevak' and Samudra Prabha' will end on 20 March and 29 April 2025, respectively. Samudra Sevak' is a multipurpose supply vessel while Samudra Prabha' is a diving support vessel and is used to support ONGC's oil and gas drilling operations off India's coast. Samudra Sevak' and Samudra Prabha' can operate till 24 February 2026, per the age/qualitative norms introduced by the D G Shipping in 2023. According to the 24 February 2023 order of D G Shipping, 'existing vessels' regardless of its age, affected by the maximum age prescribed, were allowed to operate up to three years from the date of issue of the order. If no extension is granted by D G Shipping on complying with the order, ONGC at its discretion, shall conclude the contract on 24 February 2026 ahead of the completion of the one-year contract without any additional cost or time implication to ONGC, the state-run oil and gas explorer wrote in the tender documents.

Meanwhile, the D G Shipping has mandated the IIM-Indore to undertake an in-depth, comprehensive study on the Age Norms and Other Qualitative Parameters' for ships it introduced in 2023 which drew flak from the industry.The age norms were designed to encourage a younger fleet to improve safety, meet global rules on ship emissions and protect the marine environment from pollution during mishaps.

However, following a pushback from the industry, the D G Shipping has decided to undertake a sweeping review of its order with a holistic approach, encompassing the entire maritime sector.

IIM-Indore has been mandated to conduct a thorough policy analysis and the submissions made by industry stakeholders, evaluate the impact and implications of the age norms order, write a detailed report outlining the findings of the study, recommend policy measures along with a strategic plan for implementing the recommendations.

Headline	Bangladesh owes Tripura unpaid electricity bills worth '200 crore, says CM Manik Saha		
Publication	Millennium Post	Edition	Online Coverage
Published Date	24 Dec 2024		

Bangladesh owes Tripura unpaid electricity bills worth '200 crore, says CM Manik Saha

https://www.millenniumpost.in/business/bangladesh-owes-tripura-unpaid-electricity-bills-worth-200-crore-says-cm-manik-saha-591944

Agartala: Bangladesh owes Tripura Rs 200 crore in electricity dues but no decision has been taken on halting power supply to the neighbouring country yet, Chief Minister Manik Saha said on Monday.

Tripura supplies 60-70 megawatts of power to the neighbouring country according to an agreement signed by the Tripura State Electricity Corporation Limited through the NTPC Vidyut Vyapar Nigam Limited with the Bangladesh Power Development Board. Bangladesh has not paid us about Rs 200 crore for supplying electricity. The outstanding (amount) is increasing every day. We hope that they will clear their dues so that the power supply is not disrupted, Saha said.

Asked whether the Tripura government would stop the supply of electricity if Dhaka fails to pay the dues, the chief minister said no decision has been taken on it yet.

He said several pieces of machinery at the power generation plant in Tripura were brought through either Bangladeshi territory or Chittagong port. Therefore, out of gratitude,e the Tripura government started supplying power to the country following a pact.

But I don't know how long we will be able to continue the supply of electricity to Bangladesh if they don't clear the dues, he said.

Tripura began supplying power to Bangladesh in March 2016. The electricity is produced at the state-owned ONGC Tripura Power Company's (OTPC) gas-based 726 MW generation capacity power plant in southern Tripura's Palatana.

According to reports, Adani Power, which exports power to Bangladesh from its 1,600 MW Godda plant in Jharkhand, reduced the supply to 520 MW from around 1,400-1,500 MW in August due to non-payment of USD 800 million by the country.

Asked about the impacts on Tripura due to the reported attacks on Hindus and other minorities in Bangladesh, Saha said there is no major influx from the neighbouring country to his state yet.

But we are closely monitoring the situation along the border since the border is porous as there are many gaps. However, as of now, there is no major influx from Bangladesh after the present turmoil started in that country in August, he said.

Tripura is surrounded by Bangladesh on its north, south and west and the length of its international border is 856 km, which is 84 per cent of its total border.

Commenting on the recent breach of security at the Bangladesh Assistant High Commission in Agartala, the chief minister said he had taken strong action in the case.

We have arrested several people who were involved in it. We have also taken action against policemen who were responsible for the security of the premises where the breach took place, he said.

Saha said after the fall of the Sheikh Hasina government in Bangladesh, trade has been affected and the import of Bangladeshi goods to Tripura has come down significantly.

He said among the goods that come to Tripura from Bangladesh are cement, stone chips and Hilsa fish. Supply has been disrupted. It is their loss, he said. Asked about the communication network with Bangladesh, he said if the railway line is restored between Agartala and Dhaka, it would be immensely beneficial for both the country. If Chittagong port is allowed to be used without any disruption, the entire Northeastern states will be significantly benefitted, he said.

The direct road distance to Chittagong port from Agartala is around 175 km. A rail line linking Agartala with Akhaura in Bangladesh was inaugurated by Prime Minister Narendra Modi and his then Bangladeshi counterpart Sheikh Hasina on November 1, 2023. The project has a length of 5.46 km in India and 6.78 km in Bangladesh.

The cost of the Indian portion was Rs 708.73 crore and funded by the Ministry of Development of North Eastern Region (DoNER). The cost of the Bangladesh portion was Rs 392.52 crore. The Bangladesh portion is funded by the Ministry of External Affairs India and executed by the Bangladesh Railway.

If the overland transport right is allowed by Bangladesh, the travel time between Agartala and Kolkata is expected to come down from about 30 hours to about 10 hours.

The existing train commute distance between the two cities is 1,581 km and it requires a re-route via Guwahati and Lumding in Assam. This would be curtailed to 460 km, officials said.

Headline	ONGC pre launches Well Information System for digital transformation in drilling and well services		
Publication	PSU Connect	Edition	Online Coverage
Published Date	23 Dec 2024		

ONGC pre launches Well Information System for digital transformation in drilling and well services

https://www.psuconnect.in/news/ongc-pre-launches-well-information-system-for-digital-transformation-in-drilling-and-well-services/45823

ONGC has proudly pre-launched the Well Information System (WIS) as a significant advancement in oilfield operations, leading the way in digital transformation for drilling and well services.

Inaugurated by Director (T&FS) Om Prakash Singh on December 20, 2024, this Generative AI-powered system transforms data capture, reporting, and analytics, enabling seamless operations.

The software for daily drilling reporting, applicable across all offshore rigs, was officially launched at the Institute of Drilling Technology in Dehradun. This project marks an important step towards smarter and more sustainable energy solutions.

Headline	Oil and gas CPSEs set to exceed IEBR capex for fifth-straight year		
Publication	Shipping Tribune	Edition	Online Coverage
Published Date	23 Dec 2024		

Oil and gas CPSEs set to exceed IEBR capex for fifth-straight year

https://www.shippingtribune.com/news/shipping/Oil+and+gas+CPSEs+set+to+exceed+IEBR+capex+for+fifth-straight+year

Central public sector enterprises (CPSEs) in the oil and gas sector are set to exceed their annual internal and extra budgetary resources (IEBR) capital expenditure targets in FY25 for the fifth year in a row, according to officials.

In the first eight months of the financial year, CPSEs in the sector have completed 83 per cent or Rs 97,667 crore of their Rs 1.18-trillion capex target, Petroleum and Natural Gas Ministry officials said.

IEBR capex refers to the resources that are not part of the Budget, but are used by the government for spending.

These resources include bonds, extra commercial borrowings and other similar mobilisations made by public enterprises, and exclude borrowings guaranteed by the government.

CPSEs in the sector have had a good track record of exceeding their IEBR targets. Given the wide scale of projects underway, this has helped in funding, and meeting project deadlines, an official said.

A total of 145 projects costing Rs 100 crore and above are currently under implementation by public sector oil and gas companies, according to the ministry's Pariyojana portal.

These have a total approved project cost of Rs 5.65 trillion. Among these, 78 projects costing Rs 2.84 trillion are greenfield projects while 67 projects costing Rs 2.81 trillion are capacity expansion ones.

In FY24, 54 projects were completed at an anticipated cost of Rs 525 crore. Refineries and marketing make up the majority of these at 31 and 10 projects each. Eight are in the exploration and production domain, while four are gas projects. None of the 12 ongoing projects in the compressed biogas segment has been completed so far, data shows.

Upstream oil companies Oil and Natural Gas Corporation and Oil India, oil marketing companies Indian Oil Corporation, Bharat Petroleum Corporation and Hindustan Petroleum Corporation, and natural gas supplier GAIL are Maharatna CPSEs from the sector.

Meanwhile, a total of 379 projects costing Rs 100 crore and above have been completed since 2014 at a total cost of Rs 4.86 trillion. Of these, 225 projects costing Rs 2.52 trillion were greenfield projects and 154 projects costing Rs 2.34 trillion were brownfield.

Between 2019-20 and 2024-25, budgetary support for capital outlay has increased to 2.8 per cent of GDP from 1.5 per cent, according to a paper by New Delhi-based research institute PRS Legislative Research. This has been supported by a higher fiscal deficit by the Centre.

At the same time, capital investments by public enterprises financed through IEBR has decreased to 1.1 per cent of GDP from 3.2 per cent over the past five years. This indicates substitution of capital investment of public entities by budgetary spending.

Headline	IOCL green flags over US $ 514 million textile park in Bhadrak, Odisha		
Publication	Apparel Resources India	Edition	Online Coverage
Published Date	23 Dec 2024		

IOCL green flags over US $ 514 million textile park in Bhadrak, Odisha

https://in.apparelresources.com/business-news/manufacturing/iocl-green-flags-us-514-million-textile-park-bhadrak-odisha/

In a major step forward for the industrial development of Odisha, the Indian Oil Corporation Ltd. (IOCL) has authorised US $ 514 million for its ambitious textile park project in the Bhadrak district.

Mohan Charan Majhi, the Chief Minister of Odisha, thanked IOCL for their significant investment in the yarn project. The Chief Minister also thanked Hardeep Singh Puri, the Union Minister of Oil and Natural Gas, and Prime Minister Narendra Modi for helping to make this happen.

In Dhamnagar, under the Bhandaripokhari block, IOCL and MCPI Pvt Ltd would form a 50/50 joint venture called the textile park. A total of 56 acres of land have already been set aside for the project by the Odisha Industrial Infrastructure Development Corporation.

With the anticipated establishment of a 900-ton per day (TPD) textile factory, this textile park is intended to become a major industrial hub. Dhananjay Sahoo, head of IOCL's Business Development (Petrochemicals), claims that the plant will cost about US $ 231 million to build and was originally scheduled to open in 2023-2024.

Headline	The future may be ethanol, but there are roadblocks on India's e-way to achieving that goal		
Publication	Gleaf	Edition	Online Coverage
Published Date	23 Dec 2024		

The future may be ethanol, but there are roadblocks on India's e-way to achieving that goal

https://www.gleaf.in/news/the-future-may-be-ethanol-but-there-are-roadblocks-on-indias-e-way-to-achieving-that-goal

As India looks around at anything from electric vehicles to green hydrogen in its quest to reduce dependency on petroleum products as well as clean

up its act in the countdown to Net Zero carbon footprint (India has set its target as 2070), could ethanol be the quick fix to the current scenario? Many believe so.

The government is amongst the believers, leading from the front. Having achieved 15% ethanol blending with petrol, the Modi government had announced recently that it will advance the target for taking the blend percentage to 20% from 2030 to the coming year.

The country has traditionally depended on oil imports to meet its growing energy demands. This reliance not only poses challenges to energy security but also leads to a substantial outflow of foreign currency. However, with ethanol blending, India has a promising opportunity to reduce its dependence on imported oil while addressing environmental concerns, said the government statement.

Ethanol is essentially renewable fuel made from various plant materials, collectively known as bio mass'. It also contains ethyl alcohol, the same that's used in alcoholic beverages, but is used mainly at motor fuel. Blending ethanol into petrol often helps in an increase of the fuel's octane and get engines to run better by cleaning them and preventing build-up of deposits.

In India, ethanol is produced primarily from sugar, considering their widespread availability. The ethanol blend programme was started in 2001 but had inched forward slowly for years, until Nitin Gadkari, an unabashed champion of ethanol usage, took over as transport minister.

By blending ethanol with petrol, India not only reduces its foreign exchange outflow but also cuts down on vehicular emissions, said Pinaki Mukherjee, CEO of Zuari Envien Bioenergy. The government's decision to advance the target for 20% ethanol blending (E20) in petrol to 2025 demonstrates the country's commitment to cleaner energy alternatives. While this transition brings immense opportunities, it also poses several challenges that require strategic interventions to ensure long-term viability.

Prices are a big pain point. While the procurement price for ethanol does not match with that of feedstocks like rice and maize, the falling price of byproducts of the distilleries make the business unviable. This week, faced with massive excess of rice stocks, the government had tried to offload them to ethanol makers, but it found no takers, the manufacturers finding the price too high to afford.

"Simultaneously, investments in storage infrastructure, multimodal transportation, and blending facilities are critical to overcoming logistical bottlenecks and ensuring smooth supply chain operations," added Mukherjee.

But the government is already looking way into the future. At a recent conference in Delhi, Hardeep Singh Puri, union minister of Petroleum and Natural Gas said that the government has already begun planning for the future by exploring goals beyond the 20% ethanol blending target.