ONGC News 08.03.2023 Print

ONGC identifies 70 locations for exploration

Richa Mishra
Hyderabad

Public sector oil giant ONGC is becoming more collaborative in its exploration and production activities. To harness the benefits of international expertise, risk sharing, and technology and skill enhancement, ONGC has entered into agreements with names like ExxonMobil, Chevron, TotalEnergies, Equinor and Shell.

In an interview with *BusinessLine*, Sushma Rawat, the first woman Director (Exploration) of ONGC, said, "Our focus for 2023 is clear... to provide a fillip to exploration and achieve the government's mandate of reducing import dependency. Three years' action [plan], from 2022-23 to 2024-25, has been adopted.

"The Exploration Portfolio Management Board (EPMB), at its recent meeting, for 2023, has recommended 70 locations for release targeting close to 150 million tonnes of oil equivalent (mmtoe) of yet-to-find (YTF) resources with a proposed investment of ₹2,700 crore. Also, some of the released locations will be targeted for reserve upgradation as per ONGC's commitment towards increasing production and to bring the Bengal Basin to Category-I status."

Category-I basins are those which have reserves and are already producing; category-II basins have contingent resources pending commercial production; and category-III basins have prospective resources awaiting discovery.

PACTS WITH GLOBAL COS

On the status of ONGC's agreements with international giants, she said the agreement with ExxonMobil was inked on August 17, 2022, for collaboration in deepwater exploration in the KG-Cauvery and Kutch offshore basins. The technical discussions have taken place between the exploration teams and a joint examination is underway for the Kutch basin.

The Chevron MoU is for potential collaboration in the Tripura fold belt, Bengal offshore as well as KG-Cauvery; a confidentiality agreement has been signed with TotalEnergies, France, for Andaman & Mahanadi offshore. An MoU has been signed with Equinor, Norway, for various works including upstream, midstream, marketing, renewables (offshore wind), and carbon capture, utilisation and storage (CCUS). An MoU with Shell is towards CCUS studies, focusing on carbon dioxide storage and enhanced oil recovery screening for key basins in India, including depleted oil and gas fields and saline aquifers.

Our deepwater exploration is likely to see large capex allocation. So, in a nutshell, ONGC's deep-/ultra-deepwater exploration is very much in the forefront and will intensify in the years to come.

SUSHMA RAWAT,
Director (Exploration) of ONGC

On the action plan to achieve the target, she said, "ONGC has in place a rapid acreage expansion plan, which is an accelerated survey plan: Two-fold increase in quantum of 3D seismic data acquisition; to probe significant YTF resources by 2025; enhancing data coverage through 2D and 3D seismic surveys in deepwater and other promising areas, and drilling close to 350 wells to probe YTF potential; increasing CAPEX by 150 per cent for exploration; and diversifying the data coverage through government-funded project in three sectors, namely, West Coast, East Coast and Andaman offshore."

Significant YTF is locked in the frontiers of our sedimentary basins and deepwaters, she added.

"Going forward, for next few years our strategy would be based on maintenance of current level of production... quick monetisation of unmonetised discoveries. Further, we need to achieve production growth by tapping into high pressure-high temperature, deepwater and ultra-deepwater resources," she said.

"Future thrust will concentrate around improving exploration efficiency processes and workflows, re-exploration in mature basin where, I believe, there can be a basin within basin, fast-tracking of drilling in new prospective areas of category-II basins and consolidation of new finds with faster monetisation, maximising recovery, increasing production through upgradation of lower category reserves and conversion of YTF resources to producible volumes, and conversion of 15 per cent of undiscovered into discovered in-place (around 4 billion tonnes).

SECOND DISCOVERY

On the successes achieved, she said recent exploration successes in Bengal and Vindhyan basins have been encouraging. "We have made second discovery at Bengal Basin. In Vindhyan basin too, ONGC [has had] commercial success in the Hatta. We are again venturing into high-risk, high-gain deep-/ultra-deepwater exploration in east and west coast of India. For that, ONGC has already acquired a few deep-/ultra-deepwater exploration acreages under the Open Acreage Licensing Policy in Cauvery basin, Andaman basin and Mahanadi basin.

"More new deep-/ultra-deepwater areas (prospective) have been identified in Kerala-Konkan basin, Saurashtra and Mumbai offshore. Our deepwater exploration is likely to see large capex allocation. So, in a nutshell, ONGC's deep-/ultra-deepwater exploration is very much in the forefront and will intensify in the years to come," she said.

ओएनजीसी ONGC

The Times of India

Proposed age norms for rigs to hit ONGC offshore output

Mar 8, 2023 | Delhi | Pg No.: 21 | | Sq Cm:122 | AVE: 2519083 | PR Value: 12595413

Proposed age norms for rigs to hit ONGC offshore output

Sanjay.Dutta@timesgroup.com

New Delhi: Proposed inclusion of modular offshore drilling units (MODU), commonly referred as jack-up rigs, under the definition of "vessel" entailing age restriction in the Merchant Shipping (Amendment) Bill and the Coastal Shipping Bill, will hit oil and gas production in the western offshore, which accounts for bulk of the domestic output.

MODUs are mobile platforms with buoyant hull fitted with a number of movable legs capable of raising the structure above the sea surface. The buoyant hull allows MODUs to be easily shifted to various locations for drilling oil and gas wells or using as offshore production units.

The definition of vessels in the Merchant Shipping Act of 1958 currently in force do not include MODUs, which are globally governed under MODU Code of 1979, 1989 and 2009. Generally,

BULK IS OFF WEST COAST

MODUs last for a long time as they are constantly updated and validated by the recognised bodies.

State-run ONGC recently converted its 1973 vintage jack up rig Sagar Samrat, which discovered the Mumbai High field in 1974, into a mobile oil production unit at a cost of Rs 1,800 crore.

Both the Bills, however, have included MODUs and "offshore mobile units" in the definition of "vessels", which will entail application of age restrictions for ships. Industry players said this will disqualify 63% MODUs in western offshore. ONGC will be hit the hardest since out of 33 rigs chartered by the company, 13 confirm to the 1979 MODU Code and 8 to the 1989 Code. The company has only four rigs confirming to MODU Code 2009, which will meet the conditions in the Bills. Its proposal to expand the fleet to 39 will also be hit, company sources said.

Sandesh

ONGC Inks MoU With French Multinational TotalEnergies

Mar 8, 2023 | Ahmedabad | Pg No.: 4 | | Sq Cm:14 | AVE: 32898 | PR Value: 164492

ઓએનજીસી: સરકારી જાહેર સાહસ ઓએનજીસી સાથે ફ્રેન્ચ મલ્ટિનેશનલ કંપની ટોટલ એનર્જીએ ઓઈલ અને ગેસ એક્સ્પ્લોરેશન માટે કરાર કર્યો છે. બંને કંપનીઓ ભેગા મળી મહાનદી અને આંદામાન વિસ્તારમાં એક્સ્પ્લોરેશન હાથ ધરશે. અગાઉ એક્સોનમોબિલ અને શેવરોને પણ આ હેતુથી ઓએનજીસી સાથે હાથ મિલાવ્યાં છે.

Rashtriya Sahara
Total-ONGC mai karar
Mar 8, 2023 | Delhi | Pg No.: 13 | | Sq Cm:34 | AVE: 246875 | PR Value: 1234375

टोटल-ओएनजीसी में करार

नई दिल्ली। एक्सॉनमोबिल और शेवरॉन के बाद फ्रांस की बहुराष्ट्रीय कंपनी टोटल एनर्जीज ने सार्वजनिक क्षेत्र की कंपनी ओएनजीसी से एक शुरुआती समझौता किया है। इसके तहत टोटल सार्वजनिक क्षेत्र की कंपनी ओएनजीसी के महानदी और अंडमान क्षेत्र में तेल और गैस के स्रोतों की तलाश करेगी। आयल एंड नैचुरल गैस कारपोरेशन (ओएनजीसी) ने टोटल एनर्जीज के साथ एक समझौता ज्ञापन (एमओयू) किया है, जिसके तहत दोनों कंपनियां गहरे अपतटीय, खासकर महानदी और अंडमान में एक-दूसरे की तकनीकी विशेषज्ञताओं का अदान-प्रदान करेंगी।

The Economic Times

Mercator Petro Lenders OK IOC's Offer

Mar 8, 2023 | Delhi | Pg No.: 1,8 | | Sq Cm:268 | AVE: 2737019 | PR Value: 13685094

Mercator Petro Lenders OK IOC's Offer

Indian Oil Corp is set to acquire Mercator Petroleum in a rare takeover by a government undertaking under the IBC. Lenders unanimously voted for the plan, which equates to a 46% recovery for financial creditors, reports **Sangita Mehta**. ▶▶ 8

The Economic Times
Mercator Petro Lenders OK IOC's Offer
Mar 8, 2023 | Delhi | Pg No.: 1,8 | | Sq Cm:268 | AVE: 2737019 | PR Value: 13685094

UNANIMOUS VOTE for resolution plan including revenue share, which equates to 46% recovery for financial creditors

Mercator Petro Lenders Approve IOC's Offer

Sangita.Mehta@timesgroup.com

Mumbai: Indian Oil Corporation (IOC) is set to acquire Mercator Petroleum in a rare takeover by a government undertaking under the Insolvency and Bankruptcy Code (IBC).

Lenders of the Mumbai-based onshore petroleum extraction company have unanimously voted for IOC's resolution plan, which equates to a 46% recovery for financial creditors, two people aware of the development told ET.

IOC has also offered to share the revenue earned from oil and gas exploration with lenders for 15 years, they said.

Mercator Petroleum is a subsidiary of stock exchange-listed shipping container firm Mercator, which is also undergoing the debt resolution process under IBC.

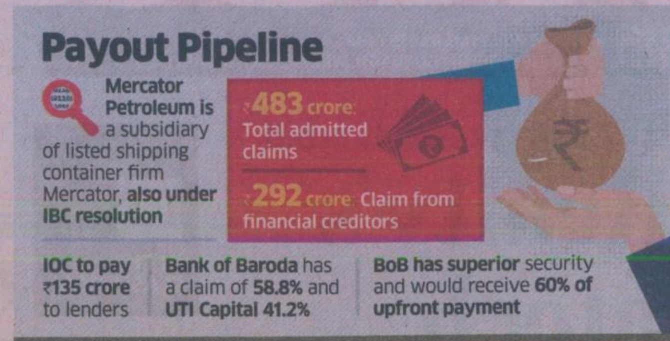
Indian Oil has offered an upfront payment of ₹135 crore to financial creditors of Mercator Petroleum as against admitted claims of ₹292 crore from them, people cited above said.

The recovery for lenders will exceed 46% due to profit sharing agreement, said one person involved in the resolution process.

IOC has also proposed to pay ₹5 crore towards employees, trade creditors and government dues. The total claimed dues under these heads are about ₹191 crore.

Mercator Petroleum's resolution professional Satish Kumar Gupta had admitted total claims of ₹483 crore. Gupta, who also successfully resolved Essar Steel under IBC, declined to comment.

Besides IOC, the company's lenders had received expressions of interest from Invenire Energy, Sun Petrochemicals, and UTI Capital, a person cited above said. Only Sun Petrochemicals and IOC submitted firm bids, the person said. Lenders rejected Sun Petrochemicals' plan, which offered an upfront payment of ₹32 crore to secured lenders.



Mercator Petroleum's financial creditors are UTI Capital and Bank of Baroda with debt holdings of 41.2% and 58.8%, respectively. Since the Bank of Baroda has superior security, it would receive 60% of the upfront payment, as per the approved plan.

Mercator Petroleum owns one exploration block in the Cambay basin in Gujarat.

Investment phases of the block are complete and it is ready for development, as per a document circulated to bidders on the company. It had said the winning bidder could quickly commence commercial production from the two existing wells.

Government-owned entities have rarely submitted resolution plans for bankrupt companies undergoing debt resolution under the direction of the National Company Law Tribunal (NCLT).

Past examples of state-owned companies acquiring stressed assets under the IBC route include NTPC's takeover of Jhabua Power, an Avantha group company, and the successful bid by Power Finance Corporation and REC for electricity generation firm Lanco Amarkantak Power.

ONGC was in talks with lenders to acquire VoVL, an oil and gas exploration company of Videocon Industries, but eventually did not submit a plan.

The Economic Times
Crude Slips on Hawkish Tone
Mar 8, 2023 | Delhi | Pg No.: 6 | | Sq Cm:23 | AVE: 238973 | PR Value: 1194864

Crude Slips on Hawkish Tone

Oil prices fell by more than $1 a barrel, as Powell's comments stoked rate hike fears, the dollar strengthened and China issued weak data. Brent crude futures shed $1.46, or 1.7%, to $84.72 a barrel. Powell's remarks pushed up the US dollar, which rose 0.70% on the day at 104.97. **Reuters**

FPIs low on finance stocks, red-hot on services sector in second fortnight of Feb

SUNDAR SETHURAMAN
Mumbai, 7 March

Financial services and consumer durables companies accounted for most of the selling by foreign portfolio investors (FPI) during the last fortnight of February. FPIs sold finance stocks worth ₹2,263 crore and consumer durable stocks worth ₹1,111 crore, according to data collated by Prime Infobase.

Information technology (IT) (₹708 crore), metals & mining (₹694 crore), and power (₹497 crore) were the other sectors where the overseas investors sold most.

On the other hand, firms that accounted for highest inflows by the FPIs during the same period were in the services sector, followed by energy and capital goods.

FPIs bought shares of services firms worth ₹2,250 crore, energy companies worth ₹1,290 crore and capital goods stocks worth ₹1,155 crore. Firms in the construction material and construction space also saw cumulative buying worth nearly ₹700 crore.

Overall, FPIs' selling was muted at less than ₹486 crore during the 14-day period of February.

Outflows from the financial and IT sector — two of India's largest in terms of market capitalisation — indicate that FPIs remain in 'sell' mode, said experts.

"Overall, overseas investors are still taking money out. The IT and financial sectors gave them an opportunity to exit with some profit or without much losses," said G Chokkalingam, founder of Equinomics.

Despite the selling, the highest sectoral allocation as of February end was to financial services at 33.81 per cent from 33.77 per cent.

IT at 11.57 per cent and the oil & gas sector at 10.20 per cent are the other sectors with high FPI allocation.

The buying in oil and gas stocks was attributed to the positive demand outlook on the back of the China-reopening. Expansion in the Indian services sector has made FPIs bullish.

The S&P Global India Services Purchasing Managers' Index rose from 57.2 in January to 59.4 in February, its highest since February 2011.

FOREIGN HAND

Inflows

	(₹ crore)
Services	2,250
Oil & gas	1,290
Capital goods	1,155
Construction materials	385
Construction	326

Outflows

	(₹ crore)
Financial services	-2,263
Consumer durables	-1,111
IT	-708
Metals & mining	-694
Power	-497

Note: Data for second half of February 2023
Source: Primeinfobase.com

Genesis & IGL to set up meter manufacturing unit

GENESIS, AN arm of Vikas Lifecare, has inked a pact with Indraprastha Gas (IGL) to set up a meter manufacturing plant at an estimated cost of ₹110 crore. The unit will be set up through a JV firm, VLF said in a statement. PTI

The Hindu Business Line
Genesis, IGL to invest Rs110 cr for meter plant
Mar 8, 2023 | Ahmedabad | Pg No.: 6 | | Sq Cm:21 | AVE: 26764 | PR Value: 133818

Genesis, IGL to invest ₹110 cr for meter plant

New Delhi: Genesis, an arm of Vikas Lifecare Ltd (VLF), has inked a pact with Indraprastha Gas Ltd to set up a meter manufacturing plant at about ₹110 crore. The unit, to be set up through a joint venture company, will aim to tap the demand in the international market, besides catering to domestic consumers, VLF said. PTI

ONGC

The Economic Times

Govt Plans to Create Carryover Stock of Ethanol for Next Year

Mar 8, 2023 | Delhi | Pg No.: 8 | | Sq Cm:64 | AVE: 657536 | PR Value: 3287679

Govt Plans to Create Carryover Stock of Ethanol for Next Year

New Delhi: The government is planning to create a carry over stock of ethanol for the next year anticipating a rise in demand for E20 fuel in the country, according to a senior food ministry official. E20 fuel is a blend of 20% ethanol with petrol. The government aims to achieve the 20% ethanol blending target by 2025.

"Ethanol blending is going well. Oil Marketing Companies (OMCs) have started dispensing E20 fuel in about 100 outlets in 31 cities in the country. We have started E20 fuel, if it goes well then the requirement will be more," Additional Secretary in the food ministry Subodh Kumar said.

Like sugar, the government "plans to create a carryover stock of ethanol" with OMCs and distilleries for 2023-24 ethanol year (December-November) and more sugar would be diverted for the same, he said.

The government has kept the 12% ethanol blending target in the ongoing 2022-23 ethanol year, while 15% for the next year. —**PTI**

ओएनजीसी
ONGC

The Financial Express

Plan to build ethanol stock to meet E20 fuel demand

Mar 8, 2023 | Delhi | Pg No.: 3 | | Sq Cm:85 | AVE: 278110 | PR Value: 1390552

Plan to build ethanol stock to meet E20 fuel demand

PRESS TRUST OF INDIA
New Delhi, March 7

THE GOVERNMENT IS planning to create a carry over stock of ethanol for the next year anticipating a rise in demand for E20 fuel in the country, according to a senior food ministry official.

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The government has kept the 12% ethanol blending target in the ongoing 2022-23 ethanol year, while 15% for the next year. "About 120 crore litres has been blended with petrol till February-end. We are continuously blending 12%. The ethanol availability and production capacity is sufficient to meet this year's target," the official said.

For the current year, about 5 million tonnes of sugar is estimated to be diverted for ethanol production, higher than 3.6 million tonnes in 2021-22.

ILLUSTRATION: BINAY SINHA

The challenge from Urals

India's oil pricing policies must be fine-tuned to reflect the new Russian reality

RAISINA HILL

A K BHATTACHARYA

With imports of Russian crude oil rising rapidly in the last few months, the contours of India's oil economy have altered in significant ways. However, these changes do not appear to have triggered a debate, as yet, within the government and oil companies on how various existing pricing arrangements and systems should be adjusted to reflect the new reality.

Russia has now become the single-largest supplier of crude oil to India, relegating Iraq, Saudi Arabia and the United Arab Emirates to the second, third and fourth spots, respectively. The United States, which had inched up to the fourth position, is now only the fifth largest supplier of crude oil to India.

The increase in the supplies of Russian crude oil or Urals to India began in the wake of the Ukraine-Russia war that started in February 2022. Sanctions against Russian oil by the US and European countries meant that Urals had to look for alternative markets. For India, this was an opportunity as the price of Urals was reported to be 20-30 per cent lower than that of the Indian basket of crude oil. India took full advantage of the situation with smart diplomatic initiatives — increasing oil supplies from Russia even as it tactfully avoided any retaliatory action from the West for ignoring the sanctions.

How has India benefitted by securing a larger share of its crude oil supplies from Russia? In March 2022, when India began importing Russian Urals, such supplies accounted for just about 1.4 per cent of India's total crude oil imports. In December 2022, the month up to which the latest Indian government data on crude oil imports is available, the share of Russian Urals rose to about 28 per cent of India's total crude oil imports.

This has substantially diversified India's sources of procuring crude oil, compared to what they were a year ago. Policy experts will certainly see this as a necessary enhancement of India's energy security. A reduction in India's dependence on West Asia, which accounted for about two-thirds of India's total crude oil imports, should be a welcome development. What's more, it was becoming clear that Russia's share in Indian crude oil imports was not likely to decline in the normal course.

But has this diversification also led to a reduction in India's total cost of procuring crude oil? Remember that Russian Urals cost 20-30 per cent less than the price of the Indian basket of crude oil. Expectations of Indian refineries benefitting from a reduction in the imported cost of crude oil, therefore, were quite high. That hope, however, has been dashed, as the latest government data on imports shows.

The fact is that India's cost of importing Russian crude oil has been consistently higher than the prevailing international price of Urals by a substantial margin — ranging from 11 per cent to over 50 per cent. Moreover, there is hardly any difference between the cost of importing Urals by Indian refineries and the price of the Indian basket of crude oil.

The obvious question is whether the cost of transportation and insurance for importing Russian Urals could be so high as to completely neutralise the price advantage. Or are there other factors responsible for the denial of an obvious price advantage to Indian oil refineries? It is both a puzzle and a cause for concern that Russia today is India's largest supplier of crude oil and yet, no refiner has as yet clarified why its landed cost of Russian crude oil is much higher than its internationally-quoted sale price.

Unfortunately, such opacity also exists in the way prices are determined in the oil sector. For instance, on paper, Indian oil refiners are free to fix the retail prices of major products like petrol and diesel. But in reality, these prices are often influenced by the government's assessment and calculations. Thus, even when the price of the Indian basket of crude oil fell from $116 a barrel in June 2022 to $78 in December 2022 and went up slightly to $83 a barrel in March 2023, the retail prices of petroleum products did not adequately reflect the decline in their crude oil cost.

It was argued that the benefit of lower retail prices was not extended to consumers in an attempt to help refiners and marketers recoup some of the past losses they incurred when they could not fully pass on the impact of higher crude oil prices. It would appear that the idea of a market-linked free retail pricing of petrol and diesel still remains only on paper!

Equally important, how do the Indian refineries explain why their processing cost saw no significant decline in spite of the rising share of Russian Urals in the total volume of the crude oil refined by them? Clarity on this issue is necessary to ascertain if the refineries' claims of continued under-recoveries are justified.

There is a larger question that India's policy makers need to address. The price of the Indian basket of crude oil is the basis on which retail prices of petrol and diesel are fixed by the refiners. Now, this basket is composed of the prices of only two types of crude oil — sour grade (Oman and Dubai average) and sweet grade (Brent Dated). An average of these two varieties is worked out based on their use in the ratio of 75.62 and 24.38.

Note that there is no mention of Russian crude oil or Urals in such calculations. It is true that the Russian Urals became the single largest variety of crude oil in India's import basket only in the last one year. But isn't it time for rejigging the way the price of the Indian basket of crude oil is arrived at? Ideally, this should be a dynamic basket, reflecting the evolving composition of crude oil varieties that Indian refineries import for processing.

Oil pricing reforms should always be high on the government's agenda. Indeed they should be even higher on the agenda when a major development such as Russia emerging as the single-largest supplier of crude oil has taken place.

Unison Buy Gives Mahanagar Gas Wider Footprint, Puts to Rest Growth Concerns

Acquisition price looks steep, but long-term benefits would lead to rerating of the stock

Ashutosh.Shyam
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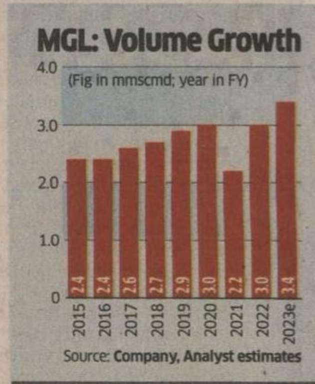
ET Intelligence Group: The acquisition of Unison Enviro will help Mahanagar Gas (MGL), a city gas distribution company having a major presence in Mumbai, to expand operations in other cities in Maharashtra and Karnataka. This is likely to alleviate concerns over the future volume growth of MGL and may help in stock rerating.

MGL's stock gained 8.8% at the end of Monday's session on the BSE.

MGL plans to acquire Unison for a cash consideration of ₹531 crore. With 8,800 domestic gas customers, Unison has a city gas distribution network in Ratnagiri, Latur and Osmanabad in Maharashtra; and Chitradurga and Davanagere in Karnataka. It operates 41 CNG stations. After the acquisition, MGL's total geographical areas of operation will double to six.

The cash consideration of Unison would be nearly ₹53 per share for MGL. The gas distributor had cash and cash equivalent of ₹198.6 crore or ₹20.1 per share at the end of September 2022. The deal implies the enterprise value of Unison at 5.9 times sales, which appears to be expensive but in the long term, it will help in improving MGL's scale of operations.

The newly acquired geographical areas may add around 1-1.2 million standard cubic meters per day (mmscmd) of gas volume in the long term, which is higher than the analysts' expectation of 0.2-0.3 mmscmd of volume addition in the next two-three years. Given MGL's execution experience over the years, the volume ramp-up at the newly acquired facilities may also be faster.



Among the cities where Unison has operations, Ratnagiri holds the highest volume visibility given the access to two major gas pipelines Dabhol-Bengaluru, and Dabhol-Panvel, and one LNG terminal.

MGL sold a gas volume of 3.4 mmscmd in the third quarter of FY23. Of this, 72% was from CNG while the balance was from the piped natural gas segment. Given a higher dependence on a single city, Mumbai, MGL's volume growth over the past few years has trailed the listed peers such as Indraprastha Gas and Gujarat Gas.

MGL's annual sales volume has been in the range of 2.8-3.2 mmscmd in the last five fiscal years. In FY22, the MGL added 24 new CNG stations to take the total tally to 290. It brought 2.6 lakh domestic households on board taking the total PNG household connections to 18.6 lakh, according to the company's annual report.

At Monday's price of ₹986.4, MGL's stock traded at 10 times one-year forward earnings compared with the long-term average valuation of 15. The valuation gap is expected to narrow in the medium term given the improved prospects after Unison's acquisition.

Anticipating rise in E20 fuel demand govt may create carry over stock of ethanol for next year

NEW DELHI: The government is planning to create a carry over stock of ethanol for the next year anticipating a rise in demand for E20 fuel in the country, according to a senior Food Ministry official. E20 fuel is a blend of 20 per cent ethanol with petrol. The government aims to achieve the 20 per cent ethanol blending target by 2025.

"Ethanol blending is going well. Oil Marketing Companies (OMCs) have started dispensing E20 fuel in about 100 outlets in 31 cities in the country. We have started E20 fuel, if it goes well then the requirement will be more," Additional Secretary in the food ministry Subodh Kumar said.

Like sugar, the government "plans to create a carryover stock of ethanol" with OMCs and distilleries for 2023-24 ethanol year (December-November) and more sugar would be diverted for the same, he said.

The government has kept the 12 per cent ethanol blending target in the ongoing 2022-23 ethanol year, while 15 per cent for the next year.

"About 120 crore litres has been blended with petrol till February-end. We are continuously blending 12 per cent. The ethanol availability and production capacity is sufficient to meet this year's target," the official said.

For the current year, about 5 million tonnes of sugar is estimated to be diverted for ethanol production, higher than 3.6 million tonnes in 2021-22.

To meet 15 per cent blending target next year, the official said additional 150 crore litres of ethanol would be required and the government is encouraging sugar mills and distilleries to enhance production capacity.

The ethanol production capacity has gone up to 1,040 crore litres till February this year. The government is encouraging ethanol capacity creation under an interest subvention scheme.

The official said the government has approved 243 projects and banks have already sanctioned Rs 20,334 crore loans and out of which Rs 11,093 crore has been disbursed.

Last week, the government reviewed the upcoming projects and about 250-300 crore litres of ethanol capacity will come in the next 9-10 months, he added.

The Centre had launched ethanol blended pilot projects in 2001 and success of field trials eventually paved the way for launch of the Ethanol Blended Petrol (EBP) Programme in January, 2003. Last year, 10.02 per cent of ethanol was blended with petrol in India. The government has advanced the target for 20 per cent ethanol blending in petrol (also called E20 fuel) to 2025 from 2030. PTI

Telegraph
Ethanol stock
Mar 8, 2023 | Kolkata | Pg No.: 6 | | Sq Cm:48 | AVE: 626119 | PR Value: 3130594

Ethanol stock

NEW DELHI: The government is planning to create a carry over stock of ethanol for the next year anticipating a rise in demand for E20 fuel in the country, according to a senior food ministry official. E20 fuel is a blend of 20 per cent ethanol with petrol. The government aims to achieve the 20 per cent ethanol blending target by 2025. PTI

GAIL (India) launches 1st of its kind start-up incubation cell GAIL Abha'

NEW DELHI: In a unique attempt to nurture the entrepreneurial skills of spouses of its employees, GAIL (India) Limited on Tuesday launched an incubation cell which is first of its kind in the industry to educate them about the start-up environment and provide mentorship, training and assistance with the necessary tools to begin their own ventures.

Christened 'GAIL Abha', the initiative was launched a day ahead of International Women's Day by Shakun Gupta, the first lady of GAIL and Sandeep Kumar Gupta, Chairman & MD, GAIL in presence of R K Jain, Director (Finance), Deepak Gupta, Director (Projects), Ayush Gupta, Director (HR) and their spouses.

GAIL attracts employees of high caliber and most often, their spouses are also professionally qualified and talented.

However, the presence of GAIL townships mostly at remote locations offers very little scope for such talented lot to utilise and exhibit their strength. While addressing this need, 'GAIL Abha' is expected to enable the spouses of employees to have a professionally satisfying experience and contribute to the economy and society in a positive way.

Sandeep Kumar Gupta said, "This platform will help the spouses of our employees to realise their potential and capabilities and fulfil their dreams of being engaged in some professional or entrepreneurial venture."

Ayush Gupta said, "GAIL has launched its unique Incubation Programme - a five layered program spread over 30 weeks, with the objective to build their ideas into flourishing businesses."

The initial weeks will focus on entrepreneurial workshops and bootcamps which will encourage participants to build ideas and evaluate their value proposition, which will be followed by rigorous 21 weeks of building ideas to business. During the period, fortnightly hand-holding sessions will be conducted and mentorship and assistance on seed-funding, registration of firm, facilitations like Startup India Seed Fund etc. will be done. MPOST

ओएनजीसी
ONGC

The Asian Age

Genesis, IGL to invest Rs 110 crore for meter facility

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Genesis, IGL to invest ₹110 crore for meter facility

Genesis, an arm of Vikas Lifecare Ltd (VLF), has inked a pact with Indraprastha Gas Ltd (IGL) to set up a meter manufacturing plant at an estimated cost of ₹110 crore. The unit will be set up through a joint venture company, VLF said in a statement on Monday. "The unit will manufacture diaphragm gas meters equipped with IoT technologies like LoRa, LoRaWAN, Bluetooth, NFC, NB-IoT etc.," it said.

Millenniumpost
Kremlin says it does not recognise Western price cap on its oil
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Kremlin says it does not recognise Western price cap on its oil

MOSCOW: The Kremlin said on Tuesday that it did not recognise the price cap introduced by Western countries on its oil exports, after the United States said that the cap was "working well", *Reuters* reported.

Washington was one of the key architects of the Western price cap on Russian oil, which aims to drive down Moscow's revenues used to fund its invasion of Ukraine.

"We do not and will not recognise any cap. We are working so that this system does not harm our own interests," Kremlin spokesman Dmitry Peskov told reporters.

Russia's economy has proved remarkably resilient in the face of tough Western sanctions, but the price cap has complicated its efforts to sell oil globally.

Moscow, which accounts for around 10 percent of global oil supplies, said last month that it would cut output by 500,000 barrels per day in March in response to the price cap.

US officials argue that the price cap is working, as Russia's Urals blend - a benchmark of Moscow's exports - sells at a steep discount to international marker Brent.

"I think the beauty of the process is that it is working and that Russian oil and Russian products are being traded below the price cap," United States Energy Envoy Amos Hochstein said on Monday. AGENCIES

OIL to subscribe its subsidiary's rights issue

Government-owned Oil India Ltd on Tuesday said it will subscribe 200.3 mln shares in the rights issue of its subsidiary Numaligarh Refinery Ltd at 110 rupees per share. That sums up to 2.2 bln rupees for the subscription. The payment would be made on the basis of the calls as and when received from the company towards the right issue offer, Oil India said in an exchange filing.

WASHINGTON

'Pro-Ukraine group' behind gas pipeline attack, say U.S. officials

REUTERS

U.S. officials have claimed that a "pro-Ukrainian group" was responsible for the sabotage of the Nord Stream gas pipelines, the *New York Times* reported on Tuesday. In a cautious report, the *Times* said the officials had no evidence implicating Ukraine President Volodymyr Zelensky in the pipeline bombing. AFP

Selective exclusion

Why should countries of the western world, which have already appropriated the giant share of the carbon budget, be given a free pass on the continued use of natural gas?

SUNITA NARAIN

Why is dirty coal singled out when it comes to climate change? Why not natural gas, which is also a fossil fuel and emits gases that contribute to global warming? I know, I am asking an inconvenient question. But bear with me. I do so, knowing that we need to drastically cut greenhouse gas emissions, and fast. But we need clarity on what we are doing, and why.

As an environmentalist based in Delhi, I am clear that burning coal is bad for our health; it generates emissions that we must not breathe. It is bad, also because it is burnt in thousands of small- and medium-sized industrial boilers, where pollution abatement is either expensive or impossible to regulate.

Furthermore, thermal power plants that use coal to generate energy add to local pollution because many units are old and cannot be refurbished and refitted with technologies to control emissions of particulate matter (PM), sulphur dioxide (SO2) or nitrogen oxides (NOx).

It is for this reason, and as part of the effort to combat local air pollution, that my city of Delhi has banned the use of coal; it has shut down the last of its aged coal-based thermal plants. Now, it has stopped the use of coal within a radius of 100 km around the city.

All industries using coal to fuel their furnaces have been told to move to natural gas or other clean fuels or will be forced to shut down. The ultimate objective is to increase the use of electricity as energy by industries and vehicles, which will come from clean sources, ideally renewables.

> All industries using coal to fuel their furnaces have been told to move to natural gas or other clean fuels or will be forced to shut down. The ultimate objective is to increase the use of electricity as energy by industries and vehicles

Natural gas emits half of what coal emits in terms of CO2 as well as methane

But in the interim, the solution is to move to natural gas, which is cleaner than coal when it comes to local air toxins. The problem is that the price of natural gas has shot up—partly because of the war in Ukraine and the need of Europe for this energy source. Virtually every gas tanker is now headed to Europe and this is impinging on India's clean gas transition.

So, I am not an apologist for coal. But I am asking this "why-coal-and-not-gas" question because the science of pollution for local and global is not the same. Coal emits carbon dioxide (CO2).

Natural gas emits half of what coal emits in terms of CO2 as well as methane. These are not local pollutants, but add to warming because of their long-life in the atmosphere.

The technology pathway for these pollutants is two-fold: One, is to reduce the use of coal and gas by increasing efficiency or by switching to renewables. Two, is to continue to use the fuel but capture the CO2 and then store it underground or utilise it (using carbon capture and storage or CCS and carbon capture, utilisation and storage or CCSU). In the case of natural gas, methane control means detecting leakages and preventing the gas from escaping into the atmosphere.

I am explaining this to say that we need to understand the difference in local and global pollution strategies and not mix up the two. Coal is bad, and so is natural gas, when it comes to climate change. Both require strategies for switch, phase out and abatement.

Then why is it that the western world, which has till date built its economy on dirty coal, is now wedded to gas as its dream fuel? The EU has baptised it as "green fuel". The oil and gas companies are drilling more gas, terming it as the necessary energy source.

In fact, it is now argued that the question is not the continued dependence on natural gas but the need for abatement of emissions. It is even said, within energy circles, that green hydrogen—manufactured using renewable or other green fuel—is not necessary for the green transition.

Blue hydrogen, made from natural gas, is also green if the emissions are abated and CO2 captured. The emphasis is on abatement and not on the phase out of fossil fuel, that is natural gas. So, I ask again, why not discuss abatement in the case of coal?

A recent paper published in *Nature Climate* by Greg Muttitt and others from the International Institute of Sustainable Development and University College, London, discusses how the Intergovernmental Panel on Climate Change (IPCC) underestimates the need to cut down on gas and oil—gas usage needs to only fall down by 14 per cent by 2030, as compared to the complete and unrealistic phase out of coal, which it says must happen in the coming 10 years to stay below 1.5°C.

They conclude that the 1.5°C pathway needs drastic emission reductions of coal, and of oil and gas; and that this underestimation puts a huge burden on coal-dependent countries of the South. In fact, they calculate that the speed of transition that is required from the developing world is 2x more than any country has done till date.

The question also is why should countries of the western world, which have already appropriated the giant share of the carbon budget—way beyond any definition of fair share—be given a free pass on the continued use of natural gas? I ask these questions, not to deny the need for a transition, but to provoke replies, which I hope will help us build a future that is both shared and clean. DTE

The writer is the Director-General of CSE and editor of ownToEarth. Views expressed are personal