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ओएनजीसी

ONGC

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Headline: Demand for petroleum products in India estimated to grow by 4 percent: Report

भारत में पेट्रोलियम उत्पादों की मांग 4 प्रतिशत बढ़ने का अनुमान- रिपोर्ट

आज समाज नेटवर्क

नई दिल्ली। फिच रेटिंग्स की रिपोर्ट के अनुसार, 31 मार्च 2025 को समाप्त होने वाले चालू वित्त वर्ष में भारत में पेट्रोल, डीजल और एलपीजी जैसे पेट्रोलियम उत्पादों की मांग तीन से चार प्रतिशत बढ़ने की उम्मीद है। रेटिंग एजेंसी ने रिपोर्ट में कहा कि इसकी वजह कंज्यूमर, इंडस्ट्रियल और इन्फ्रास्ट्रक्चर जैसे क्षेत्रों में पेट्रोलियम उत्पादों की मांग बढ़ना है। रिपोर्ट में कहा गया कि भारतीय तेल वितरण कंपनियों (ओएमसी) के रिफाइनरी मार्जिन वित्त वर्ष 25 के मिड-साइकिल के स्तरों से नीचे आने की उम्मीद है। इसका कारण अधिक रीजनल आपूर्ति और कच्चे तेल की किस्मों की कीमतों में अंतर कम होना है।

रिपोर्ट में आगे बताया गया कि मार्केटिंग मार्जिन वित्त वर्ष 24 में बेहतर रहेंगे, क्योंकि कच्चे तेल की कीमत चालू वित्त वर्ष में निचले स्तरों पर रही है। रिपोर्ट में आगे कहा गया कि इससे तेल वितरण कंपनियों पर कम रिफाइनिंग मार्जिन के चलते आ रहा दबाव कम होगा, हालांकि एचपीसीएल-मित्तल एनर्जी लिमिटेड (एचएमईएल) जैसी शुद्ध रिफाइनर कंपनियों को मुनाफे के मोर्चे पर अधिक दबाव का सामना करना पड़ेगा। हमें उम्मीद है कि वित्त वर्ष 26 में रिफाइनिंग मार्जिन अपने मिड-साइकिल स्तर पर पहुंच जाएगा, क्योंकि रीजनल ओवरसप्लाई कम हो जाएगी और ब्रेंट कच्चे तेल की कीमतें हमारे अनुमान के अनुरूप गिरेंगी।

इस दौरान मार्केटिंग मार्जिन का सपोर्ट बना रहेगा। ऑयल एंड नेचुरल गैस कॉरपोरेशन लिमिटेड (ओएनजीसी) और ऑयल इंडिया लिमिटेड (ओआईएल) जैसी अपस्ट्रीम कंपनियों के मुनाफे में कम उत्पादन और कच्चे तेल की कम कीमतों के कारण गिरावट की उम्मीद है। फिच रेटिंग्स ने कहा कि पुराने क्षेत्रों से उत्पादित गैस की घरेलू कीमतें वित्त वर्ष की दूसरी छमाही में 6.5 डॉलर/एमएमबीटीयू पर सीमित रहने की उम्मीद है, क्योंकि वे एक सूत्र द्वारा निर्धारित की जाती हैं जो कीमतों को कच्चे तेल की कीमतों के 10 प्रतिशत के बराबर है। रिपोर्ट में आगे बताया गया कि वित्त वर्ष 2025 में भारत का कच्चा तेल उत्पादन दो से तीन प्रतिशत घटेगा, क्योंकि अपस्ट्रीम कंपनियां टेक्नोलॉजी निवेश के माध्यम से पुराने क्षेत्रों में प्राकृतिक उत्पादन में गिरावट को रोकने के लिए संघर्ष कर रही हैं। हालांकि, वित्त वर्ष 2026 में उत्पादन में कम से कम एकल अंकों के प्रतिशत की वृद्धि होनी चाहिए। देश की कच्चे तेल के आयात पर निर्भरता निकट भविष्य में बढ़ती रहेगी। इसकी वजह पेट्रोलियम उत्पादों की मांग में वृद्धि होना और घरेलू स्तर पर उत्पादन समान रहना है।

ओएनजीसी

ONGC

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Date :6 January 2025	Page : 11

Headline: Demand for petroleum products in India expected to grow by 4 percent: Report

भारत में पेट्रोलियम उत्पादों की मांग 4 प्रतिशत बढ़ने का अनुमान : रिपोर्ट

नई दिल्ली, 5 जनवरी (एजेंसियां)। फिच रेटिंग्स की रिपोर्ट के अनुसार, 31 मार्च 2025 को समाप्त होने वाले चालू वित्त वर्ष में भारत में पेट्रोल, डीजल और एलपीजी जैसे पेट्रोलियम उत्पादों की मांग तीन से चार प्रतिशत बढ़ने की उम्मीद है। रेटिंग एजेंसी ने रिपोर्ट में कहा कि इसकी वजह कंज्यूमर, इंडस्ट्रियल और इन्फ्रास्ट्रक्चर जैसे क्षेत्रों में पेट्रोलियम उत्पादों की मांग बढ़ना है। रिपोर्ट में कहा गया कि भारतीय तेल वितरण कंपनियों (ओएमसी) के रिफाइनरी मार्जिन वित्त वर्ष 25 के मिड-साइकिल के स्तरों से नीचे आने की उम्मीद है। इसका कारण अधिक रीजनल आपूर्ति और कच्चे तेल की किस्मों की कीमतों में अंतर कम होना है।

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रिपोर्ट में आगे कहा गया कि इससे तेल वितरण कंपनियों पर कम रिफाइनिंग मार्जिन के चलते आ रहा दबाव कम होगा, हालांकि एचपीसीएल-मित्तल एनर्जी लिमिटेड (एचएमईएल) जैसी शुद्ध रिफाइनर कंपनियों को मुनाफे के मोर्चे पर अधिक दबाव का सामना करना पड़ेगा। हमें उम्मीद है कि वित्त वर्ष 26 में रिफाइनिंग मार्जिन अपने मिड-साइकिल स्तर पर पहुंच जाएगा, क्योंकि रीजनल ओवरसप्लाई कम हो जाएगी और ब्रेंट कच्चे तेल की कीमतें हमारे अनुमान के अनुरूप गिरेंगी। इस दौरान मार्केटिंग मार्जिन का सपोर्ट बना रहेगा। ऑयल एंड नेचुरल गैस कॉरपोरेशन लिमिटेड (ओएनजीसी) और ऑयल इंडिया लिमिटेड (ओआईएल) जैसी अपस्ट्रीम कंपनियों के मुनाफे में कम उत्पादन और कच्चे तेल की कम कीमतों के कारण गिरावट की उम्मीद है। फिच रेटिंग्स ने कहा कि पुराने क्षेत्रों से उत्पादित गैस की घरेलू कीमतें वित्त वर्ष की दूसरी छमाही में 6.5 डॉलर/एमएमबीटीयू पर सीमित रहने की उम्मीद है, क्योंकि वे एक सूत्र द्वारा निर्धारित की जाती हैं जो कीमतों को कच्चे तेल की कीमतों के 10 प्रतिशत के बराबर है।

ओएमसी के रिफाइनरी मार्जिन वर्ष 25 के मिड-साइकिल के स्तरों से नीचे आने की उम्मीद

रिपोर्ट में आगे बताया गया कि वित्त वर्ष 2025 में भारत का कच्चा तेल उत्पादन दो से तीन प्रतिशत घटेगा।

ओएनजीसी
ONGC

Publication : Millennium Post	Editions : Kolkata
Date :6 January 2025	Page : 6

JU EXPERT TEAM TO VISIT ON TUESDAY FOR PROBE

Rajpur-Sonarpur: Spread of oil-like-black sticky liquid substance creates panic

GOURAB NETO

KOLKATA: An oil-like-black sticky liquid substance that has been spreading all over the outside wall of a house for the past two years is now creating panic among residents in ward 29 of Rajpur Sonarpur Municipality.

The owner of the house Ratan Sarkar of Fartabad Road area in Rajpur-Sonarpur area informed the municipality that about two years ago he repaired the 50-year-old house following which the problem started. A black sticky oil-like substance was spotted spreading all over the outside wall of the house. Initially Sarkar thought that it was happening due to some paint related problems but later found that the substance is spreading rapidly and upwards.

Recently, the matter was conveyed to the Rajpur-Sonarpur Municipality along with several other institutions like Jadavpur University (JU) and ONGC. Though the representatives from the municipality and ONGC have already visited the house, nobody could determine the substance. The ONGC representative claimed that the substance can be identified after a thorough examination. On Tuesday, representatives from the JU are scheduled to visit the house.

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Date :6 January 2025	Page : 4

Headline: 'No attempt should be made to remove the truck and machine stuck in the ground'

ओएनजीसी की तकनीकी टीम ने सौंपी रिपोर्ट

'जमीन में धंसे ट्रक और मशीन को निकालने के प्रयास नहीं हों'

जैसलमेर @ पत्रिका. जिले के मोहनगढ़ नहरी क्षेत्र के 27 बीडी चक में बोरवेल खुदाई के दौरान फूटी जलधारा का दबाव से निकलने का दौर भले ही थम गया है, लेकिन मौके से सभी को दूर रहने की नसीहत दी गई है। कलक्टर प्रतापसिंह नाथावत ने बताया कि टीम ने तकनीकी रिपोर्ट सौंपी है, जिसमें घटना स्थल से दूरी बनाए रखने की नसीहत दी गइ है। उन्होंने बताया कि रिपोर्ट में यह भी बताया कि ट्रक और 22 टन वजनी मशीन को बाहर निकालने की स्थिति में खतरा होने की आशंका है। संभावना जताई जा रही है कि ट्रक और मशीन के कारण ही पानी व गैस का दबाव के साथ रिसाव बंद हुआ हो और मशीन निकलने से एक बार फिर प्रेशर के साथ कहीं पानी और मिट्टी निकलना शुरू होने की आशंका है। आगामी प्रक्रिया तक यथास्थिति बनाए रखने का जिक्र रिपोर्ट में किया गया है।

ओएनजीसी
ONGC

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Date :6 January 2025	Page : 12

'Demand for Petro Goods may Rise 4% This Fiscal'

IANS

New Delhi: India's demand for petroleum products such as petrol, diesel and LPG is expected to rise 3-4% in the current financial year ending on March 31, 2025, according to a Fitch Ratings report.

The growth is driven by rising consumer, industrial and infrastructure demand, the rating agency said in the report.

For India's oil marketing companies (OMCs), refinery margins are expected to fall below their mid-cycle levels in FY25 amid lower product cracks, regional oversupply, and lower benefits from price differences between crude varieties, the report states.

However, marketing margins would be better than FY 24 due to lower Brent crude oil prices in the current financial year, the report states.

"This will mitigate the pressures from lower refining margins for the oil marketing companies, although pure refiners like HPCL-Mittal Energy's (HMEL, BB+/Stable) will face greater pressure on profitability. We expect refining margins to recover to their mid-cycle levels in FY26, as the regional oversupply eases and Brent crude oil prices fall in line with Fitch's assumption,

while we project marketing margins to remain supportive.

HMEL's low rating headroom in FY25 will improve in FY26 due to a gradual normalisation in refining margins," the report said.

For the upstream companies such as Oil and Natural Gas Corporation (ONGC) and Oil India (OIL), profits are expected to dip due to subdued production and lower crude oil prices.

Fitch Ratings said domestic prices for gas produced from old fields are expected to continue to be capped at $6.5/MMBTU in 2HFY25, as they are determined by a formula that benchmarks prices to 10% of crude prices.

India's oil and gas production is expected to be broadly flat in FY25. The report said India's crude oil production would fall by two to three per cent in FY25, as upstream companies struggle to arrest the natural output decline at ageing fields through technology investments to raise recovery and tap isolated reservoirs.

ओएनजीसी
ONGC

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Date :6 January 2025	Page : 2

'Oil import dependence to increase in FY25 as domestic production declines'

Our Bureau
New Delhi

The reduction in domestic crude oil production from mature fields, coupled with the inability of Indian exploration and production (E&P) companies to arrest the decline, will reflect in increased reliance on imports in FY25.

Fitch Ratings says: "We expect India's crude oil production to fall by 2-3 per cent in FY25 (7M FY25: -3 per cent). The fall reflects the struggle of companies like ONGC to arrest the output decline at mature fields through technology investments to tap isolated reservoirs," the agency projected.

However, production should grow by low single-digit percentages in FY26 as production increases at ONGC's offshore field in the KG Basin and at privately owned fields, it added.

"We expect India's crude oil import dependency to increase further in the near term, propelled by faster growth in petroleum product demand compared to domestic production," Fitch said.

India's crude oil import dependency stood at 88.1 per cent in 7MFY25 (87.8 per cent in FY24 and 77.6 per cent in FY14). Russia was the largest supplier at 39 per cent in H1 FY25, it added.

'The production reflects the struggle of companies like ONGC to arrest the natural output decline'

NATURAL GAS DEMAND

Fitch expects India's total gas consumption to rise by around 10 per cent in FY25 (7M FY25: 11 per cent).

Consumption rose by 11-14 per cent in the city gas distribution, refinery and petrochemical segments in 7M FY25. India's natural gas production will grow by a low single-digit rate in FY25 (7M FY25: 2 per cent), supported by ONGC's development projects on the west and east coasts, including from the KG Basin. However, the growth is expected to decelerate from the 9 per cent CAGR over FY21-FY24 when RIL's KG Basin achieved peak production of around 27 million standard cubic metres per day.

"We expect LNG imports to increase by around 20 per cent in FY25 (7M FY25: 22 per cent). This will be driven by increasing demand and lower international gas prices that will improve affordability for price-sensitive sectors," the rating agency projected.

GAS PRICES

"We believe CGD companies may raise prices for piped natural gas and compressed natural gas in the near term as they try to cover the shortfall in domestically produced input gas with gas from more expensive deep-water offshore fields and LNG imports," Fitch Ratings said.

ओएनजीसी
ONGC

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Date :6 January 2025	Page : 2

OMCs may see muted refining margins in FY26

ARUNIMA BHARADWAJ
New Delhi, January 5

STATE-OWNED OIL MARKETING companies (OMCs) are likely to register subdued gross refining margins (GRMs) during FY26 due to sluggish global consumer and industrial demand, particularly in China, and additional supply from global refinery capacity expansions, according to analysts. However, robust domestic demand for petroleum products, driven primarily by diesel, petrol and LPG, is expected to support healthy marketing margins during FY26.

According to India Ratings, the credit profile of downstream companies is likely to remain stable in FY26. The agency attributes this to strong domestic demand and healthy marketing margins, which are expected to offset the impact of compressed GRMs, resulting in a solid overall Ebitda. "Petrochemical (petchem) Ebitda started improving during FY25, after remaining under pressure during FY24, on account of an improvement in the spreads for petrochemical products," India Ratings stated. The agency predicts that Ebitda for standalone petchem players and the petchem segment of integrated refiners will improve in FY26 compared to the lows seen in FY24.

SLIPPERY PATH

- It is due to sluggish global consumer and industrial demand, particularly in China
- The credit profile of downstream companies is likely to remain stable in FY26, analysts said
- Integrated OMCs benefitted from healthy marketing margins during H1FY25

- India's upstream companies may face a decline in Ebitda due to moderating oil prices
- Oil prices averaged $78.7/bbl in Q2 FY25
- It declined to $75.2/bbl in October & $73.02/bbl in November

During the first half of FY25, integrated OMCs benefitted from healthy marketing margins, supported by declining crude oil prices, subdued crack spreads and stable retail prices.

"Indian oil and gas demand is expected to remain strong in FY26, leading to an expansion in refinery and petrochemical capacities. India's refinery capacity is expected to increase by 22% in the next two-three years. India Ratings expects the strong demand to be driving oil and gas investments decisions in India," said Bhanu Patni, associate director, corporates, India Ratings.

While downstream companies are expected to maintain healthy Ebitda, the country's upstream companies may face a decline in Ebitda due to moderating oil prices and reduced production from legacy fields. However, the impact of low crude oil price is expected to be offset by the removal of special excise on the production of crude and an increase in production expected from new discoveries, India Ratings said.

"Upstream companies will continue to earn healthy margins, despite the current decline in crude oil prices, as they would remain above $65 per barrel. This would keep sufficient cushion in margin, with estimated break-even cost of production at $40-45/bbl, leaving an Ebitda of $20-30/bbl," it added.

Oil prices averaged $78.7/bbl in Q2FY25, declining to $75.2/bbl in October and $73.02/bbl in November. Analysts expect crude prices to remain influenced by geopolitical developments, demand recovery, and productioben targets set by OPEC. "However, for domestic producers, India Ratings expects some relief from the impact of decline in oil prices on account of the removal of windfall profit tax on crude," the agency noted.

For the city gas distribution (CGD) sector, return on invested capital is expected to moderate but remain healthy. However, funding capex for new geographical areas could face pressure due to declining internal accruals.

"Performance of standalone petrochemical players may improve during FY26 as they benefit from an improvement in the crack spreads and easing of the oversupply situation created due to the rampant capacity addition during FY19-FY24, especially in China," the agency highlighted.

The government's earlier reduction in domestic gas allocation to CGD companies has created challenges for the sector. Rising demand in the CGD segment, coupled with declining administered price mechanism (APM) gas production, has led to a reduced priority allocation of APM gas, especially for CNG.

Analysts see the reduced allocation will expose the players in the sector to the risk of managing long-term supply contracts. "CGD companies on a blended basis earn an Ebitda margin of ₹7-10 per scm, which could reduce by ₹3.0-4.0/scm depending on their volume mix post the reduction in allocation of domestic gas for CGD sector," India Ratings said.

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Date :6 January 2025	Page : 5

CITY GAS JOINT VENTURE OF BPCL, GAIL AND IGL

MNGL Likely to List on Bourses Next Fiscal

Kalpana Pathak

Mumbai: State-run Bharat Petroleum Corporation (BPCL), GAIL India, and Indraprastha Gas (IGL) are planning to list their joint venture city gas distribution company, Maharashtra Natural Gas (MNGL) in the coming financial year, said people aware of the development.

IGL currently owns 50% of MNGL with BPCL and GAIL holding 22.5% each. The Maharashtra government has remaining 5% stake through Maharashtra Industrial Development Corporation (MIDC).

The over ₹1,000 crore initial public offering will comprise an offer for sale (OFS) and a fresh issue. Through the OFS component, IGL—the largest shareholder—will partly offload its shareholding, the people said.

"The MNGL board has given in-principle approval to list the company. It will now begin the process to shortlist the book-running lead managers," said an official aware of the developments, adding that "the details are yet to be worked out."

MNGL caters to Pune, Pimpri-Chinchwad, and surrounding areas. It is also expanding into other districts in Maharashtra, Karnataka, and Telangana. The company sells compressed natural gas (CNG) for the transportation sector and piped natural gas (PNG) for domestic, commercial, and industrial use.

BPCL, GAIL, and IGL did not respond to ET's queries.

"It is the most profitable joint venture we have, and we plan to unlock value for investors. MNGL will raise over ₹1,000 crore. The proceeds will be used to expand operations," said an official from one of the companies mentioned above.

MNGL clocked highest-ever revenue of ₹3,001.88 crore in the last financial year. Ebitda grew 41% to ₹961.53 crore, and net profit jumped 45% to ₹610.12 crore. Earnings per share (EPS) was at ₹61.01.

MNGL had installed 246 CNG stations, and set up 846 industrial and commercial connections and 858,000 domestic piped natural gas connections as of FY24-end. MNGL would become the sixth pure-play city gas distribution player to get listed.

IGL will offload part of its stake in IPO, which will also raise over ₹1,000 crore, sources said

Currently, Adani Total Gas is the largest CGD company by market capitalisation at ₹79,983 crore, followed by Gujarat Gas at ₹35,386 crore and Delhi-based Indraprastha Gas at ₹30,884 crore.

MNGL's IPO plans come at a time when the city gas distribution sector is reeling under a 20% gas supply cut under the administered price mechanism (APM). CGDs receive gas from older fields which are seeing a natural decline.

Subsequently, the Centre has been reducing APM gas allocation to CGD companies. This has led to city gas retailers hiking CNG prices by Rs 2-3 per kg as they had to replace the supply with more expensive non-APM gas or imported liquefied natural gas (LNG).

Publication : Business Standard	Editions : New Delhi
Date :6 January 2025	Page : 1, 8

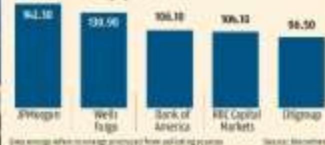
Major Wall Street banks quit once popular climate alliance

BLOOMBERG
5 January

Within the span of a month, Wall Street's biggest banks have quit what had been one of the most popular clubs inside global finance.

The Net-Zero Banking Alliance (NZBA) — a group dedicated to helping lenders reduce their carbon footprints — has in quick succession been abandoned by Goldman Sachs Group, Wells Fargo & Co, Citigroup, Bank of America and Morgan Stanley. JPMorgan Chase & Co, the largest US bank, looks to be next in line.

The moves reflect US banks' desire to shield themselves from increasing political pressure as Donald Trump returns to the White House. And NZBA is bracing for more US exits. Secretariat Lead Sarah Kemmitt told members in a December 31 letter seen by Bloomberg. She cited the "political environment."



At the same time, the real-world impact of the NZBA defections is unclear. According to data, banks have stepped up their financing of the fossil-fuel industry since the alliance was formed in 2021.

Membership of NZBA was likely more a case of "virtue signalling" than "meaningful climate impacts," said Jill Fisch, a business law professor at the University of Pennsylvania.

A spokesperson for NZBA declined to comment.

The wave of NZBA exits follows behind-the-scenes tensions that have been brewing for more than two years. In 2022, JPMorgan and Morgan Stanley were among banks pushing back against binding targets on climate finance. NZBA then watered down some requirements, and members stayed put. But as the Republican Party grows more hostile toward climate-friendly organisations, the finance industry is repositioning itself.

The alliances were created in order to encourage the finance industry to take into account the longer-term cost of supporting oil, gas and coal.

Back in 2021, when NZBA was formed, banks now leaving the alliance proudly touted their membership. BofA Chief Executive Officer Brian Moynihan spoke of a "commitment to net zero" in his role as co-chair of the Sustainable Markets Initiative, whose stated mission is to "build a coordinated global effort" to help green the private sector.

And in an April 2021 statement announcing its agenda, the world's biggest coalition for climate finance — the Glasgow Financial Alliance for Net Zero — said it would "require signatories to set science-aligned interim and long-term goals to reach net zero no later than 2050."

GFANZ ended 2024 by recalibrating its mission as banks flee and GOP attacks intensify. The group is distancing itself from the net zero alliances for which it had previously been an umbrella organisation. Going forward, GFANZ will make its guidance available to financial firms, whether they're committed to a net zero alliance or not.

A GFANZ spokesperson declined to comment beyond the public statements.

All banks exiting NZBA have made statements to say they still recognise decarbonisation as a goal. But have also made clear that their biggest duty is to serve their clients. None has provided an official reason for quitting the alliance.

Meanwhile, Wall Street firms continue to earn considerably more from arranging fossil-fuel deals than their European counterparts. Last year, JPMorgan lead the league table of banks underwriting bonds and loans for oil, gas and coal firms. Global banks provided $680 billion worth of fossil-fuel loans and bond deals in 2024.

ओएनजीसी
ONGC

Publication : Mint	Editions : New Delhi
Date :6 January 2025	Page : 9

Nayara Energy's 20-million-tonnes-a-year refinery at Vadinar in Gujarat. BLOOMBERG

Nayara set to add a fuel station per day

Nayara Energy, India's largest private fuel retailer, plans to add 400 petrol pumps this year to expand its retail network across various states, the firm said in a statement on Sunday.

With over 6,500 retail outlets across India, Nayara Energy has been adding new retail outlets to its network and has been growing steadily across various states such as Gujarat, Maharashtra, Tamil Nadu and Rajasthan.

Nayara said it "is well on track to add 400 retail outlets this year".

In line with its plans to aggressively grow in India, Nayara Energy has also revamped its dealer programme to onboard new dealers and give a boost to local entrepreneurship. It is now inviting applications for new dealerships across the country to open petrol pumps.

Nayara operates a 20-million tonnes a year refinery at Vadinar in Gujarat. PTI

ओएनजीसी
ONGC

Publication : The Hindu	Editions : New Delhi
Date :6 January 2025	Page : 2

Moving away from coal a must: South African court upholds 'Cancel Coal' case

The court ruled the energy minister and the national energy regulator couldn't provide enough evidence to show that the ill effects of coal power on the environment and the health of the people, especially children, had been considered, suggesting they didn't 'comply with their constitutional obligations'

Priyali Prakash

Civil society organisations claimed a landmark victory against fossil fuel power in South Africa on December 4 when the High Court in Pretoria turned down the national government's plan to add more coal-fired power stations to the country's power grid. According to the court, the government's plan was "inconsistent with the Constitution of the Republic of South Africa" and thus unlawful.

The 'Cancel Coal' case

In its Integrated Resource Plan (IRP), the government of South Africa announced in October 2019 that it plans to add 1,500 MW of coal power to the country's national grid - 750 MW by 2023 and another 750 MW by 2027.

The Minister of Mineral Resources and Energy and the National Energy Regulator of South Africa in 2020 backed the announcement.

In 2021, youth-led civil organisations including the African Climate Alliance, the Vukani Environmental Justice Movement in Action, and the Groundwork Trust, represented by the Centre for Environmental Rights, brought the case against the government's plan. The group alleged that the plan would harm the environment and cause health issues, especially among children. The case soon acquired the popular monicker "Cancel Coal."

South Africa's energy mix

Like most economically developing nations, South Africa is heavily dependent on coal for its energy needs.

According to estimates by the International Energy Agency, almost 71% of the country's total energy supply came from coal power in 2022.

According to an analysis of global emissions through history by Climate Watch, South Africa is the world's 16th largest emitter of greenhouse gases.

South Africa has ratified the Paris Agreement, which means it is legally bound to cut its greenhouse gas emissions and contribute to mitigating global warming.

According to the Nationally Determined Contributions South Africa submitted in 2021, the country plans to cut 350-420 million tonnes of carbon-dioxide-equivalent (MtCO2e) of greenhouse gas emissions by 2030. It has also committed to reaching net-zero by 2050.

In July 2024, the country's President Cyril Ramaphosa signed the Climate Change Act into law, which includes a clause to reduce greenhouse gas emissions.

Cancel Coal protests in South Africa. GROUNDWORK

Details of the judgement

Civil society organisations contended that the government's plan to add more coal power didn't consider the rights of children as granted by the Constitution of South Africa.

According to the Constitution, South African citizens have the right "to have the environment protected, for the benefit of present and future generations." This is to be ensured through measures that "prevent pollution and ecological degradation, promote conservation, secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development."

The court ruled that the Minister of Mineral Resources and Energy and the National Energy Regulator couldn't provide enough evidence to show that the ill effects of the coal power on the environment and the health of the people, especially children, had been considered, suggesting they didn't "comply with their constitutional obligations."

Speaking to *The Hindu*, Ritwick Dutta, environmental justice lawyer and associate at Doughty Street Chambers U.K., said the order is a significant development in the field of climate litigation.

South Africa is heavily dependent on coal for energy. Almost 71% of the country's total energy supply came from coal in 2022. According to an analysis by Climate Watch, South Africa is the world's 16th largest emitter of greenhouse gases

"Although, at the core, the judgment still follows the basic principles of administrative law – duty to give reasons and non-application of mind to relevant consideration – what is however significant is the fact that the court held that the minister, while according approval, did not take into account the interest of the future generations or the unborn generations."

He also highlighted the fact that "since the Court relied on Section 28 of the South African Constitution, which requires the state to protect the child against 'neglect and degradation' to hold that the governments/ministers decision was not in the 'best interest of the child'. The implication of this judgment as I see it is the requirement that a minister/government decision must not be based on the immediate short-term need but must consider a long-term holistic view," Mr. Dutta said.

A 2019 study published in the *International Journal of Environmental Research and Public Health* reviewed epidemiological literature to understand the impact of coal-fired power plant emissions on children's health. It concluded that they affect children negatively due to their "developing physiology, anatomy, metabolism, and health behaviours." The review also observed that children who lived near a coal-fired plant exhibited more asthma and respiratory-related conditions.

Environmental justice

The case is also an example of environmental justice in the context of transitioning away from coal worldwide.

"Even in India, for the first time three ministries – Ministry of Power, Ministry of Environment, Forest and Climate Change and the Ministry of New and Renewable Energy – jointly filed an affidavit before the Supreme Court in the case of *M.K Ranjitsingh versus Union of India* that India will have to move from polluting coal to wind and solar not only to ensure cleaner air but also to meet its commitment under the Paris Agreement," Mr. Dutta said. "Coal will continue to meet the energy requirement in the short run, but it is now accepted that transition is a must if the world has to slow down climate change. The fact that courts globally are recognising this reality is ... only natural."

The lawyer also said that even though this case is limited to coal power, combating climate crisis goes beyond it. "Judicial decisions on climate change are a recognition of both the urgency to deal with climate crisis and the fact that civil society groups and citizens have an important role to play in tackling the crisis. It should not be forgotten that the South African judgement is an outcome of litigation undertaken by three civil society groups. It is therefore crucial that the state and the judiciary are more open and receptive towards divergent views on dealing with a crisis of an unparalleled nature," he added.

THE GIST

- In 2021, civil organisations represented by the Centre for Environmental Rights sued the government over plans to start more coal fired plants
- South Africa has ratified the Paris Agreement, which means it is legally bound to cut its emissions. It plans to cut 350-420 million tonnes by 2030. In 2024 President Ramaphosa also signed the Climate Change Act into law
- A 2019 study concluded that children's physiology, anatomy, and metabolism were negatively affected by plant emissions. The review observed that children who lived near a coal-fired plant exhibited more asthma and respiratory-related conditions

ओएनजीसी
ONGC

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CLEANTECH

Renewed focus needed on green energy

The year 2025 will march past some key milestones in renewable energy. But for India to achieve its international climate action commitments and its net zero ambition, some course correction is necessary. We give you a checklist of things India got right, and the not-so-effective ideas it must abandon on its path to achieving net zero **p6**

ओएनजीसी
ONGC

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Date :6 January 2025	Page : 1, 6

RENEWED FOCUS

Green energy: The two dos and the two don'ts

TIME FOR REAPPRAISAL. A checklist of things India got right, and the not-so-effective ideas it must abandon on its path to net zero

ISTOCK.COM

M Ramesh

The renewable energy sector will witness three milestone events early in 2025.

First, solar power capacity will cross the 100-GW mark. Second, wind power capacity will exceed 50 GW. Third, total renewable energy capacity in India — counting wind, solar, wind-solar hybrid, biomass and small hydro, but not large hydro and nuclear — will exceed 200 GW.

So, the task before the country — including policymakers and industry — is to build on this base. For that to happen, India must abandon two things in order to focus adequately on two other vital needs.

Many industry experts and studies have pointed out that green hydrogen is still some distance away. None less than Dr Fatih Birol, Executive Director of the International Energy Agency, has stated this categorically. A recent report by the agency also says pretty much the same. Another report, by the International Institute for Sustainable Development and the Centre for Study of Science, Technology and Policy (CSTEP), after dilating on why unsubsidised green hydrogen will be uncompetitive until around 2050, suggested that the government should adopt a "revised timeline, at a realistic level of ambition". It also highlighted the burden on water resources from the use of electrolysers.

THE SUBSIDY CONUNDRUM

If further reason was needed for why green hydrogen is not worth pursuing right now, it came from the meeting between green hydrogen developers and the Ministry of New and Renewable Energy (MNRE) on December 19, 2024. Among the many asks of the developers was "long-term subsidies" — for 15-20 years — to "bridge the gap between grey hydrogen and green hydrogen", according to one participant.

By all accounts, the Ministry did not find this acceptable. Additionally, the developers highlighted issues with European certification requirements, high port handling charges and the grid-related problems of the power plants that supply electricity to electrolysers.

So far, 10 developers have been awarded contracts for 4,12,000 tonnes of green hydrogen and another eight companies for 1,500 MW of annual electrolyser production. The green hydrogen industry appears unlikely to sustain without subsidies.

Clearly, green hydrogen is fit to be shelved until technology comes up with better solutions — such as solar-powered seawater electrolysers.

MORE HEADWINDS

The second avoidable activity is offshore wind. The government has announced ₹6,853-crore viability gap funding for 1,000 MW of offshore projects — 500 MW each off the Gujarat and Tamil Nadu coasts. This is in addition to the ₹600 crore grant for upgrading the Thoothukudi and Pipavav ports to handle wind project cargo.

The government company SECI has tendered out seabed leasing rights for 4 GW of offshore projects, and the setting up of 500 MW offshore wind projects; companies have time till February 4 to submit bids. The auction target is 30 GW by 2030.

Industry insiders have often pointed to the difficulty in securing installation services. It is unlikely that any meaningful offshore capacity will come up in the next decade.

There are two contrasting views about offshore wind.

The favourable view is that one cannot ignore offshore wind in a country like India, which has big potential. Besides, for climate action, you need all weapons, including offshore wind. The opposite view is that offshore wind, even after costs have declined considerably, is way too expensive — around ₹7 a kWhr (compared with ₹3.3-₹3.6 for onshore wind-solar hybrid) — and hence can wait, especially in a country like India, which has huge untapped onshore potential.

Further, it is argued that the funds earmarked for offshore subsidies would be better utilised elsewhere — such as in building a transmission link to Sri Lanka.

WHAT WORKS

During the recent visit of Sri Lankan President Anura Dissanayake to India, one of the issues discussed was building a power transmission link between the neighbours.

Sri Lanka is estimated to have onshore wind potential of at least 45 GW (according to a 20-year-old survey). It is far easier and cheaper to build wind power projects in the island nation and wheel it up to India, with attendant geopolitical advantages.

The other imperative for India is to start using thorium, abundantly available in India, in existing and upcoming pressurised heavy water reactors. This is now feasible with the development of a new type of fuel, called ANEEL, by an Indian-owned, US-headquartered company called Clean Core Thorium Energy (CCTE). The company was in the news recently for inking an agreement with public sector power major NTPC for joint work on nuclear plants. Earlier, thorium was thought to be a fuel of the future — one that should wait until sufficient inventories of plutonium are built — but that is no longer true. Thorium is for now.

The year 2025 will march past some key milestones in renewable energy. But for India to achieve its international climate action commitments and its net zero ambition, some course correction is necessary.

Publication : The Indian Express	Editions : New Delhi
Date :6 January 2025	Page : 11

Moving past uncertainty

The challenge for 2025 is to steer towards progress, stability and sustainability

OVER THE BARREL

BY VIKRAM S MEHTA

HISTORIANS MAY DUB 2024 "the polycritical year" or "the year of uncertainty". "Polycrisis" is a buzzword first coined by a French philosopher to describe a situation in which the collective impact of distinct but interrelated threats is so overwhelming that it is not possible to identify the precise cause of the crisis and, therefore, provide a solution.

The year ended with the world at the junction of multiple crossroads — geopolitics, geoeconomics, geoenergy and geotechnics. One route leads to a dystopian future. The other is to progress, stability and sustainability. The challenge for 2025 is to resolve uncertainties and steer the world in the latter direction.

Seventy countries went to the polls in 2024. One thread linked the results of all the elections. The electorate voted against the incumbent leadership. In some countries, notably the USA and the UK, the ruling party was turfed out of office. In others like France and Japan, the leadership returned to power with a reduced mandate. Many commentators have provided an explanation for this wave of anti-incumbency. Some have adduced economic slowdown, others inflation, still others social media-induced polarisation and public anger. They are all correct. The explanation lies in a mix of these factors. What is uncertain is whether these factors capture fully the drivers behind this public reaction. Is this mood change an "aberrant moment in time" (President Joe Biden's comment regards President Trump's first term) or something structural and longer-lasting?

On the international front, the rules of engagement defined by the West after World War II are in tatters. This is manifest in the resurgence of pseudo-imperial and territorial atavism. President Putin reportedly wants to recreate "Imperia Rus", the kingdom of East Slavic states united by King Vladimir of Kiev in the 10th century. President Xi Jinping appears not to be interested in China taking "centre stage" as the Middle Kingdom. Prime Minister Benjamin Netanyahu is manic about the idea of "Greater Israel" in which there is no place for a Palestinian state. President Erdogan, in the aftermath of the collapse of the Assad dynasty in Syria, is rumoured to harbour ambitions of extending Turkey's regional sphere of influence — a la the Ottoman Empire — and President-elect Trump wants to "make America Great again".

What does all this augur? A return to modernist feudalism, the resurgence of Cold War antagonisms albeit with an expanded cast of adversaries? A step-by-step, unintended but potentially catastrophic conjoining of loosely connected ambitions to create the perfect storm of a global conflict?

The global economy is shrouded in similar uncertainty. The year ended with slowing growth rates, increased protectionism, rising public debt, erratic monetary policy and Trump's predictably unpredictable pronouncements on trade, taxes, technology, payment systems, alliances and immigration. The question is which button will he push. The answer must await the settling down of his administration but even then the direction of change will most likely be unclear. As will the ramifications.

The Green Energy transition has acquired significance because of global warming. The word "transition" can, however, be misleading. It signals the substitution of one embedded energy system with another. History would suggest, however, that this is an elusive objective.

The world has undergone two energy transitions — wood to coal in the 18th century and coal to oil in the 20th. Both were driven by technology, competitiveness and convenience. Neither led to the displacement of one energy source by another. What did happen was a flip in market shares. Coal displaced wood in the 19th century and oil displaced coal in the 20th as the dominant energy source. The "transitions" were, in other words, "additive "not substitative".

Technology has made renewable energy competitive and accessible and brought about the necessary conditions for increasing the market share of solar and wind in the energy consumption basket. It has not, however, removed the blockers to ensure their dominance. Three blockers create uncertainty about the pace and extent of the green energy transition. First, structural. The shift from an embedded energy system built around fossil fuels to a new system based on green energy requires massive redesign and rebuild — and decades. Second, finance. The resources needed to finance this redesign/rebuild run into trillions of dollars. No one entity can meet this requirement. The only way these amounts can be mobilised is through the conjoint working of public, private and multilateral institutions to devise innovative funding mechanisms. And three, politics. The phasing down, let alone the phasing out, of fossil fuels will trigger economic and social consequences. Elected leaders are, therefore, wary of treading down this path.

Global warming requires the current transition to be "substitutive" not "additive". The uncertainty is whether this is feasible. And if not, what would be the consequences?

Technology presents possibly the most worrying uncertainty. Few challenge the assertion that technological innovation has radically altered our lives. Few wish to place a block on further technological progress. That said, there are questions. Might the creator of "human competitive intelligence" lose control over his creation? What protocols should be put in place to safeguard against such (imagined?) risks? What are the ethical /human ramifications of AI (AIG), robotics, quantum computing and genetic engineering? How should the lines of accountability be defined? The best and brightest are engaged in a vibrant debate but as yet there is no clarity.

Polycritical uncertainties require global polycentric institutions. This is a heavy ask. But as the Greek philosopher Epictetus said, "We cannot choose our external circumstances, but we can always choose how we respond to them". In simpler terms, the global community should create multidisciplinary institutions and respond to these uncertainties collectively.

The writer is chairman and Distinguished Fellow, Centre for Social and Economic Progress

Online

Headline	India's demand for petroleum products expected to rise by 4 pc: Report		
Publication	Bhaskar Live	Edition	Online Coverage
Published Date	5 Jan 2025		

India's demand for petroleum products expected to rise by 4 pc: Report

https://bhaskarlive.in/indias-demand-for-petroleum-products-expected-to-rise-by-4-pc-report/

New Delhi, Jan 5 (IANS) India's demand for petroleum products such as petrol, diesel and LPG is expected to rise by three to four per cent in the

current financial year ending on March 31, 2025, according to a Fitch Ratings report.

The growth is driven by rising consumer, industrial and infrastructure demand, the rating agency said in the report.

For India's oil marketing companies (OMCs), refinery margins are expected to fall below their mid-cycle levels in FY25 amid lower product cracks, regional oversupply, and lower benefits from price differences between crude varieties, the report states.

However, marketing margins would be better than FY 24 due to lower Brent crude oil prices in the current financial year, the report states.

This will mitigate the pressures from lower refining margins for the oil marketing companies, although pure refiners like HPCL-Mittal Energy Limited's (HMEL, BB+/Stable) will face greater pressure on profitability. We expect refining margins to recover to their mid-cycle levels in FY26, as the regional oversupply eases and Brent crude oil prices fall in line with Fitch's assumption, while we project marketing margins to remain supportive. HMEL's low rating headroom in FY25 will improve in FY26 due to a gradual normalisation in refining margins, the report said.

For the upstream companies such as Oil and Natural Gas Corporation Limited (ONGC) and Oil India Limited (OIL), profits are expected to dip due to subdued production and lower crude oil prices. Fitch Ratings said domestic prices for gas produced from old fields are expected to continue to be capped at $6.5/MMBTU in 2HFY25, as they are determined by a formula that benchmarks prices to 10 per cent of crude prices.

India's oil and gas production is expected to be broadly flat in FY25. The report said India's crude oil production would fall by two to three per cent in FY25, as upstream companies struggle to arrest the natural output decline at ageing fields through technology investments to raise recovery and tap isolated reservoirs.

However, production should grow by low single-digit percentages in FY26, as production increases at ONGC's eastern offshore KG Basin, and at privately owned fields, it added.

The country's crude oil import dependency would continue to rise in the near term, due to the growth in demand for petroleum products not being matched by a rise in domestic crude oil production.

Headline	India's demand for petroleum products expected to rise by 4 pc: Report		
Publication	Daily Hunt (Mobile)	Edition	Online Coverage
Published Date	5 Jan 2025		

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https://m.dailyhunt.in/news/india/english/lokmattimes-epaper-lokmaten/india+s+demand+for+petroleum+products+expected+to+rise+by+4+pc+report-newsid-n646298732

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Headline	Rajpur-Sonarpur: Spread of oil-like-black sticky liquid substance creates panic		
Publication	Daily Hunt (Mobile)	Edition	Online Coverage
Published Date	6 Jan 2025		

Rajpur-Sonarpur: Spread of oil-like-black sticky liquid substance creates panic

https://m.dailyhunt.in/news/india/english/millenniumpost-epaper-millpost/rajpur+sonarpur+spread+of+oil+like+black+sticky+liquid+substance+creates+panic-newsid-n646369527

K olkata: An oil-like-black sticky liquid substance that has been spreading all over the outside wall of a house for the past two years is now creating panic among residents in ward 29 of Rajpur Sonarpur Municipality.

The owner of the house Ratan Sarkar of Fartabad Road area in Rajpur-Sonarpur area informed the municipality that about two years ago he repaired the 50-year-old house following which the problem started. A black sticky oil-like substance was spotted spreading all over the outside wall of the house. Initially Sarkar thought that it was happening due to some paint related problems but later found that the substance is spreading rapidly and upwards.

Recently, the matter was conveyed to the Rajpur-Sonarpur Municipality along with several other institutions like Jadavpur University (JU) and ONGC. Though the representatives from the municipality and ONGC have already visited the house, nobody could determine the substance. The ONGC representative claimed that the substance can be identified after a thorough examination. On Tuesday, representatives from the JU are scheduled to visit the house.

Headline	India's demand for petroleum products expected to rise by 4 pc: Report -Agencies | National - Dailyworld.in		
Publication	Dailyworld	Edition	Online Coverage
Published Date	5 Jan 2025		

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https://dailyworld.in/national/indias-demand-for-petroleum-products-expected-to-rise-by-4-pc-report-593759.html

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Publication	Lokmat Times	Edition	Online Coverage
Published Date	5 Jan 2025		

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https://www.lokmattimes.com/national/indias-demand-for-petroleum-products-expected-to-rise-by-4-pc-report/

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This will mitigate the pressures from lower refining margins for the oil marketing companies, although pure refiners like HPCL-Mittal Energy Limited's (HMEL, BB+/Stable) will face greater pressure on profitability. We expect refining margins to recover to their mid-cycle levels in FY26, as the regional oversupply eases and Brent crude oil prices fall in line with Fitch's assumption, while we project marketing margins to remain supportive. HMEL's low rating headroom in FY25 will improve in FY26 due to a gradual normalisation in refining margins, the report said.

For the upstream companies such as Oil and Natural Gas Corporation Limited (ONGC) and Oil India Limited (OIL), profits are expected to dip due to subdued production and lower crude oil prices. Fitch Ratings said domestic prices for gas produced from old fields are expected to continue to be capped at $6.5/MMBTU in 2HFY25, as they are determined by a formula that benchmarks prices to 10 per cent of crude prices.

India's oil and gas production is expected to be broadly flat in FY25. The report said India's crude oil production would fall by two to three per cent in FY25, as upstream companies struggle to arrest the natural output decline at ageing fields through technology investments to raise recovery and tap isolated reservoirs.

However, production should grow by low single-digit percentages in FY26, as production increases at ONGC's eastern offshore KG Basin, and at privately owned fields, it added.

The country's crude oil import dependency would continue to rise in the near term, due to the growth in demand for petroleum products not being matched by a rise in domestic crude oil production.

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Headline	India's demand for petroleum products expected to rise by 4 per cent: Report		
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India's demand for petroleum products expected to rise by 4 per cent: Report

https://nagalandpost.com/index.php/2025/01/06/indias-demand-for-petroleum-products-expected-to-rise-by-4-per-cent-report/

India's demand for petroleum products such as petrol, diesel and LPG is expected to rise by three to four per cent in the current financial year ending on March 31, 2025, according to a Fitch Ratings report.

The growth is driven by rising consumer, industrial and infrastructure demand, the rating agency said in the report. For India's oil marketing companies (OMCs), refinery margins are expected to fall below their mid-cycle levels in FY25 amid lower product cracks, regional oversupply, and lower benefits from price differences between crude varieties, the report states.

However, marketing margins would be better than FY 24 due to lower Brent crude oil prices in the current financial year, the report states. This will mitigate the pressures from lower refining margins for the oil marketing companies, although pure refiners like HPCL-Mittal Energy Limited's (HMEL, BB+/Stable) will face greater pressure on profitability.

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