



ONGC News as on 16 October 2024 (Print & Online)

THE COMPASS

Sentiment positive for OMCs amid lower oil prices, marketing margins

DEVANGSHU DATTA

Geopolitics is impacting the energy sector with crude oil prices falling below \$70/barrel (bbl) last month for the first time since December 2021. And, gross refining margins (GRMs) have collapsed to \$2/bbl, due to weak demand from China.

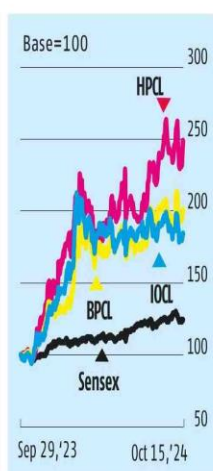
While weak GRMs will hurt oil marketing companies (OMCs), high retail and marketing margins will offset that impact.

Going forward, if these trends persist, OMCs could see strong profits. One potential issue may be government intervention to reduce retail prices ahead of the Maharashtra state election.

While this would restrict profits if crude prices stay down, it would lead to losses for OMCs if

crude bounces back. While benchmark Brent dropped below \$70/bbl, the Singapore GRM fell to \$2/bbl from an average of \$6/bbl in 2024 till date. The decline was due to fall in petrol and diesel refining margins, which fell from averages of \$15/bbl and \$19/bbl to below \$10/bbl. Brent was earlier estimated to average \$84/bbl in FY25, but demand weakness and possible production increases from OPEC-plus (after December 2024) could keep prices down.

OMC marketing margins have spiked, with the gross marketing margin for petrol and diesel at ₹10 per litre and ₹8.5 a litre, respectively, compared to a long term average of ₹3.5 per litre. Supernormal marketing profits can over-compensate for lower refining profits.



The Centre cut retail prices in March 2024, just ahead of the general elections. And, Maharashtra and Jharkhand

elections could lead to price cuts again, especially if high marketing margins persist.

Potentially, if the trends of low crude prices and high marketing margins persist, OMCs could enjoy an upside. However, in Q2FY24, OMCs may see 30 per cent or more year-on-year (Y-o-Y) drop in earnings due to weak GRMs and the LPG buffer deficit (which the government may eventually compensate for).

HPCL will be the worst hit with Q2FY25 net profit crashing over 40 per cent Y-o-Y. BPCL will probably see a 30 per cent decline in profit after tax (PAT).

The 6.3 per cent Y-o-Y decline in Q2FY25 crude price trends have boosted pump margins to about ₹7.5/litre despite the price cuts imposed in March.

Gas majors like Gujarat Gas, Mahanagar Gas and Indraprastha will also see sharp net profit decline due to rising liquefied natural gas (LNG) prices and shortfalls in cheaper administration pricing mechanism (APM) gas.

For OMCs, the boom in retail margins is mitigating the impact of weak GRMs. However, there is a potential risk of rising crude due to the Iran-Israel tensions.

Companies also await government compensation for the deficit in LPG buffer at ₹1,800 crore per quarter each for BPCL and HPCL and more than twice this for IOC. Diesel marketing margins grew by two times quarter-on-quarter (Q-o-Q) to ₹5.3 per litre in Q2FY25, while petrol margins also jumped to ₹9.1 per litre from ₹4.3. Lower

crude prices resulted in refining inventory losses of \$2-3/bbl each for BPCL and HPCL (IOC could see lower inventory loss).

Russian crude discounts remained range-bound.

Overall, this could result in HPCL seeing a big improvement in operating profit Q-o-Q due to base effect and higher marketing leverage. IOCL and BPCL may see smaller but significant upticks in operating profit. While operating profit will rise Q-o-Q, this will be at least partly offset by weak GRMs and inventory losses.

Q2FY25 average crude inventory loss will be around \$1.9/bbl vs \$0.8/bbl gain in Q1FY25. The volatile geo-political situation should lead to some caution for investors. But given the weakness in global and China demand, these trends could persist. Long-awaited compensation for LPG would be a booster.

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CPCL plans desalination plant for its Nagapattinam refinery project

G Balachandar
Chennai

Chennai Petroleum Corporation Ltd (CPCL) is planning to construct a large desalination plant as part of its upcoming mega refinery project in Nagapattinam, Tamil Nadu.

The new refinery project in Nagapattinam will be supported by a desalination plant with a capacity of about 60 million litres per day (MLD), H Shankar, Managing Director, CPCL, told *businessline*. CPCL is developing a 9-million tonnes per annum (MTPA) refinery at the Cauvery Basin Refinery in Nagapattinam district, through a joint venture with its parent company, Indian Oil Corporation. Its equity contribution, based on the approved project cost of ₹36,354 crore, is expected to be around ₹3,030 crore for its 25 per cent stake.

AWAITING APPROVALS

“Since this is a joint venture, we need specific government approvals. We are currently waiting for final approvals, which are critical for funding,” Shankar explained. The company has long focused on reducing freshwater use by implementing sewage reclamation, tertiary treatment plants and desalination facilities. CPCL’s 5.8 million gallons per day (MGD) desalination plant at Kattupalli plays a key role in meeting the water needs of its refinery operations.

Publication : Business Standard	Editions : New Delhi
Date :16 October 2024	Page : 8

Oil plunges 4% as Iran supply disruption concerns ease

Oil prices tumbled more than 4 per cent to a near two-week low on Tuesday due to a weaker demand outlook and after a media report suggested Israel would not strike Iranian oil targets, easing fears of a supply disruption. Brent crude futures fell \$3.29, or 4.3 per cent, to \$74.17 a barrel at 1312 GMT. West Texas Intermediate futures lost \$3.38, or 4.6 per cent, hitting \$70.45 a barrel. Both benchmarks had earlier fallen by \$4, reaching their lowest since the beginning of October, after settling about 2 per cent lower on Monday. They are down about \$5 so far this week, nearly wiping out cumulative gains made after investors became concerned Israel could strike Iran's oil facilities in retaliation for the latter's October 1 missile attack. **REUTERS**

YIELD EASES AS DROP IN OIL OFFSETS INFLATION SHOCK



THE YIELD ON benchmark bond ended lower after staying largely unchanged for most of Tuesday's session, as plummeting oil prices more than offset the glum sentiment stemming from higher-than-expected domestic retail inflation print. The benchmark 10-year bond yield ended at 6.7684%, compared with its previous close of 6.7827%.

IBM acquires Prescinto, expands renewables play

Our Bureau
Bengaluru

IBM announced it had acquired Bengaluru-based renewables company Prescinto. This acquisition will enhance the capabilities of IBM Maximo Application Suite (MAS), its solution for asset lifecycle management. IBM said it will further its leadership in the energy and utility space. Globally, water, natural gas, oil, nuclear, and other energy and utility enterprises have already utilised IBM MAS.

According to the International Energy Agency, renewable electricity generation will increase by almost 90 per cent by 2030.

As more organisations turn to renewable energy sources like wind and solar, they also need to adapt to managing the performance of high-tech devices like turbines, solar panels, and inverters.

Effectively managing and maximising the performance of high-tech devices like turbines, solar panels, and inverters, which generate power from renewable energy assets, can be daunting.

In addition, environmental factors like weather and debris can contribute to reducing energy output, system effectiveness, and system uptime. According to Allied Market Research, the value of the global utility asset management market is expected to grow from \$4.3 billion in 2022 to \$12.4 billion in 2031, with a CAGR of 11.3 per cent.

Prescinto provides asset performance management (APM) software-as-a-service (SaaS) for renewables and leverages AI to enable advanced monitoring, analytics, and automation, streamlining renewable energy operations and managing clean energy and storage assets.

Users can track and monitor the performance of solar, wind, and energy storage assets in near real-time, identify root causes for underperformance, and recommend actions to optimise generation.

Renewable APM software can use visual recognition capabilities to help monitor these assets, identify issues before they become critical, and prompt the necessary actions to restore optimal efficiency.

IEA sees oil surplus looming in 2025, says ready to cover any Iran supply disruption

Reuters
London

The world oil market is heading for a sizeable surplus in the new year, the International Energy Agency (IEA) said on Tuesday as it reassured markets that the agency stood ready to act if needed to cover any supply disruption from Iran.

Oil prices have risen in recent weeks on investor concern that Israel may retaliate against a missile attack from Iran, a major oil exporter and OPEC member, by hitting its oil facilities or nuclear sites.

But the IEA, which manages industrialised countries' emergency oil stocks, said public stocks were more than 1.2 billion barrels and spare capacity in OPEC+, which comprises the Organization of the Petroleum Exporting Countries and allies such as Russia, stood at historic highs. "As supply developments unfold, the IEA stands ready to act if necessary," the agency said in a monthly report on Tuesday.

SUPPLY FLOWS

"For now, supply keeps flowing, and in the absence of a major disruption, the market is faced with a sizeable sur-



The IEA cut its global oil demand growth forecast, citing weakness in China REUTERS

plus in the new year."

Oil was down more than \$3 a barrel towards \$74 on Tuesday, pressured by the weaker demand outlook and after a media report said Israel is willing not to strike Iranian oil targets.

Also in the report, the IEA further cut its global oil demand growth forecast for this year, citing weakness in China, a day after OPEC also lowered its demand projections. World oil demand will rise by 8,60,000 bpd this year, down 40,000 bpd from the previous forecast, the IEA said. For next year, it sees an expansion of 1 million bpd, about 50,000 bpd higher than expected last month.

China has for years driven global rises in oil consumption. The IEA has been saying that slower Chinese economic growth and a shift towards electric vehicles have

changed the paradigm for the world's second-largest economy.

The Paris-based agency now expects Chinese demand to grow by only 1,50,000 barrels per day in 2024, after consumption dropped by 5,00,000 bpd in August compared to the same month last year, a fourth consecutive month of declines.

OIL DEMAND

"Chinese oil demand continues to undershoot expectations and is the principal drag on overall growth," the IEA said.

OPEC also reduced its forecast for 2024 global demand growth on Monday but it is still projecting a much stronger expansion of 1.93 million bpd, driven in part by a bigger contribution from China.

The gap between the IEA and OPEC forecasts is equal to more than 1 per cent of world demand. While demand slows, non-OPEC nations are driving up supply.

The IEA forecasts non-OPEC growth at 1.5 million bpd this year and next, with higher production from the US, Guyana, Canada and Brazil above the rate of demand growth.

HPCL shines at NHAI exhibition with cutting-edge wayside amenities

MUMBAI: Hindustan Petroleum Corporation Ltd (HPCL) made a significant impact at the National Highways Authority of India (NHAI) exhibition, held in conjunction with the launch of the Humsafar Policy by Minister of Road Transport and Highways, Nitin Gadkari, in Delhi. The policy aims to enhance services on highways and expressways by onboarding existing and upcoming service providers.

At the event, HPCL's stall showcased its extensive nationwide presence on national highways, highlighting its world-class wayside amenities designed to provide convenience and comfort to highway users. The stall also featured HPCL's pioneering efforts in promoting green initiatives, including Electric Vehicle (EV) Charging, Compressed Natural Gas (CNG), and Liquefied



Natural Gas (LNG). HPCL's stall received a special visit from Minister of State Ajay Tamta, Ministry of Road Transport and Highways, who praised the company's exceptional wayside amenities. MPOST

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Gadkari reviews auto sector's readiness for flex fuel vehicles

Our Bureau
New Delhi

The Minister for Road Transport & Highways Nitin Gadkari on Tuesday met the Society of Indian Automobile Manufacturers (SIAM) to review the industry's readiness for flex fuel vehicles.

The dialogue delved into how the industry is readying itself to launch vehicles that run on ethanol in the coming months, said the Ministry of Road Transport & Highways (MoRTH).

The Minister also discussed how a shift to biofuels from fossil fuels will help India achieve 'Atma Nirbharta' (self-reliance), besides reducing pollution, bringing down the annual import bill for fossil fuels, and helping consumers receive fuel at a lesser price — all while benefiting farmers, he added.

He asked SIAM members to look into ways of making them more acceptable to the public, citing Brazil's successful integration of flex fuels and biofuels in its transportation.

ETHANOL BLENDING

On Monday, Gadkari said research on blending 15 per cent ethanol with diesel is in its advanced stages. At



Nitin Gadkari

present, the government is aiming to mix 15 per cent ethanol with petrol in the ethanol supply year 2023-24, which commenced in November last year and concludes in October 2024.

The Minister, at a CII event, said the progress on building an ethanol ecosystem, where ethanol pumps can service vehicles that run on ethanol, is on the fast track in Karnataka, Tamil Nadu, Uttar Pradesh and Maharashtra.

"Indian Oil (Corporation) has decided to set up 400 ethanol pump stations. We will hold a meeting with stakeholders. We are meeting automakers, including Suzuki, Tata and Toyota. They have decided to launch flex-engine cars. Others like TVS, Bajaj, Honda are ready with ethanol bikes and are waiting for the pumps to launch their bikes," he had said.

Online

Headline	ONGC increases stake in ONGC Petro Additions (OPaL) to 94.04%		
Publication	Business Upturn	Edition	Online Coverage
Published Date	16 Oct 2024		

ONGC increases stake in ONGC Petro Additions (OPaL) to 94.04%

<https://www.businessupturn.com/business/corporates/ongc-increases-stake-in-ongc-petro-additions-opal-to-94-04/>

Oil and Natural Gas Corporation Limited (ONGC) has increased its equity shareholding in ONGC Petro Additions Ltd. (OPaL) from to . This follows the

subscription of 5,59,47,96,935 equity shares , each priced at 10, through a rights issue. The total investment made by ONGC in this acquisition is 5,594.79 crore

Key Highlights of the Acquisition:

Increased Shareholding : ONGC's stake in OPaL has risen by , now holding of the equity shares.

Investment Amount : ONGC has invested a total of 5,594.79 crore in this round of share allotment.

Strategic Objective : The investment aligns with ONGC's strategy of vertical integration into the downstream petrochemicals sector. This move strengthens ONGC's foothold in the petrochemical business.

About ONGC Petro Additions Ltd. (OPaL):

Industry : OPaL operates in the petrochemical industry, with a mega petrochemical complex located in Dahej SEZ , Gujarat.

Production Capacity : OPaL produces 14 lakh tons of polymers and 5 lakh tons of chemicals annually. The facility includes units for Ethylene, Propylene, and associated chemicals.

Turnover : The company reported a turnover of 14,323 crore in FY24, following 14,628 crore in FY23 and 16,065 crore in FY22.

This latest move underscores ONGC's commitment to expanding its presence in the petrochemical sector and aligns with the government's vision for strengthening the country's industrial capacity.

Aditya is a versatile writer and journalist with a passion for sports and a wide range of experiences in business, politics, tech, health, and the market. With a unique perspective, he captivates readers through engaging storytelling.

Headline	ONGC to Establish Mini-LNG Plants to Utilize Stranded Natural Gas		
Publication	Construction World	Edition	Online Coverage
Published Date	15 Oct 2024		

ONGC to Establish Mini-LNG Plants to Utilize Stranded Natural Gas

<https://www.constructionworld.in/energy-infrastructure/oil-and-gas/ongc-to-establish-mini-lng-plants-to-utilize-stranded-natural-gas/63704>

State-owned Oil and Natural Gas Corporation (ONGC) is embarking on a project to set up mini-LNG (liquefied natural gas) plants aimed at evacuating

natural gas from wells in regions that lack pipeline connectivity. The initiative targets five sites across Andhra Pradesh, Jharkhand, and Gujarat, where mini plants will be established at wellheads to convert natural gas into LNG by supercooling it to minus 160 degrees Celsius. Project Overview

The produced LNG will be transported via cryogenic trucks to the nearest pipeline, where it will be re-gasified and injected into the network for distribution to various consumers, including power plants, fertilizer units, and city gas retailers. To facilitate this, ONGC has issued a tender seeking manufacturers and service providers to harness stranded natural gas.

The identified locations for the mini-LNG plants include two sites in Rajahmundry, Andhra Pradesh, along with one each in Ankleshwar, Gujarat; Bokaro, Jharkhand; and Cambay, Gujarat. The tender outlines a call for bids from manufacturers and service providers to establish small-scale LNG plants on a Build, Own, and Operate (BOO) basis. These plants will produce LNG, transport it to consumption sites within a 250-kilometer radius, re-gasify the LNG, and inject the gas into existing distribution grids or supply it directly to bulk consumers.

Addressing Stranded Gas Challenges

ONGC emphasized that while India boasts an extensive network of pipelines connecting supply and demand centers, a significant volume of stranded gas remains untapped. The stranded gas volumes can range from 5,000 to 50,000 standard cubic meters per day, with the potential for production lasting up to five years.

According to ONGC, the domestic natural gas production exceeds 90 million standard cubic meters per day, supplying energy for electricity generation, fertilizer production, and household cooking. However, domestic output only meets about half of the country's demand, highlighting the importance of optimizing existing resources.

Strategic Partnerships and Future Developments

As India's largest producer of crude oil and natural gas, ONGC has been investing billions to enhance production and reduce reliance on imports. Prior to this tender, ONGC partnered with Indian Oil Corporation (IOC) to set up a small-scale LNG plant near its Hatta gas field in Madhya Pradesh. This facility will initially have a capacity of 32 to 35 tonnes, sourcing 45,000 standard cubic meters per day of gas from the Hatta field.

IOC will bear the costs of the small-scale LNG plant and conduct a detailed feasibility study, while ONGC will supply gas to IOC for further distribution. This collaboration aims to optimize the use of stranded natural gas in the region.

Earlier this year, GAIL (India) Ltd announced plans for a small-scale LNG plant at its Vijapur LPG unit in Madhya Pradesh, indicating a growing trend toward utilizing stranded gas resources.

Conclusion

With over 100 wells across the country producing volumes too small to justify pipeline investments, ONGC's initiative to develop mini-LNG plants presents a viable solution to tap into stranded natural gas. This strategic move not only enhances domestic gas production but also helps meet the growing energy needs of the country, contributing to a more sustainable and efficient energy landscape in India.

Headline	ONGC explores mini-LNG plants for gas evacuation from remote fields		
Publication	Construction World	Edition	Online Coverage
Published Date	15 Oct 2024		

ONGC explores mini-LNG plants for gas evacuation from remote fields

<https://www.constructionworld.in/energy-infrastructure/oil-and-gas/ongc-explores-mini-lng-plants-for-gas-evacuation-from-remote-fields/63669>

State-owned Oil and Natural Gas Corporation (ONGC) is planning to establish mini-LNG plants to evacuate natural gas from wells situated in areas that lack pipeline connections.

The company has identified five sites across Andhra Pradesh, Jharkhand, and Gujarat for the mini plants, which will be located at wellheads and convert the extracted gas into liquefied natural gas (LNG) through supercooling it to minus 160 degrees Celsius. The LNG will then be loaded onto cryogenic trucks and transported to the nearest pipeline, where it will be reconverted into its gaseous state and injected into the network for supply to users such as power plants, fertilizer units, and city gas retailers.

According to the tender released by ONGC, the company is seeking manufacturers and service providers to utilize stranded natural gas. The identified locations for the mini-LNG plants include two sites at Rajahmundry in Andhra Pradesh and one site each at Ankleshwar in Gujarat, Bokaro in Jharkhand, and Cambay in Gujarat.

In the tender document, ONGC noted that although India has an extensive network of pipelines connecting supply and demand centres, a significant volume of stranded gas, which is non-connected, remains untapped. This gas is essential for enhancing domestic supplies and meeting the needs of nearby demand centres.

ONGC specified that the stranded volumes range from 5,000 to 50,000 standard cubic meters per day, which can be produced for up to five years. The tender invites bids from manufacturers and service providers to "set up a small-scale LNG plant on a BOO (build, own, and operate) basis to produce LNG, transport the produced LNG via cascades or tankers to consumption sites located within approximately 250 kilometres, depressurize and re-gasify the LNG, and then inject the gas into existing gas distribution grids or supply it directly to bulk consumers."

India produces over 90 million standard cubic meters per day of natural gas, which is utilized for electricity generation, fertilizer production, conversion into CNG for automobiles, and piped into household kitchens for cooking. However, domestic production only meets around half of the demand.

ONGC, recognized as India's largest crude oil and natural gas producer, has been investing billions of dollars to increase production and reduce the country's reliance on imports. Before issuing this tender, the company entered into a partnership with Indian Oil Corporation (IOC), the nation's largest fuel retailer, to establish a small-scale LNG plant near its Hatta gas field in the Vindhyan basin of Madhya Pradesh.

Headline	India discussed training of Indian sailors for polar navigation with Russia		
Publication	India Shipping News	Edition	Online Coverage
Published Date	15 Oct 2024		

India discussed training of Indian sailors for polar navigation with Russia

<https://indiashippingnews.com/india-discussed-training-of-indian-sailors-for-polar-navigation-with-russia/>

Share This News Story: India-Russia working group on cooperation in the Northern Sea Route (NSR) held the first meeting last week and

discussed targets for Indian-Russian cargo transit, possible training of Indian sailors for polar navigation and development of joint projects in Arctic shipbuilding, Rosatom state corporation of Russia said on Monday (October 14, 2024).

The working group also drafted a memorandum of understanding between the Government of the Republic of India and the Government of the Russian Federation for the development of cooperation in cargo shipping in the waters of the NSR, Rosatom said in a statement. In 2018, the Russian government appointed Rosatom the infrastructure operator of the NSR.

The working group's meeting was co-chaired by Rajesh Kumar Sinha , additional secretary in India's ministry of ports, shipping and waterways, and Vladimir Panov, Rosatom's special representative for Arctic development.

A joint statement issued following the meeting between Modi and Putin on July 9 said that the two sides will cooperate in developing shipping between Russia and India via the Northern Sea Route.

The Northern Sea Route is seen as the shortest shipping route connecting the western part of Eurasia and the Asia-Pacific. In 2018, the Russian government appointed Rosatom, the state-run atomic energy agency, as the infrastructure operator for the Northern Sea Route.

The Indian side is interested in two proposed transportation corridors the Northern Sea Route and the Eastern Maritime Corridor because they can ensure uninterrupted energy supplies from Russia, two Indian officials from different ministries said on condition of anonymity.

Popular maritime routes through the Suez Canal and the Red Sea have been frequently disrupted by ongoing geopolitical conflicts, hurting trade and leading to a spike in transportation costs because of soaring insurance premiums, one official said. India cannot afford such frequent trade disruptions and is keen to develop all alternate routes that reduce time and cost overruns, he said.

The second official, working in an economic ministry, said that the Northern Sea Route is more relevant now as bilateral merchandise trade between Russia and India has risen from \$7.5 billion in 2016-17 to more than \$65 billion in 2023-24, mainly due to India's oil imports. Imagine the savings when transportation cost and logistics time are significantly reduced, the second official said.

The Northern Sea Route will help India meet its requirements for coal, liquefied natural gas (LNG), fertilisers and other container cargo. Besides, Indian public sector companies such as Oil and Natural Gas Corporation (ONGC) are invested in oil and gas assets in Sakhalin and Tomsk region of Siberia.

The corridor can help them bring equity oil to Indian ports, instead of selling the same due to transportation issue, the second official said.

Headline	ONGC Hikes Stake In Petchem Subsidiary OPaL To 94.04% For Rs 5,594.80 Crore Manage your data		
Publication	NDTV Profit	Edition	Online Coverage
Published Date	15 Oct 2024		

ONGC Hikes Stake In Petchem Subsidiary OPaL To 94.04% For Rs 5,594.80 Crore Manage your data

<https://www.ndtvprofit.com/business/ongc-acquires-94-stake-opal-petrochemicals-indian-energy-news>

On Sept. 25, ONGC's board had approved investments in equity shares of OPaL for Rs 10,501 crore, in one or more tranches.

State-owned Oil and Natural Gas Corp. has increased its stake in ONGC Petro Additions Ltd. to 94.04% after acquiring additional equity for Rs 5,594.80 crore.

"ONGC paid Rs 5594,79,69,350 to OPaL for allotment of 559,47,96,935 equity shares of Rs 10 each," ONGC's exchange filing stated.

On Sept. 25, ONGC's board had approved investments in equity shares of OPaL for Rs 10,501 crore in one or more tranches. The company shall make investments in equity shares of OPaL, as and when offered, subject to a ceiling of Rs 10,501 crore, according to the approval of the government of India, it had said then.

OPaL, a subsidiary of ONGC, operates a mega petrochemical complex in Gujarat with a capacity to produce 14 lakh tonnes of polymers and 5 lakh tonnes of chemicals annually. The company reported a turnover of Rs 14,323 crore in FY24.

The acquisition aligns with ONGC's objective of vertical integration into downstream petrochemicals, as approved by the Government of India. The investment was made through a rights issue, the statement said.

OPaL was incorporated in 2006 and operates a 5 sq. km. plant in Dahej SEZ in Gujarat. The plant has a capacity to produce 14 lakh tonnes of polymers and 5 lakh tonnes of chemicals, 1,100 KTPA ethylene, 400 KTPA propylene and the associated units consist of a pyrolysis gasoline hydrogenation unit, a butadiene extraction unit and a benzene extraction unit.

The products are supplied in both domestic and export markets, it said.

OPaL has the largest standalone dual-feed cracker in Southeast Asia.

A dual-feed cracker converts naphtha and offgases from refining into polymer-grade ethylene and propylene using a process that is known as thermal cracking. Thermal cracking can also produce byproducts such as benzene, butadiene, gasoline, and toluene.

In the last three years, the turnover of OPaL has consistently declined from Rs 16,065 crore in FY22 to Rs 14,628 crore in FY23. In the preceding financial year, it came down to Rs 14,323 crore.

Headline	Govt advances target for 20 pc ethanol blending by 2025: Hardeep Puri		
Publication	Bollywood Country	Edition	Online Coverage
Published Date	15 Oct 2024		

Govt advances target for 20 pc ethanol blending by 2025: Hardeep Puri

<https://bollywoodcountry.com/govt-advances-target-for-20-pc-ethanol-blending-by-2025-hardeep-puri--20241014185107>

New Delhi, Oct 14 (IANS) The government has advanced its target for 20 per cent ethanol blending by 2025, reinforcing its commitment to sustainable

energy, Union Minister of Petroleum and Natural Gas, Hardeep Singh Puri, said on Monday.

The minister said discussions have already started to develop a roadmap for the future, post the attainment of the 20 per cent blending target.

"This roadmap will guide the country's next steps in its pursuit of energy sustainability and self-reliance," said Minister Puri at the 12th edition of the CII Bioenergy Summit' in the national capital.

The country's ethanol blending initiative has seen the percentage rise from 1.53 per cent in 2014 to a projected 15 per cent by 2024.

Puri commended Prime Minister Narendra Modi's leadership in transforming India's bioenergy ecosystem since 2014. The minister emphasised the crucial role of market dynamics, technology advancements, and supportive government policies in driving this transformation and enhancing sustainability in the energy sector. From 2014 till August 2024, the ethanol programme has generated foreign exchange savings of Rs 1,06,072 crore, reduced CO2 emissions by 544 lakh metric tonnes, and achieved crude oil substitution of 181 lakh metric tonnes.

"Payments to distillers by oil marketing companies (OMCs) have reached Rs 1,50,097 crore. Farmers have been paid Rs 90,059 crore, empowering them from being Annadata to being Urjadata," said the minister.

Additionally, the government's ambitious targets for Sustainable Aviation Fuel (SAF), aiming for 1 per cent blending in 2027 and 2 per cent in 2028, positioning India as a leader in bio-mobility.

Valued at \$44 billion, the country's bioenergy market is projected to grow to \$125 billion by 2050. If global net-zero targets are achieved, this figure could surge to \$500 billion, according to the minister.

Minister Puri highlighted that the country, recognised as an agricultural powerhouse, is a leading producer of rice, wheat, cotton, sugar, and various horticultural and dairy products. "The country has more than 750 million metric tonnes of available biomass, with about two-thirds being used for domestic purposes such as cattle feed and compost fertiliser," the minister noted.

India's position as a major biofuel producer and consumer has been strengthened through coordinated policies, political support, and abundant feedstocks. The minister also referred to different incentives introduced by the government to support ethanol production.

Headline	Government's Support Fuels Transformation of Bioenergy Ecosystem in India: Hardeep Singh Puri		
Publication	Kamal Sandesh	Edition	Online Coverage
Published Date	15 Oct 2024		

Government's Support Fuels Transformation of Bioenergy Ecosystem in India: Hardeep Singh Puri

<https://www.kamalsandesh.org/news/governments-support-fuels-transformation-bioenergy-ecosystem-india-hardeep-singh-puri/>

At the 12th Edition of the CII Bioenergy Summit today, Shri Hardeep Singh Puri, Minister of Petroleum and Natural Gas, underscored India's remarkable progress in bioenergy, aligning with the summit's theme, Fuelling the Future Securing India's Green Growth Goals. Shri Puri highlighted the success of India's ethanol blending initiative, which has seen the blending percentage rise from 1.53% in 2014 to a projected 15% by 2024. Encouraged by these results, the government has advanced its target for 20% blending to 2025, reinforcing its commitment to sustainable energy. He further revealed that discussions have already started to develop a roadmap for the future, post the attainment of the 20% blending target. This roadmap will guide the country's next steps in its pursuit of energy sustainability and self-reliance.

Shri Hardeep Singh Puri commended Prime Minister Shri Narendra Modi's leadership in transforming India's bioenergy ecosystem since 2014. He emphasized the crucial role of market dynamics, technology advancements, and supportive government policies in driving this transformation and enhancing sustainability in the energy sector.

The Minister shared impressive outcomes of the ethanol program, revealing that from 2014 to August 2024, it has generated foreign exchange savings of 1,06,072 crore, reduced CO2 emissions by 544 lakh metric tons, and achieved crude oil substitution of 181 lakh metric tons. Payments to distillers by OMCs have reached 1,50,097 crore. Furthermore, he said, farmers have been paid 90,059 crore, empowering them from being Annadata to being Urjadata. Additionally, he mentioned about the government's ambitious targets for Sustainable Aviation Fuel (SAF), aiming for 1% blending in 2027 and 2% in 2028, positioning India as a leader in bio-mobility.

At the event, Shri Hardeep Singh Puri emphasized India's robust economic growth, predicting it will drive 25% of global energy demand over the next two decades. He noted that bioenergy will be crucial in meeting this demand while advancing climate goals and rural development. Currently valued at US\$44 billion (as per Wood Mckenzie), the Minister said that the bioenergy market is projected to grow to US\$125 billion by 2050. If global net-zero targets are achieved, this figure could surge to US\$500 billion.

Underscoring India's agricultural strength and its vast biomass potential as critical elements in the country's transition to clean energy, Shri Puri said that the country recognized as an agricultural powerhouse, is a leading producer of rice, wheat, cotton, sugar, and various horticultural and dairy products. He said that the country has more than 750 million metric tonnes of available biomass, with about two-thirds being used for domestic purposes such as cattle feed and compost fertilizer. According to a report by PWC, he noted, 32% of India's total primary energy consumption is derived from biomass, and over 70% of Indians rely on it for energy across the value chain.

India's position as a major biofuel producer and consumer has been strengthened through coordinated policies, political support, and abundant feedstocks, said Shri Hardeep Singh Puri. He noted that the International Energy Agency (IEA) forecasts a growth potential of 3.5 to 5 times for biofuels by 2050 due to Net Zero targets, presenting a substantial opportunity for India. The Global Biofuels Alliance (GBA) aims to facilitate knowledge sharing, technological advancement, and policy development, unlocking a \$500 billion opportunity in biofuels and accelerating global adoption through technology transfer. He said that the government initiatives, such as the Indian Solar Alliance (ISA) and GBA, aim to accelerate the transition to cleaner energy sources, reduce import dependency, save foreign exchange, promote a circular economy, and move toward a self-reliant energy future.

The Minister also referred to different incentives introduced by government to support ethanol production.

Shri Puri also highlighted India's collaboration with Brazil, emphasizing the importance of joint efforts in sustainable bioenergy and biofuels to enhance energy security and reduce carbon emissions, particularly in hard-to-decarbonize sectors like aviation and shipping.

In his concluding remarks, Shri Hardeep Singh Puri emphasized that the responsibility for fuelling India's green growth extends beyond the government to include industry leaders, researchers, innovators, and citizens. He urged all stakeholders to collaborate boldly to establish a sustainable bioenergy sector that meets energy needs and sets a global standard.

Headline	Ethanol Blending achieves percentage rise of 15% by 2024, fostering sustainable energy		
Publication	PSU Connect	Edition	Online Coverage
Published Date	15 Oct 2024		

Ethanol Blending achieves percentage rise of 15% by 2024, fostering sustainable energy

<https://www.psuconnect.in/news/ethanol-blending-achieves-percentage-rise-of-15-by-2024-fostering-sustainable-energy/44717>

During the 12th Edition of the CII Bioenergy Summit, Shri Hardeep Singh Puri, Minister of Petroleum and Natural Gas, emphasized India's significant advancements in bioenergy, in line with the summit's theme, "Fuelling the Future - Securing India's Green Growth Goals."

The Oil and Petroleum Minister highlighted the success of India's ethanol blending initiative, noting that the blending percentage has risen from 1.53% in 2014 to a projected 15% by 2024.

In response to these achievements, the government has revised its target for 20% blending to 2025, demonstrating its dedication to sustainable energy. Additionally, he disclosed that discussions have commenced to outline the future roadmap after reaching the 20% blending target.

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Furthermore, he said, farmers have been paid Rs 90,059 crore, empowering them from being Annadata to being Urjada. Additionally, he mentioned the government's ambitious targets for Sustainable Aviation Fuel (SAF), aiming for 1% blending in 2027 and 2% in 2028, positioning India as a leader in bio-mobility.

At the event, Shri Hardeep Singh Puri emphasized India's robust economic growth, predicting it will drive 25% of global energy demand over the next two decades. He noted that bio-energy will be crucial in meeting this demand while advancing climate goals and rural development. Currently valued at US\$44 billion (as per Wood Mckenzie), the Minister said that the bio-energy market is projected to grow to US\$125 billion by 2050.

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Published Date	15 Oct 2024		

India needs \$50 billion annually for energy transition: PSA Ajay Kumar Sood

<https://energy.economictimes.indiatimes.com/amp/news/renewable/india-needs-50-billion-annually-for-energy-transition-psa-ajay-kumar-sood/114233169>

Prof. Sood linked India's Human Development Index (HDI) growth with energy consumption, noting that as the country moves towards higher economic development, energy needs will rise substantially.

New Delhi: India will require an annual investment of \$40-50 billion over the next five decades to achieve its energy transition goals, according to Prof. Ajay Kumar Sood, Principal Scientific Adviser (PSA) to the Government of India. Speaking at the Economic Times Energy Leadership Awards, Prof. Sood emphasized the complexity of decarbonization and underscored the urgency of transforming India's energy consumption patterns to meet its net-zero target by 2070.

"Energy production and consumption must undergo significant transformation as India aims to become a \$5 trillion economy by 2047 while pursuing its net-zero target," Prof. Sood said, addressing dignitaries, industry leaders, and stakeholders at the summit. He highlighted India's ambition to meet 50% of its energy needs from renewable sources by 2030, which he described as a "dual challenge" requiring both economic growth and climate action.

Prof. Sood linked India's Human Development Index (HDI) growth with energy consumption, noting that as the country moves towards higher economic development, energy needs will rise substantially. "To reach an HDI of 0.9, India's per capita energy consumption will need to increase to 56 gigajoules per year," he explained. He added that achieving this will depend on factors like increased electrification, urbanization, and the adoption of advanced technologies, including green hydrogen, low-carbon solutions, and new photovoltaic advancements.

He referred to a recent report titled Synchronizing Energy Transition Towards Possible Net Zero for India, prepared by IIM Ahmedabad, which highlights the need for significant technological interventions. The report projects that India's energy mix will require a diverse range of technologies to meet the demands of its growing economy and the transition to net-zero emissions. "The report compares various energy mix scenarios to identify combinations that would help India achieve its net-zero target," said Prof. Sood.

Prof. Sood also pointed to carbon capture, utilization, and sequestration (CCUS) as a critical tool in reducing CO2 emissions, stressing that it will play a major role in the transition. "Carbon markets will play a vital role in promoting CCUS by creating a price on carbon emissions and driving investments in emission reduction technologies," he noted.

On the green hydrogen front, Prof. Sood highlighted the government's progress in this area, stating, "A large amount of green hydrogen produced in India will be for the export market." He added that the government has adopted a "whole-of-government approach," with multiple ministries—including steel, power, and transport—working in tandem to implement the green hydrogen mission.

The PSA emphasized the need for investments in research and development (R&D), particularly in next-generation energy storage solutions, electric vehicle (EV) components, and renewable energy technologies. "India should invest in renewable and battery technologies using domestic mineral resources as energy storage demand rises," he urged, calling for efforts in recycling and mineral recovery to reduce import dependencies.

The summit also shed light on India's broader efforts to strengthen the energy infrastructure. Prof. Sood discussed the launch of three comprehensive documents: the E-Mobility R&D Roadmap, Technology Roadmap for Zero Emission Trucking, and Policy Advisory for Zero Emission Trucking. These reports aim to accelerate India's progress in the clean mobility space by outlining the technical areas and research projects needed over the next five years.

As India pushes forward on its energy transition journey, Prof. Sood concluded with a call for concerted efforts: "We have to move towards net-zero energy autonomy. Science and technology are key drivers to lead new innovations for a cleaner and more energy-secure future for India."