ONGC News as on 19 September 2024 (Print & Online)

Publication : Echo of India	Editions : Kolkata
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Arunangshu Sarkar joins the ONGC Board

EOI CORRESPONDENT

KOLKATA, SEPT 18/--/ArunangshuSarkar, an industry veteran with over 37 years of experience, joined ONGC as its first-ever Director (Strategy and Corporate Affairs) on 17 September 2024.

Two years ago, the ONGC Board underwent a reorganization, introducing a key position of Director (Strategy & Corporate Affairs). This groundbreakingrole, will drive new strategies in renewables, downstream sectors, E&P space, while strengthening global and local partnerships. With a keen focus on marketing and IT innovation, this strategic shift will enhance JV management and position ONGC for sustained growth.

Prior to taking charge as Director, Mr.Sarkar was the Surface Manager of ONGC's largest O+OEG-producing asset, Bassein& Satellite. He also had an extremely successful stint as head of Corporate Planning and Strategy at ONGC Videsh. A petroleum engineer from the IIT Dhanbad (erstwhile Indian School of Mines), Mr.Sarkar is an industry veteran with experience across the E&P value chain.

Publication : Prabhat Khabar	Editions : Kolkata
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ओएनजीसी में निदेशक बने अरुणांग्शु सरकार

कोलकाता. सार्वजनिक क्षेत्र की ऑयल एंड नेचुरल गैस कॉरपोरेशन (ओएनजीसी) ने अरुणांग्शु सरकार को रणनीति और कॉरपोरेट मामलों के निदेशक के रूप में नियुक्त कियाहै. इससे पहले वह ओएनजीसी में समूह महाप्रबंधक (उत्पादन) थे. उन्होंने ओएनजीसी की विदेशी निवेश इकाई ओएनजीसी विदेश लिमिटेड (ओवीएल) में महाप्रबंधक (रणनीति और कॉरपोरेट योजना) के रूप में भी काम किया है. गौरतलब है कि दो साल पहले ओएनजीसी के बोर्ड का पुनर्गठन किया गया था. निदेशक (रणनीति और कॉरपोरेट मामले) के नये पद के सृजन के अलावा, निदेशक-उत्पादन का पद बनाया गया. बताया गया है कि नये निदेशक (रणनीति और कॉरपोरेट मामले) संयुक्त उद्यमों, पेट्रोरसायन, नयी ऊर्जा (नवीकरणीय, हाइड्रोजन और कार्बन कैप्चर), कॉरपोरेट रणनीति, कॉरपोरेट विपणन और विधिक मामलों के प्रभारी होंगे.

Publication : Ek Din	Editions : Kolkata
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ওএনজিসি'র কৌশল ও কর্পোরেট ডিরেক্টর হলেন অরুণাংশু সরকার

নিজস্ব প্রতিবেদন: ওএনজিসি-র স্ট্র্যাটেজি এবং কর্পোরেট অ্যাফেয়ার্সের প্রথম ডিরেক্টর হিসেবে যোগদান করলেন অরুণাংশু সরকার। দু'বছর আগে, ওএনজিসি-র পর্ষদ, পুনর্গঠনের মাধ্যমে পরিচালকের একটি গুরুত্বপূর্ণ পদ প্রবর্তন করে। যা ওএনজিসিকে বিশ্ব ও স্থানীয় অংশীদারিত্বকে শক্তিশালী করার পাশাপাশি পুনর্নবীকরণযোগ্য, ডাউনস্ট্রিম সেক্টর, ইএন্ডপি ক্ষেত্রে নতুন কৌশলকে চালিত করবে। এর পাশাপাশি বিপণন এবং তথ্যপ্রযুক্তি উদ্ভাবনের উপর গভীর দৃষ্টি নিবদ্ধ করে। একইসঙ্গে এর কৌশলগত পরিবর্তন যৌথ উদ্যোগের ব্যবস্থাপনাকে উন্নত করবে এবং টেকসই প্রবৃদ্ধির জন্য ওএনজিসিকে অবস্থান দেবে। পরিচালক হিসাবে দায়িত্ব গ্রহণের আগে তিনি ওএনজিসির বৃহত্তম ও ওইজি-উৎপাদনকারী সম্পদ, বেসিন এবং স্যাটেলাইটের সারফেস ম্যানেজার ছিলেন। ওএনজিসি বিদেশ-এ কর্পোরেট প্ল্যানিং অ্যান্ড স্ট্র্যাটেজির প্রধান হিসাবেও তিনি অত্যন্ত সফলভাবে তাঁর কার্য সম্পাদন করেন।

Arunangshu Sarkar is the Strategy & Corporate Director of ONGC

Arunangshu Sarkar joined ONGC as its first director of strategy and corporate affairs. Two years ago, the Board of ONGC introduced an important post of director through restructuring which will drive ONGC to strengthen global and local partnerships as well as new strategies in renewables, downstream sector, E&P. In addition to this, marketing and IT focus on innovation. At the same time, its strategic change will improve the management of joint ventures and ONGC for sustainable growth.

Prior to taking over as Director, he was the surface manager of ONGC's largest and OEG-producing assets, basins and satellites. He also served as Head of Corporate Planning and Strategy at ONGC Abroad with great success.

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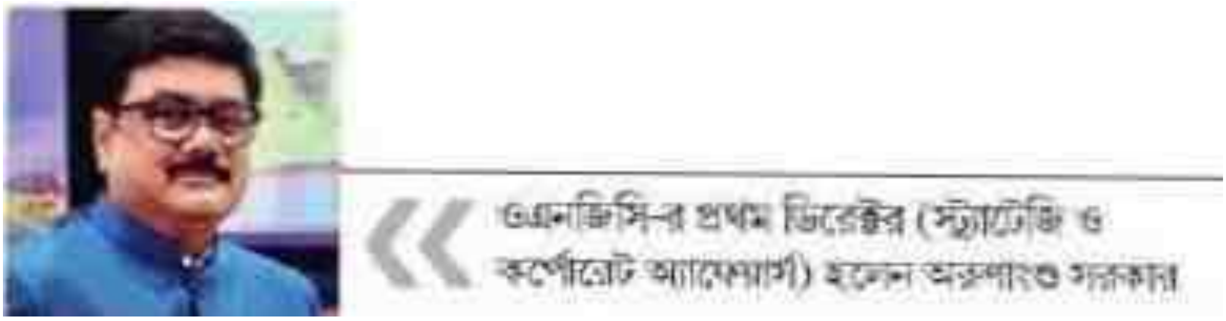
Headline: Arunangshu Sarkar as its inaugural Director (Strategy & Corporate Affairs)



ওএনজিসি-র প্রথম ডিরেক্টর (স্ট্র্যাটেজি ও কর্পোরেট অ্যাফেয়ার্স) হলেন অরুণাংশু সরকার

Publication : The Hindu Business Line	Editions : New Delhi
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Day trading guide

25369 » **Nifty 50 Futures**

S1	S2	R1	R2	COMMENT
25300	25200	25500	25800	Buy when the contract dips to 25300; place stop-loss at 25180.

₹1694 » **HDFC Bank**

S1	S2	R1	R2	COMMENT
1685	1675	1715	1730	Buy the stock now and on a dip to 1685; stop-loss at 1670.

₹1892 » **Infosys**

S1	S2	R1	R2	COMMENT
1890	1860	1930	1970	Short the stock when price slips below 1890; stop-loss at 1910.

₹507 » **ITC**

S1	S2	R1	R2	COMMENT
505	500	515	525	Go long if the price moderates to 500; place stop-loss at 490.

₹290 » **ONGC**

S1	S2	R1	R2	COMMENT
285	275	295	305	Initiate fresh short position at 292; place stop-loss at 298.

₹2926 » **Reliance Ind.**

S1	S2	R1	R2	COMMENT
2900	2870	2950	3000	Intraday trend appears uncertain; refrain from trading.

₹792 » **SBI**

S1	S2	R1	R2	COMMENT
780	765	800	815	Short the stock when the price touches 800; stop-loss at 820.

₹4346 » **TCS**

S1	S2	R1	R2	COMMENT
4340	4250	4400	4450	Wait and go short when price rises to 4400; stop-loss at 4450.

S1, S2: Support 1 & 2; R1, R2: Resistance 1 & 2.

Publication : The Indian Express	Editions : New Delhi
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REPATRIATION FRAUGHT WITH COMPLICATIONS

Indian oil PSUs' dividends stuck in Russia balloon to around $900 mn

SUKALP SHARMA
NEW DELHI, SEPTEMBER 18


File

INDIA'S PUBLIC sector oil companies' stuck dividend income from their Russian investments has ballooned to around $900 million as the companies have been unable to work out a mechanism with the Russians to repatriate that money or use it in bilateral trade between the two countries, according to sources in the know.

Dividend payments received by ONGC Videsh (OVL), Oil India (OIL), Indian Oil Corporation (IOC), and Bharat Petroleum Corporation (BPCL) arm Bharat PetroResources (BPRL) from their participation in Russian upstream oil projects are stuck in their bank accounts in Moscow due to payment channel-related restrictions in the aftermath of Russia's February 2022 invasion of Ukraine. The dividend income is being credited into their bank accounts in roubles. The bank in Russia where the money is accumulating is understood to be the Commercial Indo Bank (CIBL), an affiliate of the State Bank of India (SBI).

The issue has been taken up time and again by the Indian companies with their Russian partners over the past couple of years. It has also featured in government-to-government discussions between New Delhi and Moscow, but a resolution is still awaited due to various complications arising from Western sanctions on Moscow and its energy sector.

OVL, the overseas investment arm of Oil and Natural Gas Corporation (ONGC), holds 20 per cent stake in the Sakhalin-1 project and 26 per cent in the Vankor project. The consortium of IOC, OIL, and BPRL has 23.9 per cent share in Vankor and 29.9 per cent in the Taas-Yuryakh project. Around $600-$650 million of the stranded dividends belong to the consortium of IOC, OIL, and BPRL. Around $250 million in dividends belonging to OVL are also stuck. With the money stuck in Russia, the only viable options would be to use it for payments there, increase investments in Russia, and fund operational and capital expenditure requirements of existing projects, according to executives with the Indian oil companies.

However, the dividend payments being received are after deduction of operational expenses and there is no plan at present to invest more capital into the ongoing projects, said an oil company official who did not wish to be identified. Also, the companies are currently not exploring investments in any new project in Russia, which leaves using the money for payments as the only feasible option.

The only exception to this could be OVL, which is required to pay around $600 million to Russia for its re-nomination as a shareholder in the Sakhalin project. The company wants to use its stuck dividend income to partly settle this payment, and is in talks with Russian authorities. Following the outbreak of the Russia-Ukraine war and the consequent exit of American oil major ExxonMobil from Russia, the Sakhalin project was nationalised by Moscow. The other shareholders in the project are now required to put in their share of the abandonment fund—used to finance the decommissioning and closure of an oil and gas asset—for regaining their stake in it. Theoretically, the money can be used to partly pay for India's crude oil purchases from Moscow. But according to a senior official with one of the consortium members, it is a proposition fraught with multiple challenges. Firstly, while IOC and BPCL do buy Russian oil, OIL does not. Secondly, the investments in Russian projects are through special purpose vehicles registered in overseas territories like Singapore.

This means that any payment dealing with Russian oil in this case would also come under jurisdiction of overseas territories, and not just Russia and India. It is worth noting here that there are various Western sanctions against Russia and its energy sector. Therefore, cross payments for Russian oil using this dividend income could end up becoming an extremely complex exercise from taxation and accounting standpoints. The companies have been seeking the opinion of legal and international accounting experts to work a way out.

From being a marginal supplier of crude to India before the war in Ukraine, Russia has emerged as New Delhi's biggest source of oil over the past year, overtaking heavyweights like Iraq and Saudi Arabia. Indian refiners started snapping up Russian crude, which was being offered at a discount by Moscow as the West began to shun Russian barrels.

Soon after the war in Ukraine broke out, a number of major Russian banks were banned from the Society for Worldwide Interbank Financial Telecommunication (SWIFT) financial transaction processing system, seriously constricting Moscow's ability to access the global payments system. Russia also restricted repatriation of US dollars out of the country in a bid to curb foreign exchange volatility.

Publication : Mint	Editions : New Delhi
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Lower oil gains capped for OMCs

Ashish Agrawal
feedback@livemint.com

State-run oil marketing companies (OMCs) are on course to see a marked improvement in their profitability, thanks to the recent drop in crude oil prices amid stable product prices.

The average Brent crude price fell to $70 per barrel in September from over $80 in August. Yet, the companies face uncertainty due to a possible government cut in retail fuel prices, which would limit their gains.

But first, why are crude prices falling? Crude is down 20% from its peak of over $90 per barrel in April. Subdued demand outlook, especially from China, weighed on prices. Also the expectation that Organisation of the Petroleum Exporting Countries and partners (Opec+) will gradually reverse additional voluntary output cuts of 2.2 million barrels per day (mbpd) from December.

The International Energy Agency estimates the global crude oil market will reach a surplus of 1.8 mbpd in 2025 versus 0.1 mbpd in 2024 and a deficit of 0.2 mbpd in 2023. So, estimates for crude oil prices have been tapered. For instance, ICICI Securities Ltd expects FY25 crude to average below FY24's average of $83 per barrel. The brokerage cut FY25/FY26 Brent estimates to $80/ $85 per barrel versus $85/$87.

OMCs' integrated margin (refining plus marketing businesses) is expected to get a boost from strong marketing margins though softening crude has hit refining margins.

Gross marketing margins on petrol and diesel for the September quarter till date (Q2FY25-TD) are at ₹7.3 a litre and ₹5.2 a litre, up from ₹3.9 a litre and ₹3.5 a litre in Q1FY25, Kotak Institutional Equities' analysts said on 12 September.

"With petrol/diesel/LPG (about 80-85% of OMCs' sales) retail prices frozen, overall integrated margins rise at a lower oil price," the brokerage said. "Based on the current ~$70/barrel oil prices, the integrated margins are $29-30/barrel for petrol/diesel (versus the average of $15-20 per barrel) over FY2018-23."

Sure, a possible cut in retail prices is a threat. The adverse impact can be limited if the cut is near ₹2 per litre. Emkay Global Financial Services sees aggregate Ebitda for the three OMCs up over 50% in Q2FY25 over Q1 level, assuming Brent crude at $75 per barrel and ₹2 per litre fuel price cut.

Hindustan Petroleum Corp. Ltd's (HPCL) gains could increase in H2FY25 with the completion of its Vizag expansion project expected this month. ICICI Securities doesn't expect earnings-per-share to be much impacted if the retail price cut is a reasonable ₹2-3 per litre.

OMCs are making significant investments to reduce vulnerability to oil price fluctuations, especially in the downstream petrochemicals segment. Indian Oil Corp. Ltd (IOC) is investing ₹61,000 crore to build a pechem complex in Orissa. IOC expects its petchem capacity to rise to 14mtpa by FY30 from 4.3mtpa now, with petchem intensity up at 15% from 6.1%. Petchem intensity is the percentage of crude oil processed to produce petrochemicals.

Bharat Petroleum Corp. Ltd (BPCL) estimates the intensity will grow to 8% by FY29 with two new petchem projects in Bina and Kochi. Over the next five years, BPCL and HPCL plan total capex outlay of ₹1.7 trillion and ₹75,000 crore. To be sure, gains from these projects may take time to reflect in the performance of these companies.

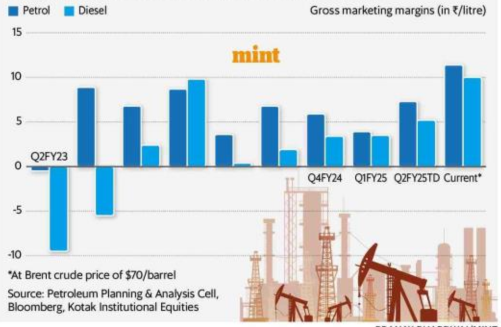
CRUDE SLIDE

THE average Brent crude price fell to $70 per barrel in September from over $80 in August

OMCs are making significant investments to reduce vulnerability to oil price fluctuations

Potential gains

OMCs can benefit from the recent drop in crude oil price as gross marketing margins on diesel and petrol have risen sharply



*At Brent crude price of $70/barrel

Source: Petroleum Planning & Analysis Cell, Bloomberg, Kotak Institutional Equities

PRANAY BHARDWAJ/MINT

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PLAIN FACTS

Why governments are loath to cut fuel prices

BY HOWINDIALIVES.COM

Global crude oil prices have fallen sharply in recent weeks. The price of the variant of crude that India imports is currently around $73 a barrel. The last time crude oil was this low was around November 2021, just a few months before Russia invaded Ukraine and triggered a surge in oil prices globally. While there is a growing clamour for retail prices of petrol and diesel to be cut, governments have been slow to respond, given the outsized support that oil provides to their revenues.

In the past five years, India has been more sensitive on the input side than the output side. Adjusted for exchange rates, the price of crude for Indian refiners is currently ₹39 a litre. Back in June 2022, it was ₹57. Thus, against a gain of ₹18 on the input side, the price of petrol has been cut by only ₹2 in the past two years. But with several state elections approaching, more cuts may be imminent.

Political considerations aside, the government has little incentive to cut fuel prices on purely economic grounds. Petroleum secretary Pankaj Jain said oil companies may cut prices if global crude prices stay low for an "extended period". A major consideration would have been inflation, which is heavily influenced, directly and indirectly, by fuel prices. Until as recently as June, consumer inflation was above 5%, driven by food prices. But the fuel price component has been negative since September 2023, reducing the incentive to cut prices.

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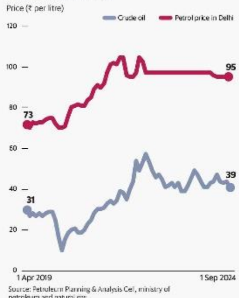
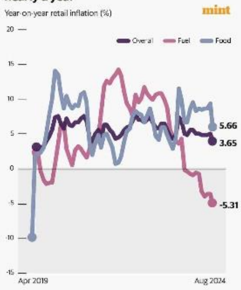
For the past five years, refining margins have stayed steady



Source: Petroleum Planning & Analysis Cell, ministry of petroleum and natural gas

Fuel inflation has been negative for nearly a year



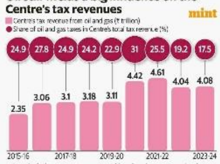
Source: Ministry of statistics and programme implementation

Tax Riches

ANOTHER ECONOMIC disincentive for the government to cut fuel prices is the importance of the petroleum industry to India's public finances. In 2023-24, the industry contributed over ₹4 trillion to the central government in the form of both direct and indirect taxes. That's around 18% of its total tax revenues for the year, though the importance of that contribution has fallen in recent years.

A cut in fuel prices could, depending on the magnitude, put a dent in central government coffers. Besides tax revenue, dividends from oil companies owned by the government contributed another ₹19,000 crore to it. State governments earned another ₹3.18 trillion in taxes, duties and royalties from oil companies. For states, taxes on fuel and liquor are among the few levers of revenue that remain fully within their control since the migration to a nationwide Goods and Services Tax regime in July 2017.

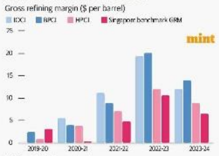
Oil still wields a big influence on the Centre's tax revenues



Data includes corporate taxes paid by oil and gas companies, but excludes dividend tax. Data for 2023-24 is provisional.

Source: Petroleum Planning & Analysis Cell, ministry of petroleum and natural gas; budget documents

Indian refiners are topping margin benchmarks since 2020-21



Data for 2023-24 is provisional

Source: Petroleum Planning & Analysis Cell, ministry of petroleum and natural gas

Protecting Margins

HEALTHY MARGINS give oil companies more room for price cuts. Gross refining margin (GRM) is the difference between the sale price of petroproducts (such as petrol and diesel) and the price of crude oil. While the GRM of government-owned oil companies remains well above the benchmark Singapore GRM, that difference is set to fall in 2024-25, according to credit rating firm CareEdge Ratings.

In recent years, India has imported larger volumes of Russian crude at lower rates than crude from other sources, helping refiners make outsized profits. However, the differential between Russian crude and Middle-East crude has narrowed, and is likely to reduce the GRM of Indian refiners. The CareEdge report expects GRM to fall to $6-8 a barrel in 2024-25. In 2023-24, Indian oil refiners reported a GRM of $8-14 a barrel. If GRM falls, expect oil companies to be even more cautious in cutting retail prices.

EV Threat?

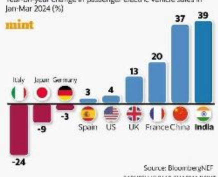
BEYOND SHORT-term movements in global oil prices and the fortunes of oil companies, a major long-term challenge to the fossil fuel industry is electric vehicles (EVs). According to BloombergNEF, EV sales in India grew 39% year-on-year in the first quarter of 2024. Brisk growth could reduce retail sales of petrol and diesel over time. Revenue from fuel taxes, so important to governments the world over, could be hit.

However, this is unlikely to happen anytime soon. EVs are still a small share of overall vehicle sales. While EV sales in countries such as India and China have been strong, sales in more developed countries have been subdued. Italy, Japan and Germany reported negative growth in the March quarter. Expect the Indian state, like other governments worldwide, to remain addicted to crude oil—and the revenue it brings.

www.howindialives.com is a database and search engine for public data.

EV sales in several developed markets hit a bump in Q1

Year-on-year change in passenger electric vehicle sales in Jan-Mar 2024 (%)



Source: BloombergNEF

SARVESH KUMAR SHARMA/MINT

Publication : Business Standard	Editions : New Delhi
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Windfall tax cut on crude may not impact firms, govt

SUBHAYAN CHAKRABORTY
New Delhi, 18 September

The windfall tax on domestically produced crude oil being slashed to zero is not expected to have a significant impact on the government's revenue or the tax burden of upstream oil companies, analysts said on Wednesday. The move is in line with falling global crude prices, and subsequent shrinking of profit of domestic oil producers, they stressed.

On Tuesday, the Centre brought down the tax to nil, down from ₹1,850 per tonne and ₹2,100 per tonne in the two previous fortnights. Classified as the Special Additional Excise Duty (SAED), windfall tax is levied on domestically produced crude oil, and export of diesel, petrol, and jet fuel (ATF). The tax rates are reviewed every fortnight based on average oil prices in the previous two weeks. It had been slashed to nil once before, on April 4, 2023.

"The impact of the windfall tax on oil companies was limited recently, since oil prices have been around $70-72 per barrel. In the latest fortnightly period, the windfall tax on domestically produced crude had been ₹1,850 per tonne, which translated to ₹$3 per barrel," Prashant Vasisht, senior vice president and co-group head, corporate ratings, at ICRA Limited told *Business Standard*.

"Since the imposition of the tax, the realisations of upstream companies has been in the range of $70-75/barrel. So, removing the tax is not expected to impact the oil companies much," he added.

Windfall taxes are designed to tax the profits a company derives from an external, sometimes unprecedented, event — for instance, the energy price-rise as a result of the Russia-Ukraine conflict. But falling global prices of crude have punctured the justification for the tax.

Debasish Mishra, chief growth officer, Deloitte South Asia, said upstream oil companies may not be earning supernormal profit recently, thereby removing the justification for a windfall tax. "International crude prices have corrected to around $70 per barrel with a downward bias due to the demand scenario. Given the geology — the cost of producing crude remains high in India — domestic oil producers may not have been earning much windfall profit," Mishra said.

No revenue impact

The move is also not expected to have significant revenue implications for the exchequer, Mishra added. "The government's revenue realization from windfall tax has not been as significant as its realizations from the excise duty on sales of petrol and diesel," he pointed out.

Analysts believe the latest cut in the tax is along expected lines. "Back when the windfall tax was first imposed in August, 2022, the government had said it would revisit the imposition of windfall tax in case global crude prices fall to about $70 per barrel.

Publication : The Hindu Businessline	Editions : Mumbai, Bangalore
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KABIL gets non-invasive exploration permits for lithium blocks in Argentina

Abhishek Law
New Delhi

State-owned critical mineral exploration and mining agency KABIL (Khanij Bidesh India Ltd) has obtained permission to carry out non-invasive exploration in three out of the five recently acquired lithium blocks in Argentina.

Post submission of a detailed report, the company will be allowed to start exploration activities across these blocks, VL Kantha Rao, Secretary Ministry of Mines and Coal, told *businessline*.

Typically, non-invasive mining exploration uses remote sensing and other techniques to identify and characterise mineralised systems without causing environmental damage.

"So far, in three of the five lithium blocks, KABIL has got permission to carry out non-invasive explorations. Once reports are submitted, permission will be obtained for exploration activities, and so on.

"We have guided for a two-year period to complete exploration activities, get the mines to start production," Rao said on the sidelines of the FIMI AGM.

In January, KABIL signed a ₹200-crore lithium exploration pact for acquisition and subsequent commercial use of five blocks in Argentina.

It signed an MoU with the Argentinian state-owned entity CAMYEN (Catamaca Minera Y Energitca Sociedad Del Estado) and acquired the lithium brine blocks, namely Cortadera-I, Cortadera-VII, Cortadera-VIII, Cateo-2022-01810132 and Cortadera-VI.

VL Kantha Rao, Secretary, Ministry of Mines and Coal

The brine blocks cover an area of about 15,703 hectares in the Catamarca district of Argentina.

The MoU states that there is a five-year time-frame given to KABIL within which exploration activities across these blocks have to start, failing which "hefty fines" have to be paid.

Rao said KABIL has already set up a branch office in the LatAm nation and roped in a local partner — contractor — to carry out exploration activities.

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India is also on the lookout for more lithium mine acquisitions overseas.

In Australia, for instance, the consultant, E&Y, has "provided some leads" which are being worked out. "There is no MoU there as of yet. But we have some leads on which KABIL is working on in Australia," Rao said.

This apart, Coal India has also expressed interest to tap into Chile and Argentina for more resources of lithium. Discussions are underway.

Despite discovery of some mines or sources in the country, whose commercial viability is under study, India completely relies on imports of lithium and lithium-based batteries with an import bill ofis over ₹25,000 crore, say sources.

Online

Headline	ONGC, OIL rise up to 2.5% as govt cuts windfall tax on crude oil to nil		
Publication	Business Standard	Edition	Online Coverage
Published Date	18 Sep 2024		

ONGC, OIL rise up to 2.5% as govt cuts windfall tax on crude oil to nil

https://www.business-standard.com/markets/news/ongc-oil-rise-up-to-2-5-as-govt-cuts-windfall-tax-on-crude-oil-to-nil-124091800213_1.html

Govt cuts windfall tax to nil: On Tuesday, Centre scrapped windfall tax on crude oil from Rs 1,850 per tonne amid ease in oil prices

Shares of oil exploration companies gained in trade on Wednesday, bucking the tepid market sentiment, as t he government removed windfall tax on domestically produced crude oil, effective September 18.

Individually, Abans Offshore share price advanced 2.5 per cent, Hindustan Oil Exploration, and Oil India share prices rose 1.9 per cent each, ONGC share price 1.2 per cent, and Selan Exploration 1.5 per cent. By comparison, the BSE Sensex was up 26 points at 83,100 level at 9:55 AM.

On Tuesday, Centre scrapped windfall tax on crude oil from Rs 1,850 per tonne amid ease in oil prices. This is the second time the government has cut windfall tax on crude oil to nil. Previously, on April 4, 2023, the centre had reduced it to zero.

Brent crude oil has declined over 20 per cent from its recent peak of $91 per barrel, to trade around $73 per barrel now. On a year-to-date basis, Brent crude oil has slipped around 5 per cent.

The decline in crude oil prices deepened recently as fears of a slowdown in the US economy, coupled with the persistent sluggish demand in China, surfaced.

Meanwhile, the practice to impose windfall tax on crude oil producers has been in place since July 2022. The Indian government reviews the windfall tax every fortnight, and the cut comes after a significant decline in crude prices.

Prior to the recent revision, the government had cut windfall tax on domestically produced crude oil to Rs 1,850 per tonne from Rs 2,100 per tonne on August 31. Before that, the government revised the windfall gains tax on petroleum products, reducing the levy on domestic crude oil to Rs 2,100 per tonne, down from Rs 2,400 per tonne on August 17.

Headline	Arunangshu Sarkar joins the ONGC Board as first-ever Director of Strategy & Corporate Affairs		
Publication	India Blooms	Edition	Online Coverage
Published Date	19 Sep 2024		

Arunangshu Sarkar joins the ONGC Board as first-ever Director of Strategy & Corporate Affairs

https://www.indiablooms.com/finance-details/21280/arunangshu-sarkar-joins-the-ongc-board-as-first-ever-director-of-strategy-corporate-affairs.html

Sarkar, a seasoned industry professional with over 37 years of experience, will take on the newly created role, introduced two years ago as part of a board reorganization aimed at driving ONGC's strategic initiatives.

In this position, Sarkar will be responsible for shaping ONGC's strategies in renewables, downstream sectors, and exploration and production (E&P).

His role will also focus on strengthening both global and local partnerships, enhancing joint venture management, and leading innovation in marketing and IT to ensure sustained growth for the company.

Before assuming this role, Sarkar served as the Surface Manager of ONGC's largest oil and gas-producing asset, Bassein & Satellite, and previously led Corporate Planning and Strategy at ONGC Videsh.

Headline	HSBC cuts ONGC rating, raises stock target on revised earnings estimates		
Publication	Investing	Edition	Online Coverage
Published Date	18 Sep 2024		

HSBC cuts ONGC rating, raises stock target on revised earnings estimates

https://in.investing.com/news/company-news/hsbc-cuts-ongc-rating-raises-stock-target-on-revised-earnings-estimates-93CH-4433174

On Wednesday, HSBC analyst issued a new rating for Oil & Natural Gas Corp Ltd (NS:ONGC:IN) shares, downgrading the stock from Hold to Reduce, despite increasing the price target to INR230.00, up from the previous INR175.00. The adjustment in the rating and price target is a reflection of revised earnings estimates and the company's shift towards green energy.

The downgrade comes with a revised outlook on the company's future performance, where HSBC now anticipates a 4-5% cut to ONGC's FY25-26 earnings estimates, primarily due to lower production volumes. The analyst cited that government actions have a significant impact on ONGC's cash flows, and therefore, dividends are considered a more accurate measure of the company's value.

HSBC's analysis incorporates a dividend discount model to value ONGC, highlighting the importance of dividends in the context of government influence on the company. The firm's recent commitment to a green energy transition has been noted positively, warranting a higher terminal growth assumption compared to ONGC's previous status as solely an oil explorer.

Despite the positive view on ONGC's transition to green energy, HSBC pointed out several factors that could potentially lead to a reduction in estimates, including disappointment in production, fluctuating oil prices, and increased capital expenditures.

Nevertheless, HSBC acknowledged that there is an upside risk to their assessment, which could come from a significant increase in new oil or gas discoveries that would drive production growth for ONGC.

Headline	ONGC welcomes Mr. Arunangshu Sarkar as its inaugural Director (Strategy & Corporate Affairs)		
Publication	News Mantra	Edition	Online Coverage
Published Date	18 Sep 2024		

ONGC welcomes Mr. Arunangshu Sarkar as its inaugural Director (Strategy & Corporate Affairs)

https://newsmantra.in/ongc-welcomes-mr-arunangshu-sarkar-as-its-inaugural-director-strategy-corporate-affairs/

ONGC welcomes Mr. Arunangshu Sarkar as its inaugural Director (Strategy & Corporate Affairs)

ONGC welcomes Mr. Arunangshu Sarkar as its inaugural Director (Strategy & Corporate Affairs) on 17 September 2024. This groundbreaking role, part of our board restructuring, will drive new strategies in renewables, downstream sectors, E&P space, while strengthening global and local partnerships. With a keen focus on marketing and IT innovation, this strategic shift will enhance JV management and position ONGC for sustained growth.

Headline	Arunangshu Sarkar joins the ONGC Board as first-ever Director of Strategy & Corporate Affairs		
Publication	North East Herald	Edition	Online Coverage
Published Date	19 Sep 2024		

Arunangshu Sarkar joins the ONGC Board as first-ever Director of Strategy & Corporate Affairs

https://www.northeastherald.in/finance/arunangshu-sarkar-joins-the-ongc-board-as-first-ever-director-of-strategy--corporate-affairs

New Delhi: Arunangshu Sarkar has joined the ONGC Board as the company's first-ever Director (Strategy & Corporate Affairs), effective September 17, 2024.

Sarkar, a seasoned industry professional with over 37 years of experience, will take on the newly created role, introduced two years ago as part of a board reorganization aimed at driving ONGC's strategic initiatives.

In this position, Sarkar will be responsible for shaping ONGC's strategies in renewables, downstream sectors, and exploration and production (E& P).

His role will also focus on strengthening both global and local partnerships, enhancing joint venture management, and leading innovation in marketing and IT to ensure sustained growth for the company.

Before assuming this role, Sarkar served as the Surface Manager of ONGC's largest oil and gas-producing asset, Bassein & Satellite, and previously led Corporate Planning and Strategy at ONGC Videsh.

Headline	JSA advises ONGC and ONGC Green Limited in the acquisition of 100% stake of PTC India Limited in PTC Energy Limited		
Publication	SCC Online	Edition	Online Coverage
Published Date	18 Sep 2024		

JSA advises ONGC and ONGC Green Limited in the acquisition of 100% stake of PTC India Limited in PTC Energy Limited

https://www.scconline.com/blog/post/2024/09/18/jsa-advises-ongc-and-ongc-green-limited-in-the-acquisition-of-100-stake-of-ptc-india-limited-in-ptc-energy-limited/

JSA advised ONGC and ONGC Green Limited (OGL) in the acquisition of 100% stake of PTC India Limited in PTC Energy Limited

JSA advised ONGC and ONGC Green Limited (OGL) in the acquisition of 100% stake of PTC India Limited in PTC Energy Limited (PEL). PEL operates 7 wind power projects with an aggregate capacity of 288.80 MW. OGL was incorporated recently as wholly owned subsidiary of ONGC, for housing renewable energy projects in line with ONGC's initiatives in renewable energy domain to achieve its Net Zero Target (Scope 1 & 2) by 2038. This transaction is one of the first projects undertaken by ONGC for acquisition of renewable energy projects. The transaction is subject to completion of customary conditions precedent and completion actions.

JSA advised ONGC in (i) negotiating and finalizing the transaction documents, and (ii) due diligence of PEL's renewable energy portfolio including advising ONGC on strategic risk mitigation measures to address project development and regulatory aspects associated with the wind assets spread across Andhra Pradesh (AP), Madhya Pradesh (MP) and Karnataka, totalling up to wind generation capacity of 288.80 MW spread over 157 Wind Turbine Generators.

Headline	ONGC launches drive against use-and-throw plastic		
Publication	The Hindu	Edition	Online Coverage
Published Date	18 Sep 2024		

ONGC launches drive against use-and-throw plastic

https://www.thehindu.com/news/cities/Tiruchirapalli/ongc-launches-drive-against-use-and-throw-plastic/article68655701.ece

Oil and Natural Gas Corporation has launched a campaign to make village panchayats in Tiruvarur district as use-and-throw plastics free zones.

According to official sources, the campaign to create awareness of the harmful impact of using non-biodegradable one-time-use plastic products in daily life and the advantages of using bio-friendly alternatives was launched at Thandalai village panchayat by Collector T. Charushree, on Wednesday.

A drive to collect non-biodegradable one-time-use plastic products from the village also formed part of the campaign ONGC took up as its Corporate Social Responsibility activity in association with Paalam, a non-governmental organisation.

The campaign would last for six months to ensure that Thandalai village panchayat became a use-and-throw plastics free zone.

Headline	ONGC, MRPL, Oil India, Chennai Petroleum in focus as centre scraps windfall gains tax on crude		
Publication	Zee Business	Edition	Online Coverage
Published Date	18 Sep 2024		

ONGC, MRPL, Oil India, Chennai Petroleum in focus as centre scraps windfall gains tax on crude

https://www.zeebiz.com/markets/stocks/news-windfall-gains-tax-crude-scrapped-ongc-mrpl-ril-ongc-chennai-petroleum-in-focus-315763

Oil stocks remain in focus on Wednesday (September 18) as the government has done away with the windfall gains tax on crude petroleum.

Earlier, the windfall tax was at Rs 1850 per tonne. The new rates will be effective from today.

This tax is levied in the form of Special Additional Excise Duty (SAED) and is notified fortnightly based on average oil prices in two weeks. The tax levy is based on factors such as global oil price, export quantity and foreign exchange rate.

Last the revision was done on August 31 when the windfall tax on crude petroleum was set at Rs 1,850 per tonne.

For the first time, the centre levied windfall profit taxes on July 1, 2022, joining other nations that tax supernormal profits of energy companies.

Generally speaking, w indfall profits' refer to an unanticipated spike in profits of a company on the back of some exogenous event (which could be one-off and/or prolonged) and not due to a business decision.

The slashing of the windfall tax to zero will augur well for upstream oil companies in India such as ONGC, Oil India and Reliance Industries as it will boosts their profitability.

Headline	India to Continue Buying Oil from Russian Companies, Says Hardeep Singh Puri		
Publication	Outlook Business	Edition	Online Coverage
Published Date	18 Sep 2024		

India to Continue Buying Oil from Russian Companies, Says Hardeep Singh Puri

https://www.outlookbusiness.com/economy-and-policy/india-to-continue-buying-oil-from-russian-companies-says-hardeep-singh-puri

India is not alone in buying from Russia as European countries and Japanese businesses are doing the same, says the oil minister

India is prepared to keep buying oil from Russian companies that are allowed to make such sales, since prices are cheap, Union Minister for Petroleum and Natural Gas Hardeep Singh Puri told Reuters in an interview at the GasTech conference in Houston on Tuesday.

Western sanctions on Russia over its war with Ukraine have capped the price Russia can charge for its crude oil, and India is prepared to buy oil and gas at the lowest possible prices from anyone, said Puri.

"If an entity is not under sanctions, there is no question I will buy from the cheapest supplier," he said at the conference. He added that India is not alone in buying from Russia as European countries and Japanese businesses are doing the same.

One of the largest consumers of energy, India imports 88 per cent of its oil needs. Oil minister expects the use of energy to grow, with growing use of natural gas and renewables.

India has annual refining capacity of about 252mn metric tonnes and is expecting to expand it.

"Now, projects are in place to take it up to 300 million metric tons per annum. We are brainstorming whether we should take it to 400 or 450," Puri further said.

A spike in global prices for superchilled gas after Russia's invasion of Ukraine has slowed India's adoption of natural gas. India plans to increase its gas usage to 15 per cent of the energy mix by 2030 up from 6 per cent. However, the speed of change depends on prices.

"If gas prices were to stabilize and come down then its share in our energy mix will go up," he said.

Indian state and private companies have invested in liquefied natural gas projects and will continue to look for places to invest globally.

Puri mentioned India has held discussions with Guyana, which has over 12bn barrels of recoverable oil equivalent resources. India also is in talks with the world's five largest oil and gas companies on the possibility of them exploring for hydrocarbons in India, he said.

Headline	India will contribute to 35% of global energy demand in next 2 decades: Puri at Gastech		
Publication	The Hindu	Edition	Online Coverage
Published Date	18 Sep 2024		

https://www.thehindu.com/news/national/india-will-contribute-to-35-of-global-energy-demand-in-next-2-decades-puri-at-gastech/article68654285.ece

Over the next two decades, India will contribute to 35% of the global increase in energy demand, Indian Minister Hardeep Puri said here on Tuesday (September 17, 2024) at a multinational conference held to deliberate on the world's energy needs.

The 52nd Gastech Exhibition & Conference kicked off Tuesday with strategic insights from the world's five leading energy ministers, including India's, at the George R Brown Convention Center.

The event, themed 'Transforming Energy Through Vision, Innovation, and Action,' brought into focus a need for global energy stability and rapid decarbonisation.

In his keynote address, Union Minister of Petroleum & Natural Gas, Hardeep Singh Puri underscored India's increasingly dominant role in the global energy landscape.

"If global demand is increasing by one per cent, ours is surging three times faster. Over the next two decades, India will contribute to 35% of the global increase in energy demand," he said.

He framed India's challenge as an "energy trilemma," emphasising the need to balance availability, affordability, and a successful green transition.

"We are confident in our ability to manage and succeed in the green transition," Mr. Puri asserted.

The conference's opening ministerial panel, featuring officials from the U.S., India, Egypt, Nigeria, and Turkey, deliberated on critical geopolitical and industry challenges.

Geoffrey Pyatt, Assistant Secretary of State for Energy Resources, emphasised the United States' role in stabilising global energy flows and fostering international cooperation.

"With America's unprecedented energy abundance," Mr. Pyatt stated, "we are positioned to play a central global role, working closely with our international partners."

Egyptian Minister Karim Badawi spoke about his country's strategic position as a key energy gateway and stressed the necessity of creating an investment-friendly environment.

Nigeria's Minister of State for Petroleum Resources, Rt Hon Ekperikpe Ekpo, outlined the African nation's unique natural gas opportunities.

Industry leaders, including Chevron CEO Mike Wirth and Cheniere Energy CEO Jack Fusco, discussed the impact of India's energy policies on global strategies.

Wirth called for dialogues on energy futures, while Fusco emphasised the need for adaptable business models to meet evolving energy demands and climate goals.

The discussions also centred on natural gas and LNG, with India's significant investments shaping the global economic landscape.

ConocoPhillips CEO Ryan Lance stressed natural gas's pivotal role in driving economic growth and technological progress.

The Hydrogen conference and the Climate Tech & AI conference showcased India's growing influence in hydrogen and innovative energy technologies.