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Skilling plan laudable, but needs clarity: Biz leaders

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While praising the internship scheme announced in the Budget, India Inc wants clarity on how it will be implemented.

The scheme is expected to help companies address the skill gap in employment.

Dheeraj Hinduja, chairman, auto major Ashok Leyland, said: "We had started an internship programme at our plant in Pantnagar, which we established in 2010 with colleges there. The government has left it to each company to see how it can support the programme. The scheme should support students in finding jobs. Our support in the programme continues in Pantnagar."

Ramesh Alluri Reddy, chief executive officer (CEO), TeamLease Degree Apprenticeship, said the Budget's emphasis on skill development and job creation was commendable.

But the scheme requires clarity. The lack of

LEADING CSR SPENDERS

	As of	CSR spend (₹ cr)
HDFC Bank	FY24	945.3
Reliance Inds	FY23	739.0
Tata Steel	FY24	548.6
Infosys	FY24	497.0
ONGC	FY23	429.8
IOCL	FY24	422.4
ITC	FY24	403.5
ICICI Bank	FY23	400.9
Power Grid Corp	FY23	312.0
NTPC	FY23	310.0

Note: Based on latest available data
Source : Capitaline
Compiled by BS Research Bureau

detailed provisions on qualifications and procedural guidelines could impede its rollout and compliance. For instance, the definition of a "premier institution" remains nebulous.

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Construction industry faces labour crunch of 10-15%

This vagueness could lead to disparate interpretations and distorted implementation. Additionally, the age bracket of 21-24 lacks specificity regarding employment status and economic conditions, he said.

Sanjay Nayar, president of Assocham, and former CEO, KKR & Co's India unit, said: "Industry is poised to benefit from the scheme ... the initiative has the potential to bridge the skill gap, particularly in sectors that demand them."

"All stakeholders will be keen to be part of the consultation process for finalising a framework for the internship scheme. While the Budget proposals provide for companies to use 10 per cent of their CSR (corporate social responsibility) funds for the internship cost, raising the CSR fund limit may even improve industry response," Nayar said. Officials of construction and engineering major L&T, which has in the past complained about skilled labour shortage, said if India was to grow, one of its positives was its population. "We need to invest in health and education for all, and the tax collected should be used for this purpose. It is a positive that the government is talking about labour, and it has to be a long-term plan. If the government



invests in health and education, industry will take care of the skill part," said R Shankar Raman, chief financial officer and whole-time director, L&T. The construction industry, which companies such as L&T and Tata Projects operate in, is facing a labour crunch of 10-15 per cent, specific to skilled labour.

Ritesh Singh, chief human resources officer, Tata Projects, is

hopeful the Budget initiatives will help address some of these issues.

He said: "We undertake similar upskilling under our own schemes, using our manpower costs. With the Budget announcement, we will explore if we could utilise CSR funds for this. "I do not expect it to add any further costs." Kamal Karanth, CEO and founder, Xpheno, a specialised staffing firm, said the paid internship

HOW FIRMS FARE ON CSR

	As of	Spend (₹ crore)
JSW Steel	FY24	298.3
Axis Bank	FY24	267.2
HCL Technologies	FY24	261.0
Hind. Unilever	FY24	230.6
Kotak Mah. Bank	FY24	228.8
Hindustan Zinc	FY24	213.9
REC Ltd	FY23	210.0
Wipro	FY24	203.9
Bajaj Finance	FY24	185.7
Power Fin. Corpn.	FY23	178.6

Note: Based on latest available data
Source: Capitaline Compiled by BS Research Bureau

scheme was a good start on fresher employment. He said the number of undergraduate and postgraduate students in all streams of education in the country was between 9.4 million and 9.6 million. "With 20-23 per cent of them pursuing higher education, we see 7.2-7.5 million people entering the job market each year. Even in the most buoyant years, the high-potential tech sector absorbs only 600,000.

Therefore, creating seven-eight million jobs annually is a challenge for all sectors and enterprises, with market variables high enough to question its feasibility," he said. A senior executive of an IT firm said implementing the voluntary skill scheme would be a problem. "This will not lead to the making of a productive workforce. The other problem is overheads. For every person that comes on board the person has to be given computers, a salary, proper office space, etc. If the government is allowing companies to use CSR funds then many would just do lip service to this." A senior official at an industry body told *Business Standard* in pre-Budget meetings participants had acknowledged there was an "employment paradox" in India. "Companies are saying there are not enough people and people are saying there are not enough jobs," he said. "The only way to bridge this gap is to involve industry and tell them to train people in the skills they want."

Aditya Ghosh, chairman, Confederation of Indian Industry National Committee on Skills, said the scheme would enable industry to get fresh people, who could transition into full-time employees."

(With inputs from Raghav Aggarwal)

Chennai Petroleum posts ₹343 crore profit in Q1

Our Bureau
Chennai

Chennai Petroleum Corporation Ltd (CPCL) has reported a decline in net profit for the June 2024 quarter amid improvement in physical performance.

The company's standalone PAT stood at ₹343 crore compared with ₹548 crore in Q1 of FY24.

However, revenue from operations was higher at ₹20,361 crore against ₹17,986 crore. CPCL achieved crude throughput of 2.830 mt for the quarter against 2.677 mt in the year-ago quarter, according to a statement.

The gross refining margin (GRM) for the June 2024 quarter was \$6.33/bbl as compared to \$8.33/bbl in the corresponding period of the previous financial year. CPCL outperformed the industry's benchmark Singapore GRM, which was \$3.48/bbl for the quarter ended June 30, 2024, it added.



H Shankar, Director-Technical, takes on additional role of MD

The consolidated profit after tax for the first quarter was ₹357 crore against ₹557 crore in the year-ago period. The company's debt-equity ratio decreased to 0.49 as of June 30, 2024, from 0.86 as of June 30, 2023. The company's net worth increased to ₹9176 crore in Q1 of this fiscal from ₹7,032 crore in Q1FY24.

Meanwhile, H Shankar, Director-Technical of CPCL, has taken on the additional role of Managing Director effective July 16, 2024, following Arvind Kumar's appointment as Director (Refineries) at Indian Oil Corporation Ltd.

CEID Consultants aims to more than double biogas production next fiscal

AJ Vinayak
Mangaluru

CEID Consultants & Engineering Pvt Ltd, which focuses on tapping and developing renewable energy sources market, is aiming to more than double its biogas production in the next fiscal.

Speaking to *businessline*, Rajaram Prajapati, CTO and Director of CEID Consultants & Engineering Pvt Ltd, said 30-plus bio gas plants of

the company produce around 100-plus tonnes of CBG (compressed bio gas) a day.

Stating that each plant has different production capacity, he said the company aims to significantly increase the production to over 350 tonnes a day in the next financial year.

The company is planning to set up more biogas plants in collaboration with IOCL, BPCL and HPCL. Along with this, it is also doing some projects in Uttar Pradesh, Punjab

and Tamil Nadu with the private players.

CEID's biogas plants use raw materials such as cow dung, poultry litter, fruit and vegetable waste, cooked food waste, sugar mills waste, chicori waste, rice/wheat straw, municipal solid waste among others.

To a query on issues related to stubble burning in some parts of the country and how effectively biogas can play a role in that, he highlighted the

logistical challenge to collect the crop straws as the time gap between harvesting and replanting is short. However, he said the Central government's move to offer subsidies for the purchase of machines for large scale harvesting, collection and transportation of paddy straws could help solve that issue.

Instead of burning stubble, farmers can supply it to CBG plants where anaerobic diges-

tion processes break down organic matter to produce biogas. "Currently, our Gorakhpur plant produces 20 tonnes of biogas daily using 200 tonnes of paddy straw," he said.

OVERSEAS PROJECTS

Apart from India, CEID is also exploring opportunities in other countries also. Prajapati said the company has set up a biogas plant in Nepal. The plant, which uses cow

dung as the feedstock from a Goshala, supplies biogas to around 126 houses in that area.

The company has also signed an agreement with the Maldives govt to set up a biogas plant. The company has identified one of the islands in Maldives for this project. The power requirement of that island is 5 mega Watt, and it consumes around 5-6 tonnes of CNG now. "We are going to replace that with biogas," he

said, adding, the project will start this financial year only. Hotel waste and fisheries waste will be the feedstock for this plant.

The company is also in discussion with two counties in the UK for setting up its plants.

TURNOVER

On company's turnover from biogas, he said, "We are targeting to cross ₹200 crore in 2024-25 with 40 more plants

that are under construction presently."

Asked how the company is planning to achieve this, he said now big companies and multinational companies are taking interest in putting up this kind of plants after it got support from oil marketing companies for setting up plants. The scale of some biogas plant is big. Considering all these, achieving ₹200 crore is not difficult for the company, he added.

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Arvind Kumar takes over the office of Director (Refineries), IndianOil

New Delhi: Arvind Kumar takes over the office of Director (Refineries), IndianOil. Kumar brings a wealth of experience and strategic insight to his new role, following a distinguished tenure as the Managing Director of Chennai Petroleum Corporation Limited (CPCL), a Government of India enterprise and a group company of IndianOil. During his leadership at CPCL, Kumar spearheaded many significant achievements, including the turnaround of CPCL and Manali refinery, reaching its highest-ever throughput in fiscal year 2023-24. His strategic acumen was pivotal in enabling CPCL to produce nationally significant fuels such as ISROSENE and JP-7, which are crucial for ISRO and DRDO. Before taking on the role of MD at CPCL, Kumar served as the executive director (Projects) at Refineries Headquarters of IndianOil and as the executive director & refinery head at Mathura Refinery during 2020-21.



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**HELMERICH &
PAYNE TO BUY
KCA DEUTAG**



OILFIELD
SERVICES FIRM
Helmerich &
Payne will acquire

Britain's KCA Deutag
International for \$1.97
billion in cash, making the
combined company one of
the biggest rig providers in
the Middle East.

Delhi Petrol Dealers' Association to resume ops of PUC centres

NEW DELHI: The Delhi Petrol Dealers' Association will resume operations of PUC centres that had been shut since July 15, following a meeting with transport department officials.

The association had shut Pollution Under Control Certificate (PUC) centres since July 15, claiming dissatisfaction with the proposed hike in the rates of pollution certificates.

The hike is not commensurate with the operational costs of running the centres, it had said.

In a statement, the Delhi Petrol Dealers' Association (DPDA) said its representatives held a meeting with the transport department principal secretary. "It was decided that DPDA will immediately call off the strike and resume PUC operations in the interest of the general public of Delhi," according to the statement.

"The principal secretary, transport, also agreed to relook into the aspect of further revision of rates based on the actual costs involved in the process. The DPDA

The association had shut PUC centres since July 15, claiming dissatisfaction with the proposed hike in the rates of pollution certificates

would submit a detailed justification in this regard. In the larger public interest, DPDA has decided to call off the strike of PUC centres at their petrol pumps," it added.

On July 11, the Delhi government increased the PUC charges for petrol, CNG and diesel vehicles after about 13 years. The hike ranged between Rs 20 and Rs 40.

The new rates will be effective as soon as the government notifies them, Transport Minister Kailash Gahlot had said.

Delhi has more than 900 PUC checking centres, including over 700 located at petrol pumps. AGENCIES

IGL reports net profit of ₹401.45 cr for April-June quarter of FY25

IGL registered an overall sales volume growth of 5.3 per cent over the corresponding quarter in the last fiscal

NEW DELHI: Indraprastha Gas Limited (IGL), the largest CNG distribution company of the country, operating City Gas Distribution networks across 30 districts in eleven geographical areas across four states of Delhi, Uttar Pradesh, Haryana and Rajasthan on Wednesday announced its financial results for Q1 of FY25, while continuing the growth momentum.

As per the unaudited Q1 results announced by the company, the net profit for the quarter ending June 2024 is Rs 401.45 crore as compared to Rs 438.50 crore in corresponding



quarter of last fiscal.

However, the net profit has increased sequentially from Rs 379.58 crore in Q4 of FY24 to Rs 401.45 crore in Q1 of FY25.

IGL registered an overall sales volume growth of 5.3 per cent over the corresponding quarter in the last fiscal, with the average daily sale going up from

8.20 mmscmd to 8.64 mmscmd.

Product wise, CNG recorded sales volume growth of 4.6 per cent, while PNG recorded sales volume growth of 7.4 per cent in the quarter as compared to corresponding quarter last year.

Accordingly, the total gross sales value during the quarter has moved to Rs 3,877.12 crore as compared to Rs 3,742.31 crore during the first quarter of FY25, thereby showing a growth of 3.6 per cent.

These are standalone results for IGL only and do not include profits accruing from associate companies.

MPDST

Crude oil slips on muted Chinese offtake



Crude oil prices fell as demand signals from lacklustre Chinese consumption outweighed the previous day's data showing large draws on US inventories. Brent crude futures for September fell \$1.01 to \$80.70 a barrel. US WTI for September slid \$1.2 to \$76.67. REUTERS