ONGC Delhi News 29.03.2023 Print

Beijing anti-graft agency to inspect major state-owned companies

China's top anti-corruption agency will inspect dozens of state-owned companies from China Investment to PetroChina, suggesting the government may be expanding its push to boost profits at some of the country's biggest and most important state firms.

The Central Commission for Discipline Inspection said late Monday it will carry out checks on more than 30 companies, also naming China Petroleum & Chemical or Sinopec, China Everbright Group, and China Development Bank.

The announcement did not provide specifics on how the probe will play out.

China has been pushing for state-owned enterprises to improve their efficiency and profitability for years.

BLOOMBERG

The Hindu Business Line

Cabinet to consider Kirit Parikh panel inputs on natural gas pricing this week

Mar 29, 2023 | Delhi | Pg No.: 3 | | Sq Cm:143 | AVE: 366962 | PR Value: 1834809

Cabinet to consider Kirit Parikh panel inputs on natural gas pricing this week

Rishi Ranjan Kala
New Delhi

The Cabinet Committee on Economic Affairs (CCEA) is set to consider this week the suggestions made by the Kirit Parikh committee on fair pricing of natural gas.

The Ministry of Petroleum & Natural Gas (MoPNG) bi-annually revises the price of natural gas. Next revision will become effective from April 1, 2023.

"MoPNG has accepted the Parikh committee recommendation and the Cabinet is likely to be take it up on Friday," a senior government official said.

If the Cabinet accepts the suggestions , the price from old fields will be fixed at 10 per cent of the monthly average of India's crude oil basket.

Besides, this price will also have a floor of $4 per million British thermal units (mBtu) and ceiling of $6.5 per mBtu.

BENEFITS

If the Cabinet decision is delayed, the present mechanism for calculating the price will be applicable. Industry has welcomed the Parikh committee recommendations as this will boost realisations of upstream companies with graded increases over next five years and moving to full decontrol from January 1, 2027.

From a consumer's perspective, the price cut should result in a decline in CNG and PNG (domestic) prices and would benefit end consumers thereby stimulating demand.

Lower domestic gas prices would also reduce the government's subsidy burden for fertilisers. Also, lower prices would lead to a more competitive cost of generation for domestic gas-based power generation projects.

The Hindu Business Line

LETTERS TO EDITOR

Mar 29, 2023 | Delhi | Pg No.: 4 | | Sq Cm:202 | AVE: 519235 | PR Value: 2596176

LETTERS TO EDITOR

Send your letters by email to bleditor@thehindu.co.in or by post to 'Letters to the Editor', The Hindu Business Line, Kasturi Buildings, 859-860, Anna Salai, Chennai 600002.

Relief for borrowers

The SC asked banks to give the borrower a hearing before declaring the account as fraudulent. But in fraudulent cases the borrower may not turn up personally but appoint an advocate to represent him. Thus the chance given to him for an appeal may not yield results.

While the apex court's judgment is aimed at protecting the interests of borrowers, bankers are still assessing the fine print before deciding their next course of action. However, this judgement would delay the process of classifying them as wilful defaulters.

Bankers saddled with wilful default cases have better experience in dealing such cases. The judgment comes as a big relief to the borrowers. The apex court judgment will definitely delay the process of tagging somebody as fraud.

CK Subramaniam
Mumbai

No rules should be unfairly skewed towards any party, either borrower or lender. The Supreme Court's judgment is indeed a setback for lenders.

Yes, when an account is classified as fraud, it leads to both civil and criminal consequences for the borrower but then lenders are not in a hurry to classify an account fraud until and they have sufficient evidence to prove it.

Default happens primarily due to two reasons, intention and capacity, if it is the latter then lenders have discussions with the borrower and provide some solution on restructuring etc., but if it is former then there is not much a lender can do.

Rules must not be too tight for lenders to make the whole lending environment suffocating.

Bal Govind
Noida

Breaching the limit

Apropos Editorial 'Licence to scare' (March 28), by virtue of having the right to freedom of speech, one can not go beyond limit. Rahul has many times breached the limit.

He does not realise that he represents a party which had been in power for long. His criticisms and comments target an individual by dragging names and surnames.

In the past, the court had disqualified many MPs on different occasions on different causes.

Congress has almost lost its individuality as an Opposition. Many regional parties hesitate to include Congress in forming an alliance which is very evident. Stemming the rot too appears to be very late.

RV Baskaran
Chennai

Hydrogen economics

Hydrogen as a fuel does have the highest specific energy. A domestic gas cylinder of 14.2 is hence equivalent to 4.7 kg of hydrogen. At current cost ₹300/kg, it will cost ₹1,421 for the same energy output from a standard gas cylinder that is priced around ₹900 today.

More relevant, electrolysis of water to release hydrogen requires 50–55 kWh of electricity, which itself could be CO2 emitting and at no more than 70-80% efficiency on date, only to produce 1 kg of hydrogen of specific energy at 40 KWh. This will end up releasing CO2 and not getting that much GH.

Wind and solar energy must be pushed on a priority basis. Granted that cost of obtaining GH will come down in time, but so would of existing non- conventional electric power with dramatic advances in conversion technology. Why then this enthusiasm over an uneconomic conversion to GH?

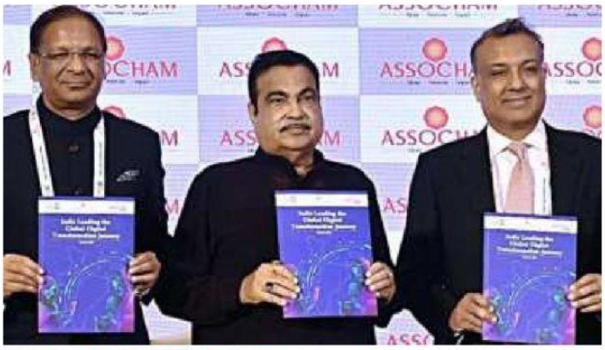
R Narayanan
Navi Mumbai

Making bitumen from husk will save up to ₹30,000 crore in import bill: Gadkari

Our Bureau

Road and Highways Minister Nitin Gadkari on Wednesday said that making bitumen from agricultural waste such as rice husk can help save up to ₹30,000 crore annually in import bills.

"India requires around 80 lakh tonnes (lt) of bitumen annually for road laying. Around 50 lt is from domestic crude oil refineries, and 25-30 lt is imported," Gadkari said at Assocham's 2023 annual session.



VALUE IN CROP RESIDUE. Nitin Gadkari, Road Transport and Highways Minister releasing a report, 'India Leading Global Digital Transformation Journey', with Sumant Sinha, President, Assocham (right); Ajay Singh, Sr V-P, Assocham KAMAL NARANG

BIO-BITUMEN

Recently, the Council of Scientific and Industrial Research and the Central Road Research Institute have developed technology to make bitumen from rice husk. Husk generates about 70 per cent bitumen and the rest is bio char or organic carbon. Trials have been completed and machinery has also been developed, he added.

"I want to open up 1,000 units in rural areas. One unit costs around ₹20 lakh. The Road Ministry will buy all this bitumen. This will completely do away with burning of husk or agri waste which leads to pollution. There is a project in Panipat for producing 1 lt bio-ethanol and 150 tonnes bio-bitumen daily. Farmers will benefit," the Minister noted.

WASTE TO WEALTH

Gadkari said, "Delhi has three mountains of solid waste. Within the next two years this waste will be used in road construction. We are focussing on developing the outer-outer ring road; wholesale markets and warehouses will be shifted to designated zones. This will decongest Delhi," he said.

11 FIRMS SELECTED UNDER TRANCHE II

Reliance, Tata bag solar PLI projects

Incentives worth ₹14,000 cr on offer

FE BUREAU
New Delhi, March 28

AS MANY AS 11 companies, including Reliance, ReNew, Indosol, First Solar, Tata Power Solar and Avaada have bagged solar photovoltaic (PV) manufacturing projects of a total 39,600 MW capacity under the second tranche of the production-linked incentive (PLI) scheme for the solar sector, the Union power ministry said on Tuesday.

The tranche II, which entails a budget outlay of ₹14,007 crore, is estimated to generate investments worth ₹93,401 crore and over 100,000 jobs, 35% of which would be direct employment, the ministry said.

Manufacturing capacity totalling 7,400 MW is expected to become operational by October 2024, 16,800 MW capacity by April 2025 and the balance 15,400 MW capacity by April 2026.

The good response to the tenders is expected to give a fillip to India's efforts to build a globally competitive domestic manufacturing base for solar PV cells and modules. It would cut import dependence for these products in a big way. India has set an ambitious plan to have a solar capacity of 280 gigawatt (GW) by 2030. The PLI scheme is also in keeping with India's commitment to reduce carbon intensity of the economy.

Power minister RK Singh said: "The PLI scheme has proved to be a watershed event in India's renewable landscape, resulting in around 48 GW domestic module manufacturing capacity within the next three years. The scheme has boosted the government's efforts to reduce not only the impact of global supply chain shocks but also our import dependence adhering to the Prime Minister's vision of an Aatmanirbhar Bharat."

A total integrated capacity of 8,737 MW was allocated under tranche I of the scheme in November-December 2022.

GREEN GOALS

₹14,007 cr budget outlay for solar PLI tranche II

₹93,401 cr worth of investments expected

39,600 MW total capacity of solar photovoltaic manufacturing projects

100,000 jobs likely to be created, 35% direct employment

Continued on Page 2

₹800 crore for fast charging stations

The Ministry of Heavy Industries on Tuesday said a sum of ₹800 crore under FAME India Scheme Phase II has been sanctioned to three public sector oil marketing companies (OMC) for setting up 7,432 public fast charging EV stations across the country.

The ministry has released ₹560 crore or 70% of the total amount to the three OMCs -- Indian Oil (IOCL), Bharat Petroleum (BPCL) and Hindustan Petroleum (HPCL) -- as the first instalment for the installation and commissioning of upstream infrastructure and charging equipment of EV public charging stations at respective retail outlets in the country. The installation is expected to be completed by March 2024, the ministry said. At present, there are 6,586 charging stations across the country. "The addition of the new 7,432 public charging stations will be a significant push to EV charging ecosystem," it said **PTI**

₹800 cr sanctioned for EV charging stations

THE CENTRE HAS sanctioned ₹800 crore to Indian Oil, Bharat Petroleum, Hindustan Petroleum for setting up 7,432 public fast charging stations under EV scheme. **REUTERS**

The Financial Express

Russia India oil sales up 22 -fold last year

Mar 29, 2023 | Delhi | Pg No.: 2 | | Sq Cm:17 | AVE: 56684 | PR Value: 283419

Russia: India oil sales up 22-fold last year

RUSSIAN DEPUTY PRIME minister Alexander Novak said on Tuesday that Russia needed to focus on boosting energy exports to so-called "friendly" countries, as he said Russian oil supplies to India jumped 22-fold last year. **PTI**

Business Standard

Russia says oil sales to India saw 22-fold surge in 2022

Mar 29, 2023 | Delhi | Pg No.: 4 | | Sq Cm:27 | AVE: 67839 | PR Value: 339194

Russia says oil sales to India saw 22-fold surge in 2022

Russian Deputy Prime Minister Alexander Novak said on Tuesday that Russia needed to focus on boosting energy exports to so-called 'friendly' countries, as he said Russian oil supplies to India jumped 22-fold last year. Novak said energy revenues accounted for 42 per cent of the federal budget in 2022 and that the energy industry was sustainable, despite Western sanctions. **REUTERS**

Adani stocks resume their fall, Adani Enterprises slumps 7%

The Hindu Bureau
AHMEDABAD

Shares of Adani Group companies fell on Tuesday with flagship Adani Enterprises Ltd. slumping 7% on the BSE amid fresh concerns about debt repayment at the highly leveraged conglomerate.

Other group firms including Adani Green Energy, Adani Total Gas, Adani Power and Adani Wilmar all slid by the maximum permissible 5% as the lower circuit was triggered.

The group's cement makers also retreated with ACC falling 4.2%, while Ambuja dropped by 2.9%.

The Adani firms have suffered a combined erosion in market value of more than ₹80,000 crore over two sessions amid media reports flagging concerns about the repayment of debt.

On Tuesday, a report by online news portal The Ken raised doubts about the Adani Group's repayment of $2.15 billion of share-backed loans.

Following the report, the National Stock Exchange and BSE sought clarifications regarding the release of the group's pledged shares.

In a tweet, Adani Group CFO Jugeshinder Robbie Singh said that stock exchanges update data on promoter share pledges at the end of the quarter, and termed reports casting doubt as "deliberate misrepresentation", Press Trust of India reported.

Ensuring stability in energy supplies vital

SUSHMA RAMACHANDRAN
SENIOR FINANCIAL JOURNALIST

THE manmade equivalent of a natural disaster is shaking the global banking system. For a change, the impact on India is not adverse. The oil markets are reflecting concerns over the banking crisis by pushing prices downwards. So, after a year of high rates, the benchmark Brent crude is now ruling at $75-78 per barrel. This is roughly the same level as before the Ukraine conflict broke out last February. It is unalloyed good news for an exchequer that has had to cope with a rising import bill for the 2022-23 fiscal.

What is even more encouraging is that predictions for 2023-24 are now moderating from earlier forecasts of $100 per barrel made by Goldman Sachs. The investment bank has lowered its sights and is now talking about a level of $94 by the end of the year. While this is still not comfortable for a country that imports 85 per cent of its crude oil needs, it indicates that a softening trend is expected to continue for the rest of the year.

Forecasts of oil prices, however, are notoriously unreliable.

No one would have anticipated a black swan event like the Ukraine war to occur and reverberate in oil markets to such an extent that prices would touch $139 per barrel. Neither would oil industry experts have expected a zero-Covid policy in China to reduce global demand to such an extent that prices begin to slide from October last year.

The current banking crisis was also unforeseen given that the 2008 financial crash is considered a distant memory that is not likely to be repeated. The argument given is that newer stringent regulations have been put in place for banks all over the world. And yet, California-based SVB collapsed, while Swiss flagship Credit Suisse had to be taken over by UBS. Still more chaos could be in the offing as shares of Deutsche Bank are reported to be tumbling.

The net result is that the prospect of recessionary conditions depressing demand has made oil prices fall over a 10-day period from $86 to $73 per barrel. Yet, the dip in prices has not come soon enough to reduce the oil import bill in any significant way for the 2022-23 financial year. Oil purchases are likely to touch $200 billion, nearly double of the $118 billion recorded in 2021-22. The pandemic fiscal — 2020-21 — had an unusually low import bill of $63.5 billion owing to the crash in prices following the advent of Covid.

The burden on the exchequer would have been even higher during the 2023 fiscal but for the availability of Russian crude oil at discounted rates. When supplies began to be sourced from that country, it was offering crude oil at rates $16 cheaper than the then average price of $110 per barrel. The discounts continued since then, ranging from $8 to $12 per barrel.

> In the case of volatile oil markets, India needs to keep a close watch on developments such as decisions being taken by oil cartel Organisation of the Petroleum Exporting Countries (OPEC). This dominating group has joined hands with Russia and other allies to form OPEC+ but continues to restrict oil supplies by fixing production quotas. Russia may be the outlier in the system and is now offering discounted rates. But it remains a part of the cartel which has a vested interest in hardening world oil prices.

CAUTIONARY: The sanctions on Russian oil were meant more for the rest of the world than the western countries. REUTERS

Rough estimates are that the country has saved over $3 billion by buying Russian oil rather than relying on traditional suppliers in West Asia.

This policy decision was taken despite pressure from western countries to join the ban being sought on buying Russian oil supplied via the sea route.

One of the ways to prevent countries from buying it was to direct insurance and shipping companies to abstain from dealing with Russian supplies. These efforts did not succeed, however, and were followed by the move to put a cap on prices of Russian oil. But the ceiling of $60 per barrel was not an issue for India and China which were anyway buying it at lower rates.

India will need to continue to follow an independent policy on oil purchases as it cannot afford to get boxed in by western sanctions on Russia. Incidentally, the curbs on buying hydrocarbons from that country did not apply to supplies going overland by pipeline since that would have affected Europe's energy requirements. These were already constrained by Russia's cutbacks in gas supplies through the Nord Stream pipeline as well as the subsequent damage to the pipeline.

But the ban on maritime imports of Russian oil and gas came into effect nine months after the conflict began in Ukraine. Imports of crude and petroleum products via pipeline continued to be exempt. The sanctions on Russian oil were thus evidently meant more for the rest of the world than the western countries.

At the same time, India needs to accept that it is more intertwined than ever before with the global economy. The latest international banking crisis is not expected to impact banks here, but there are other ramifications of such developments. These could be positive as in the case of falling crude oil prices but could also be negative in terms of affecting Indian investments abroad.

Even in the case of volatile oil markets, the country needs to keep a close watch on developments such as decisions being taken by oil cartel Organisation of the Petroleum Exporting Countries (OPEC). This dominating group has joined hands with Russia and other allies to form OPEC+ but continues to restrict oil supplies by fixing production quotas. Russia may be the outlier in the system and is now offering discounted rates. But it remains a part of the cartel which has a vested interest in hardening world oil prices.

Going forward, the country needs to remain watchful and cautious in dealing with all external entities in order to ensure stability of energy supplies.

Pb: Constitute working group to formulate CBG policy, officials told

CBG developers thanked Aman Arora for convening meetings to hear their issues PIC/BIJU PT

MPOST BUREAU

CHANDIGARH: In order to further expedite the execution of Compressed Biogas (CBG) projects to tackle the problem of pollution in the state, Punjab New and Renewable Energy Sources Minister, Aman Arora on Tuesday directed to constitute a Working Group of all stakeholders to formulate CBG Policy of the state. This Group will submit its report by April end.

He held back to back meetings with CBG developers, representatives of Indian Oil Corporation Ltd (IOCL), GAIL, ICAR and Banks to address the interrelated issues here at PEDA Bhawan.

Expressing concern over the pending permission at various level in different departments, Aman Arora directed Punjab Energy Development Agency (PEDA) officials to do follow-up of the CBG plants cases pending for required permissions at the end of different state departments. During the meeting, the cabinet minister also called up some officers of different departments and asked them to clear the pending cases without any further delay.