



### **GAIL PRESENTS PHOTOGRAPHY COMPETITION ON ENVIRONMENTAL AWARENESS**

**A**s part of its commitment towards raising awareness for sustainable and environment friendly lifestyle, GAIL (India) Limited has partnered for a unique and exciting Photography competition 'The Earth We Share' which focuses on Environment and biodiversity. As a responsible corporate, GAIL has been pursuing sustainable practices to generate long-term value by understanding & balancing the ecological, economic, and social environment.

GAIL strives to play an important role in transitioning from polluting fuels to the cleaner Natural Gas, Renewables, Green hydrogen and other clean energies to strive for a greener and cleaner tomorrow. GAIL has also been driving the social initiative, Hawa Badlo, to sensitize people to the harmful effects of pollution by mobilizing collective societal efforts to improve the deteriorating air quality, by encouraging sustainable and environment friendly lifestyle habits.

To further its commitment towards better environmental GAIL has partnered for a unique and exciting Photography competition: The Earth We Share. #TheEarthWeShare photography competition aims at creating awareness about Environment, Biodiversity and Sharing Space - it is about co-existence. The competition is open for participation for Teens and adults (13-19 teens category) and 20+ Adults category. The entries can be shared on the link:

<https://aartsmaestro.com/competition/Theearthweshare-Photography-Adults>.

Our Beautiful Planet Earth is home to more than just humans. Close to 9 Million Species of flora and fauna call earth their home. The well being of each one of us and The Earth, our home depends on the well being of all. The photography competition shines a light on this diversity and the need to cherish and preserve the same. All pictures submitted for the competition need to tell this story. A story of shared destiny | A story of diversity | A story of interdependence. The idea of the competition is allow talented photographers to canvas an inclusive planet. Diversity is not just about boardrooms and corporates - we first need to practise it everyday. Live and Let Live, Share the Love we get from Mother Earth.

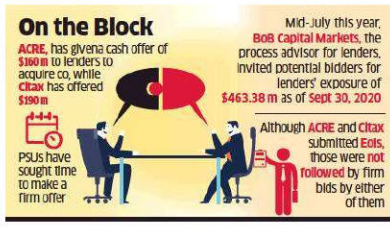
# ONGC and GAIL Begin Talks to Acquire JBF Petrochem

Both state-owned cos have separately initiated talks with lenders of KKR-backed firm; ACRE & Dubai-based Citax Energy have already made indicative offers

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**Mumbai:** Oil and gas explorer ONGC and natural gas transmission and marketing company GAIL, India have separately initiated preliminary talks with lenders of KKR-backed JBF Petrochemicals to explore the possibility of acquiring the distressed company, which is on the block, said two people with knowledge of the matter. The offers from the state-owned entities came within months of Assets Care & Reconstruction Enterprise (ACRE) and Dubai-based enti-

ty Citax Energy giving indicative offers to the lenders, the people said. ACRE, an asset reconstruction company in which Ares SSG Capital holds a majority stake, has given a cash offer of \$190 million (about ₹1,188 crore) to lenders to acquire the company, while Citax has offered \$190 million (₹1,411 crore), the people said. The state-owned companies have met lenders of JBF Petro and sought time to make a firm offer, one of the people cited above said. Mid-July this year, BoB Capital Markets, the process advisor for lenders, invited potential bidders for



**On the Block**

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lenders' exposure of \$463.38 million (₹3,444 crore) as of September 30, 2020. Although ACRE and Citax submitted expressions of interest, those were not followed by firm bids by either of them. ACRE had sought a 90-day exclusivity clause – implying lenders will not engage with any other bidder during that period. Lenders rejected this proposal. ACRE, Gail and ONGC did not respond to request for comment till press time Thursday. Citax could not be reached for comment. Bhagirath Arya and family-owned JBF Petro partnered with private equity firm KKR to set up a

1.25 million tonne per annum PTA plant at Mangalore in Karnataka. A delay in the construction of the plant led to cost overrun, resulting in the delay in repayment of loans. The plant was not completed and has been shut since 2017. For JBF Petro, IDBI Bank and Bank of Baroda provided foreign currency loans through external commercial borrowings of \$51.53 million and \$53.77 million, respectively. Indian Overseas Bank and Union Bank of India have rupee-denominated loan facilities equivalent to \$56.77 million and \$33.49 million, respectively. Both these

banks have converted their foreign currency loans into rupee loans following approval from the Reserve Bank of India. Exim Bank has \$66.82 million in a foreign currency term loan, according to a sale document issued by BoB Caps. JBF Industries is the parent company of JBF Petro. In July, all lenders to JBF Industries, except for Tamilnad Mercantile Bank, sold their entire principal loan exposure of Rs2,410 crore to CFMARC's Asset Reconstruction Company at an unchallenged Swiss auction for ₹625 crore. This equates to a recovery of 33% for lenders.



# ONGC to invest up to ₹6,000 crore in its petrochemicals arm OPaL via CCDs

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MUMBAI

**S**tate-run Oil and Natural Gas Corp. Ltd (ONGC) will invest up to ₹6,000 crore in petrochemicals arm ONGC Petro additions Ltd (OPaL) to meet its equity requirements, a top executive said.

“We have already got compulsorily convertible debentures (CCDs) in OPaL. We would be converting them into equity worth ₹6,000 crore,” said Vivek Tongonkar, chief financial officer, ONGC.

OPaL’s net profit during the second quarter stood at ₹1.19 billion. The company is a joint venture promoted by ONGC and GAIL (India) Ltd, and co-promoted by Gujarat State Petroleum Corp. Ltd (GSPC).

OPaL has set up a 1.1-MMTPA (million metric tonne per annum) greenfield petrochemicals complex at the Dahej SEZ in Gujarat.

ONGC had been planning to induct a strategic partner in



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OPaL for many years, but due to lack of interest from investors, the plans were shelved.

Till 2019, ONGC was in talks with Saudi Arabia’s Saudi Basic Industries Corp. (Sabic) and Saudi Aramco for selling a 26% stake in OPaL.

The stake sale process did not go ahead; so, ONGC decided to make OPaL a sub-

sidiary. The company is now planning to merge OPaL with itself.

**ONGC wanted to induct a strategic partner in OPaL, but due to lack of interest from investors, the plans were shelved**

“Merging OPaL with ONGC is an option and deliberations are under process,” added Tongonkar.

Till December 2020, ONGC had infused capital in the form of warrants (₹3,365 crore) and provided support for CCDs (₹7,778 crore), taking ONGC’s

stake to 92% in OPaL with the company planning to further increase its equity stake in OPaL.

OPaL, which has a \$4.5 billion petrochemicals project, began operations in 2016-17 and has been ramping up production in phases. OPaL’s complex houses India’s largest greenfield single-location, dual-feed cracker unit. The company primarily manufactures polymer, a chemical compound used in various products ranging from textiles to plastics.

OPaL’s petrochemicals complex is part of the forward integration plans of ONGC.

The majority feedstock for OPaL is currently being sourced from ONGC. The naphtha requirement is met by the processing plant of ONGC at Hazira and Uran.

“Given the increasing demand for petrochemicals, we see contribution from petrochemicals to increase (in ONGC’s topline). We may integrate OPaL into ONGC eventually. This is under process though,” an ONGC official said.