



‘Petrochina, other oil majors keen to build SPRs in India’

New Delhi: Chinese oil major Petrochina is among global companies that have shown interest in building new strategic petroleum reserves (SPRs) in India, Minister of State for Oil, Rameswar Teli, said on Thursday. Global companies, including BP, Shell and traders Trafigura, Vitol, Glencore, Vopak and KNOC showed interest, the minister said. Meanwhile, Saudi Arabia has announced that it will extend a voluntary oil output cut of one million barrels per day for another month to include September, the State news agency, SPA, said on Thursday.

REUTERS

BPCL to sell ONGC's Mumbai offshore crude oil

Our Bureau

New Delhi

In a first, Oil And Natural Gas Corporation (ONGC) on Thursday said it has inked a term contract with public sector unit Bharat Petroleum Corporation (BPCL) for the sale of its crude oil produced from Mumbai region.

This is the first contract after the Ministry of Petroleum and Natural Gas granted marketing and pricing freedom for domestically produced crude oil, replacing the previous allocation mechanism.

“ONGC has entered into a term contract with BPCL for the sale of crude oil from the Mumbai region, cementing the strong partnership between the two esteemed companies,” ONGC said.

Under the new marketing regime, ONGC has successfully initiated the first e-auction of Mumbai Offshore crude oil, it added.

House clears tweaked law to set off undersea mineral hunt

To End Scope For Bias In Allocation Of Offshore Mining Rights

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New Delhi: India's mining sector is in for a sea change, literally, with Parliament on Thursday passing the Off-shore Areas Mineral (Development and Regulation) Amendment Bill 2023 to begin a serious hunt for mineral treasures buried under water.

The Bill, steered through Rajya Sabha by coal and mines minister Pralhad

► **Parliament reports, P10**

Joshi, introduces auction to end scope for discrimination in allocation of offshore mineral exploration and mining rights to companies, including from the private sector.

The transparent auction regime with well-defined norms for concession holders and operators is expected to attract investors and mark

BURIED TREASURES

<p>► Resources delineated by the Geological Survey of India</p> <p>1,53,996 MT (million tonne) of lime mud within the exclusive economic zone off Gujarat and Maharashtra coasts</p> <p>745 MT of construction-grade sand off Kerala coast</p> <p>79 MT of heavy mineral placers in</p>	<p>the inner-shelf and mid-shelf off Odisha, Andhra Pradesh, Kerala, Tamil Nadu and Maharashtra</p> <p>Phosphorite in the eastern and western continental margins</p> <p>► Polymetallic ferromanganese (Fe-Mn) nodules and crusts in Andaman and Lakshadweep seas</p>
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the country's foray into offshore mining in the true sense. "Offshore mining has remained neglected for long. While our neighbours in the Indian Ocean region have been doing it since long, nothing has happened here due to scope for discretion in the existing law — framed in 2002 and implemented in 2010. The

amendment will give confidence to investors by bringing in transparency and fair play," a top mines ministry official told **TOI**.

Offshore mining is of strategic importance to India, which has an exclusive economic zone (EEZ) of the size of 2 million sq km. Firstly, the country needs to har-

ness its maritime resources to fuel a high growth trajectory. Secondly, offshore mining operations — just like oil and gas exploration — strengthens and safeguards territorial claims.

The Bill envisages granting two types of operating rights through auction to the private sector — production lease and composite licence. Composite licence envisages two stages for exploration and starting production.

Operating rights in areas reserved for the central government and exploration & production of atomic minerals will be only for public sector entities. Provision for renewal of production leases has been scrapped with a 50-year lease period to remove uncertainty for operators. Limits have been introduced on the total offshore area each entity can acquire.

India, Saudi Arabia Aim for Cooperation in Green Hydrogen

To explore avenues for investment, sharing of technology and joint R&D in the segment

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New Delhi: India and Saudi Arabia have started preliminary discussions on green hydrogen cooperation, including exploring investment opportunities by companies, sharing of technology and joint research & development in the segment.

The talks are part of a broader agreement on undersea cable grid connectivity which has been under discussion for some time between the two countries, sources in the know said.

The talks on hydrogen are in the initial stages and may take more deliberations to forge the details of the cooperation, especially as the two countries are aiming to have different clean energy sources for producing green or low-carbon hydrogen.

India's National Green Hydrogen Mission aims for at least 5 million metric tonnes of annual production capacity by 2030 with renewable energy as the source, whereas Saudi Arabia's clean hydrogen is likely to be based on low carbon emission technologies.

Companies from both countries could collaborate on a business-to-business level, one of the sources said.

The discussions on green hydrogen and grid connectivity are strategically important to the two countries as they have so far been trading fossil fuel in the energy sector.

As per India's green hydrogen mission, the country aims to be an export hub for the fuel. The mission envisages a total assistance of ₹17,400 crore for green hydrogen and electrolyser manufacturing.

However, the technologies for green hydrogen are still evolving and costly, which requires countries to collaborate and cooperate.

India is committed to its green hydrogen mission and wants the

world to partner in it, Power Minister RK Singh had said earlier.

India's green hydrogen will be the "least cost" hydrogen in the world, the minister had said.

India's import dependency on oil, gas to surpass 80 per cent by FY28

Our Bureau
New Delhi

India's dependency on imports of oil and oil-equivalent-gas, which stood at 78.6 per cent in FY23, is expected to rise beyond 80 per cent in the next four years, Parliament was informed on Thursday.

To meet the consumption of petroleum products and the requirement of oil refineries in the country, domestic oil and gas companies import crude oil, Minister of State for Petroleum and Natural Gas, Rameswar Teli, said in a written reply in Lok Sabha.

"During FY23, the country's oil and oil equivalent gas import dependency is 78.6 per cent (provisional) which is expected to increase to above 80 per cent by 2027-28. This estimate is based on various assessments/ assumptions of growth in consump-

tion and domestic production," the Minister added.

REFINING CAPACITY

To meet this higher requirement, India is expanding its crude oil refining capacity.

At present, India's refining capacity is 253.9 million tonnes per annum, (mtpa). As per the Centre for High Technology, a technical wing of Ministry of Petroleum and Natural Gas (MoPNG), the refining capacity of Indian refineries is projected to increase by about 56 mtpa by the year 2028, Teli informed the lower house.

"Government has adopted a five-pronged strategy that comprises increasing domestic production of oil and gas, promoting energy efficiency and conservation measures, giving thrust on demand substitution, promoting biofuels and other altern-

ate fuels/ renewables, EV charging facilities and refinery process improvements for reducing the country's oil dependence on imported crude oil," Teli said.

Various steps have been taken by the government to increase the production of domestic crude oil and bring down imports.

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Mahanagar Gas Q1 PAT jumps 99% to ₹3.68 bn

Mahanagar Gas Ltd's net profit for the June quarter surged 98.9% year-on-year to 3.68 bln rupees. Revenue from operations--net of excise duty--for the quarter rose 5.7% to 15.38 bln rupees. Sequentially, the net profit rose 37%, while revenue fell 4.5%. The company's other income rose to 389.5 mln rupees from 200.1 mln rupees year ago.

Marketing Freedom regime: ONGC inks 1st-ever term contract with BPCL for sale of crude oil

NEW DELHI: In a significant development, Oil and Natural Gas Corporation Limited (ONGC) has entered into a term contract with Bharat Petroleum Corporation Limited (BPCL) for the sale of crude oil from the Mumbai region, cementing the strong partnership between the two esteemed companies.

The signing ceremony took place at ONGC NBP Green Heights, Mumbai, between ONGC ED- Chief Marketing Sanjay Kumar, and BPCL ED (IT) Manoj Heda, in the presence of ED-Western Offshore C Mathavan, Asset Managers of Mumbai region, Plant Manager- Uran and ED- Chief Commercial.



The signing ceremony took place at ONGC NBP Green Heights, Mumbai, between ONGC ED- Chief Marketing Sanjay Kumar, and BPCL ED (IT) Manoj Heda, in the presence of ED-Western Offshore C Mathavan, Asset Managers of Mumbai region, Plant Manager- Uran and ED- Chief Commercial

The historic contract comes after the Government of India's decision to grant marketing and pricing freedom for domestic

crude oil, replacing the previous allocation mechanism. ONGC has swiftly adapted to the new regime and successfully initiated the first-ever e-auction of Mumbai Offshore crude oil.

BPCL Mumbai refinery has a longstanding association with ONGC, processing their crude oil since 1976.

With the advantage of being connected by pipeline, BPCL offers seamless logistical operations for ONGC. As the energy market dynamics continue to evolve, ONGC remains steadfast in its pursuit of innovation and excellence in the sector, reinforcing its position as a key player in India's oil and gas industry.

MPOST

Oil India now Maharatna; ONGC Videsh, a Navratna

Shishir Sinha

New Delhi

The Finance Ministry on Thursday upgraded two oil sector companies, Oil India and ONGC Videsh, to Maharatna and Navratna categories of central public sector enterprises (CPSEs), respectively.

The new status will help the companies take decisions on large investments on their own, both within India and abroad.

STATUS UPGRADE

Oil India was earlier a Navratna company, while ONGC Videsh was a Miniratna CPSE. In a tweet, the Public Enterprises Department (DPE) under the Finance Ministry said: "The finance minister approved upgradation of Oil India Ltd (OIL) to Maharatna CPSE. OIL will be the 13th Maharatna amongst the CPSEs."

OIL is an Oil Ministry CPSE with annual turnover of ₹41,039 crores and net profit of ₹9,854 crores for the fiscal year 2022-23.

CPSEs fulfilling the following criteria may be considered for Maharatna status: Holding Navratna status; listed on the Indian stock exchange, with a minimum prescribed public shareholding under SEBI regulations; an average annual net profit exceeding ₹2,500 crore during the last three years; and significant global



presence or international operations.

In another tweet, DPE said: "The finance minister has approved the upgradation of ONGC Videsh Ltd (OVL) to Navratna CPSE. OVL will be 14th Navratna amongst the CPSEs."

It is an Oil Ministry CPSE with annual turnover of ₹11,676 crore and net profit of ₹1,700 crore for the FY 2022-23.

A Navratna CPSE can incur capital expenditure, without any monetary ceiling, on the purchase of new items or for replacement. It can enter into technology joint ventures or strategic alliances. It can obtain, through purchase or other arrangements, technology and know-how. It can raise debt from the domestic capital markets and international market, subject to the approval of RBI/Department of Economic Affairs. It can establish financial joint ventures and wholly owned subsidiaries in India or abroad within an investment ceiling of ₹1,000 crore.

ONGC ties up with BPCL to sell crude oil from Mumbai



In a major development, the Oil & Natural Gas Corporation Ltd (ONGC) has signed a long-term contract with Bharat Petroleum Corporation Ltd (BPCL) to sell crude oil produced from the Mumbai region, an official said here on Thursday.

The signing ceremony took place at ONGC NBP Green Heights, Mumbai, between ONGC ED- Chief Marketing Sanjay Kumar, and BPCL ED (IT) Manoj Heda, in the presence of ED-Western Offshore C Mathavan, Asset Managers of Mumbai region, Plant Manager- Uran and ED- Chief Commercial.

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With the advantage of being connected by pipeline, BPCL offers seamless logistical operations for ONGC. As the energy market dynamics continue to evolve, ONGC remains steadfast in its pursuit of innovation and excellence, reinforcing its position as a key player in India's oil and gas industry.

OVL is now navratna; OIL turns maharatna

The finance ministry on Thursday upgraded two oil sector companies, Oil India Ltd (OIL) and ONGC Videsh Ltd (OVL), to 'maharatna' and 'navratna' categories of central public sector enterprises (CPSEs), respectively.

Oil India was earlier a navratna company, while ONGC Videsh was a miniratna CPSE.

ONGC Videsh, under the ministry of petroleum and natural gas, will be the 14th 'navratna' among CPSEs, while OIL will be the 13th 'maharatna'.

OIL is a ministry of petroleum & natural gas CPSE with an annual turnover of ₹41,039 crore and a net profit of ₹9,854 crore for the year 2022-23. The OVL is the CPSE with an annual turnover of ₹11,676 crore and a net profit of ₹1,700 crore for the year 2022-23. As per the Navratna company criteria, the company must have miniratna status, with four independent board directors.

SAURAV ANAND

PetroChina, Other Global Oil Cos Keen to Build Reserves in India

New Delhi: PetroChina and global commodity traders Vitol, Glencore and Trafigura are among the nearly two dozen companies that have expressed interest in building India's new strategic petroleum reserves (SPR), junior oil minister Rameswar Teli told the Lok Sabha on Thursday.

India plans to build two commer-

cial-cum-strategic oil storage facilities with a combined capacity of 6.5 million tonnes in a public-private partnership mode. The country already has three facilities with a combined storage of 5.33 million tonnes capacity. The government has been holding roadshows to rope in private players for its proposed facilities. — **Our Bureau**

**buzz****Petronet LNG Ltd shares un-audited financial results for the quarter**

During the current quarter ended June 30, 2023, Dahej terminal processed 217 TBTU of LNG as against 172 TBTU during the previous quarter ended March 31, 2023 and 196 TBTU during the corresponding quarter ended June 30, 2022, witnessing growth of 26% and 11% respectively. The overall LNG volume processed in the current quarter was 230 TBTU, as against the LNG volume processed in the previous and corresponding quarters, which stood at 185 TBTU and 208 TBTU.

Saudis extend 1 million-barrel oil cut, say can be deepened

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Saudi Arabia extended its unilateral oil production cut by another month, and said it could be prolonged further or even deepened.

The leader of the Organization of Petroleum Exporting Countries will continue the cutback of 1 million barrels a day—launched last month—into September, according to a statement on state Saudi Press Agency. That will hold output at about 9 million barrels a day, the lowest level in several years. Crude futures jumped.

The measure is intended “to reinforce the precautionary efforts made by OPEC+ countries with the aim of supporting the stability and balance of oil markets.” Its ally Russia also said it will extend output curbs, but taper them slightly.



The Saudis introduced the extra million-barrel cut earlier this summer as a unilateral move.

BLOOMBERG

Oil prices have recovered recently, reaching a three-month high above \$85 a barrel earlier this week in London, as the post-pandemic recovery in fuel demand, combined with output curbs by OPEC+ countries, begins to tighten world crude markets. But with the economic outlook still

clouded by lacklustre data from China and fears of recession in the US, Riyadh is showing no signs of relaxing its grip. Besides, the kingdom may need prices of as much as \$100 a barrel to cover government spending, according to *Bloomberg Economics*.

Brent futures surged as much as 1.7% after the Saudi announcement on Thursday, but then pared some of the gains to trade near \$84 a barrel. The decision to extend output cuts was in line with the expectations of traders and analysts surveyed by *Bloomberg* last week. The kingdom's hawkish approach has drawn criticism from major importing nations, which fear that rising fuel costs may inflict another inflationary spike on consumers and thwart central banks as they try to taper interest-rate increases.

State Oil Cos Cancel 87 Lols After House Panel Flags Limited Progress in CBG



NEW DELHI State-run oil and gas companies have cancelled Letters

of Intent (Lols) issued to 87 'non-serious candidates' for setting up of compressed biogas (CBG) plants after a parliamentary panel recommended the review of Lols, citing limited progress in building CBG plants.

Oil and gas companies issue Lols to entrepreneurs to procure CBG from them. The entrepreneurs use the Lol to receive regulatory clearances and loans for their CBG projects. After the standing committee on petroleum and natural gas flagged the issue of Lols, the oil ministry advised state-run oil and gas companies to review the selection criteria for Lol issuance "so that only serious applicants are selected and also to withdraw the Lols issued to non-performing entrepreneurs", the committee said in its latest report. — **Our Bureau**

ऑयल इंडिया महारत्न और ओ.एन.जी.सी. विदेश नवरत्न कंपनी बनी

नई दिल्ली, 3 अगस्त (एजेंसी): पेट्रोलियम एवं प्राकृतिक गैस क्षेत्र में कार्यरत दो सरकारी कंपनियों ऑयल इंडिया लिमिटेड को 13वीं महारत्न कंपनी और ओ.एन.जी.सी. विदेश लिमिटेड को 14वीं नवरत्न कंपनी का दर्जा दिया गया है। वित्त मंत्री निर्मला सीतारमण ने इन दोनों सरकारी कंपनियों को महारत्न और नवरत्न का दर्जा दिए जाने को अनुमोदित कर दिया है। ऑयल इंडिया ने वित्त वर्ष 2022-23 में 41039 करोड़ रुपए का कारोबार किया और उसका शुद्ध लाभ 9845 करोड़ रुपए रहा था। इसी तरह से ओ.एन.जी.सी. विदेश लिमिटेड ने मार्च 2023 को समाप्त वित्त वर्ष में कुल 11676 करोड़ रुपए का कारोबार किया और उसका शुद्ध लाभ 1700 करोड़ रुपए रहा था।

आयल इंडिया महारत्न और ओएनजीसी विदेश नवरत्न कंपनी बनी

नई दिल्ली (वार्ता)।



पेट्रोलियम एवं प्राकृतिक गैस क्षेत्र में कार्यरत दो सरकारी कंपनियों आयल इंडिया लिमिटेड को 13वीं महारत्न कंपनी और ओएनजीसी विदेश लिमिटेड को 14वीं नवरत्न कंपनी का दर्जा दिया गया है।

वित्त मंत्री निर्मला सीतारमण ने इन दोनों सरकारी कंपनियों को महारत्न और नवरत्न का दर्जा दिये जाने को अनुमोदित कर दिया है। आयल इंडिया ने वित्त वर्ष 2022-23 में 41039 करोड़ रुपए का कारोबार किया और उसका शुद्ध लाभ 9845 करोड़ रुपए रहा था।

इसी तरह से ओएनजीसी विदेश लिमिटेड ने मार्च 2023 को समाप्त वित्त वर्ष में कुल 11676 करोड़ रुपए का कारोबार किया और उसका शुद्ध लाभ 1700 करोड़ रुपए रहा था।

दो कंपनियां बनीं महारत्न-नवरत्न

नई दिल्ली, एजेेंसी। पेट्रोलियम एवं प्राकृतिक गैस क्षेत्र में कार्यरत सार्वजनिक क्षेत्र की दो कंपनियों ऑयल इंडिया लिमिटेड को 13वीं महारत्न कंपनी और ओएनजीसी विदेश लिमिटेड को 14वीं नवरत्न कंपनी का दर्जा दिया गया है।

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