

500 biogas plants to tackle stubble burning, pollution

Puja Das &
Gireesh Chandra Prasad

NEW DELHI

Around 500 biogas plants are expected to come up across the country this fiscal year with financial support from the Centre to help in check stubble burning and air pollution, according to NITI Aayog member Ramesh Chand.

Stubble burning is the practice of setting fire to the straw stubble (parali) that is left on farms after harvesting grains such as wheat and paddy to prepare it for the next round of seeding. Farmers across northern states, especially Punjab, Haryana and Uttar Pradesh, burn crop debris in late-October and November, worsening air pollution in the process.

As per a report by Ruoyu Lan, a climate science researcher at Lawrence Berkeley National Laboratory, US, more than 90% of India's fire-related exposure increase is because of emissions from agricultural fires in the northwestern states--64% from Punjab, 11% from Haryana and 5.7% from Uttar Pradesh.

The planned biogas plants would source crop stubbles collected from fields after harvest as raw material to produce gas. Chand said the SATAT scheme of the Centre which encourages businesses to set up compressed biogas plants to supply fuel to auto fuel retailers like Indian Oil Corp. is emerg-



Emissions from stubble burning cause air pollution. HT

ing as a good model.

Besides, the Centre also offered a 'waste to wealth' scheme this year in the union budget to promote circular economy. These plants, he said, will get a grant.

Entrepreneurs could set these up without government aid as well. "There is interest in this," Chand said, adding that recycling agriculture waste has been made possible by baler machines as manual collection of agriculture waste is costly.

"With this, one can save a lot on the cost of collection and transportation of agriculture bio-waste," said Chand. The government has allocated ₹10,000 crore to build the 500 plants.

Stubble burning contributes to climate change, increases health costs from air pollution, and disrupts economic activity through cancellation or delays in flights, trains and road traffic and causes accidents.

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BPCL plans trials to see if diesel spiked with ethanol can be a commercially viable proposition

ENSECONOMIC BUREAU
NEW DELHI, MAY 29

GOVERNMENT-OWNED refiner and fuel retailer Bharat Petroleum Corporation (BPCL) plans to soon conduct trials of diesel spiked with ethanol by running vehicles on the blended fuel on a pilot basis, senior company officials said. BPCL is currently in talks with the Ministry of Petroleum and Natural Gas, Automotive Research Association of India (ARAI), and a few automobile manufacturers regarding the pilot, which could be finalised over the next few days.

If the trials end up being successful and establish technical and commercial viability, they could pave the way for large-scale blending of ethanol in diesel in the years to come. Unlike petrol, blending ethanol in diesel was not seriously considered until recently due to differences in the chemistry of the biofuel and diesel. Like petrol, ethanol is a Class A product, while diesel is a

Class B product. Mixing diesel with a Class A product like ethanol would cause knocking in the engine, and therefore is seen as an option. However, BPCL has developed a binder or additive, which facilitates homogeneous blending of ethanol with diesel.

According to P.S. Ravi, an Executive Director at BPCL, if the pilot gives satisfactory results, the government could allow and even encourage spiking diesel with ethanol. On being asked if he expected ethanol-diesel blending mandates to replace biodiesel-diesel blending, Ravi said "possibly yes", depending upon how the trials go. Ravi and other BPCL officials did not give further details of the planned pilot project and the automobile manufacturers involved in it.

Unlike the ethanol-petrol blending programme, biodiesel-diesel blending never really took off in India due to challenges with feedstock availability. Availability of ethanol, on the other hand, is increasing in the country and with numerous second and third-

generation ethanol units likely to come on stream over the next few years, there is likely to be more ethanol supply than what would be required for blending with petrol. If blending ethanol in diesel does take off, a part of that excess ethanol could be utilised there.

Currently, ethanol blending levels in petrol stand at around 12 per cent and the government and public sector fuel retailers are confident of achieving 20 per cent blending pan-India by 2025-26.

Apart from reducing emissions of conventional fuels, blending biofuels with petrol and diesel is also seen as an instrument of reducing the country's crude oil imports.

The world's third-largest consumer of crude oil, India depends on imports to meet over 85 per cent of its oil requirement, leading to massive foreign exchange spending. With a share of around 40 per cent in India's petroleum consumption pie, diesel is the most consumed refined petroleum product in India.



BPCL to Help Build Tech to Scale Up Green H2 Output

Co working with BARC to build about 1 MW electrolyser manufacturing capacity by 2025

Our Bureau

New Delhi: Bharat Petroleum Corp (BPCL) aims to help build about 1 MW electrolyser manufacturing capacity in the country by 2025 using the Bhabha Atomic Research Centre's (BARC) technolo-

gy for green hydrogen, an executive said. BPCL's research and development division is working with BARC to scale up alkaline electrolyser technology for green hydrogen production. The cost of an alkaline electrolyser can be potentially halved with some technological and economic innovations,

said Bharat L Newalkar, chief general manager (R&D), BPCL.

The company plans to get a third party to set up the electrolyser-making facility, he said, adding that the alkaline electrolysers produced from the proposed facility will likely cost 20-30% less than the current rate of about \$800 per kw.

About 55 kwh of renewable electricity is needed to produce a kilogram of green hydrogen. To make green hydrogen viable, capital, as

well as operating expenditure must go down, said Ravikumar V, head of R&D at BPCL. Innovation as well as government support would be needed to reduce green hydrogen costs, he added.

Producing green hydrogen costs triple that of grey hydrogen currently. Most state-run refiners are planning to begin production of green hydrogen to partly replace the heavy volume of grey hydrogen they mainly use for removing sulphur from the fuel.

BPCL to start supplying bio-ATF from 2025-26, firm in touch with OEMs

ENS ECONOMIC BUREAU@ New Delhi

STATE-OWNED Bharat Petroleum Corporation Limited (BPCL) will start supplying bio-ATF (aviation turbine fuel) or sustainable aviation fuel (SAF) to airlines from 2025-26, said a senior official of the company.

BPCL said it is in touch with OEMs (original equipment manufacturer) and exploring tie-ups with 'technology people' to set up SAF plants in India. "We are working on bio-ATF. We are exploring tie-ups with technology people and airplane manufacturers, so that we can collaborate and come out with demonstrable technology," said Bharat L Newakar, chief general manager (R&D), BPCL.

The country's second-largest oil marketing company will come up with an aviation fuel plant at its Mumbai Refinery or Bina refinery to meet the surging demand of eco-friendly fuel. Currently, it supplies 2.5 MMTPA aviation fuel to the airlines, and it will need to produce at least 1% of SAF.

Recently, India's first commercial passenger flight using indigenously produced SAF blend was successfully flown.

As per oil minister Hardeep Singh Puri, by 2025, if India targets to blend 1% SAF blending in Jet fuel, it would require about 14 crore litre of SAF annually. More ambitiously, if India targets for 5% SAF blend, it will require about 70 crore litre of SAF/ annum. Indian Oil Corporation (IOCL) is planning to invest ₹1,000 crore to set up a green aviation fuel plant in India. The bio-ATF plant will be based on technology developed by Council of Scientific and Industrial Research-Indian Institute of Petroleum (CSIR-IIP) and Engineers India.



BPCL's R&D center revolutionises fuel industry with innovations

AGENCIES

GREATER NOIDA, 29 MAY

BPCL R&D centre has been at the forefront of technological advancements. Since its establishment in 2001, the Corporate R&D centre has provided a platform for breakthrough research and development. Together with the Lubes R&D centre, a leading hub in lubricant research, BPCL R&D continues to contribute to a greener and cleaner fuels. Its research areas have evolved over the years, focusing on carbon capture and utilisation, green hydrogen, biofuels, advanced clean fuel, petrochemicals, and business sustainability.

These strategic focus areas align with the company's commitment to environ-

mental stewardship and energy transition.

In view of this, Bharat Petroleum's Research & Development (R&D) division proudly presents its state-of-the-art facilities and strategic focus areas at the Corporate R&D Centre in Greater Noida.

With a commitment to innovative and sustainable solutions, BPCL R&D has gained international recognition as one of the leading research centres.

Over the years, the division has achieved remarkable milestones, including 164 patents filed for cutting-edge innovations, 87 patents granted across multiple countries, 17 technologies/products commercialized and over 230 scientific papers and book chapters.



EIL secures business worth ₹4,700 crore in FY2022-23

Some of our mega projects in the oil and gas sector is nearing completion

NEW DELHI: During FY 2022-23, EIL had secured business worth around Rs 4,700 crore as against the order value of around Rs 1,650 crore in FY 2021-22. In the ongoing financial year, the company has already secured business worth around Rs 650 crore with a whopping share of more than 30 per cent from the international market. This shows a strong start for this fiscal in terms of business growth for the organisation.

The overall order book status of the company, however, as of March 31, 2023 stood at Rs 9,079 crore including go ahead of around Rs 1,600 crore out of which 9 per cent of the order value is contributed by the private sector projects.

Mega project implementation in the oil & gas sector has



been EIL's core business. Vizag Refinery Modernisation Project (VRMP) of HPCL, HPCL Rajasthan Refinery project (HRRL), Capacity expansion project of IOCL-Panipat, Cauvery Basin Refinery (CBR) project for CPCL with the combined capital outlay of around \$20 billion are some of the recent testi-

monies of EIL's mega project implementation in the domestic market.

Some of our mega projects in the oil and gas sector is nearing completion. On domestic front, Vizag Refinery Project is currently at the advanced stage of commissioning having the state-of-the-art crude Dis-

tillation Column designed and implemented by EIL with highest energy efficiency in terms of energy number acreoess the world.

Mechanical Completion of Kochi Refinery - Palakkad section of the Kochi-Salem LPG Pipeline project has been achieved. EIL is providing EPCM services for Kochi-Salem LPG Pipeline with 1.53 MMTA capacity, for M/s Kochi Salem Pipeline Pvt. Ltd. (KSPPL), a joint venture company of IOCL & BPCL. This pipeline system will evacuate LPG from Kochi Refinery and transport imported LPG from IOCL Jetty at Puthuvypen to a number of LPG bottling plants of IOCL & BPCL enroute to Odayemproor/Palakkad/Coimbatore/Erode/Salem.

Chhara LNG Terminal (HPLNG) have also achieved Mechanical Completion. EIL was entrusted with the PMC services for the LNG Terminal Project (HPLNG).

Prime Minister Narendra Modi inaugurated Methanol plant (500 TPD) at Namrup in Dibrugarh of Assam Petrochemicals Ltd (APL) on 14th April 2023. EIL provided services as LEPCM consultant for this project. APL will supply methanol to other states as well as export to neighbouring countries. There are several other projects being implemented by EIL that are on the verge of completion. These projects with combined worth of multibillion-dollars clearly demonstrate EIL's strong domestic presence in the oil & gas sector. MPOST

FIRST PROPER SURVEY OF ANDAMANS OFFSHORE AREA

India Set to Complete EEZ Survey in Andamans, Extended Continental Shelf Next Step

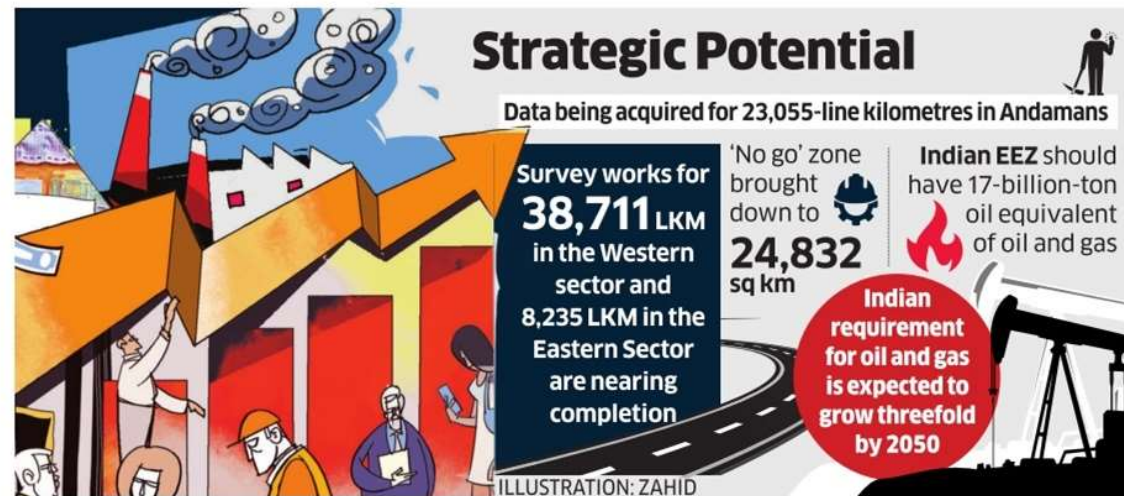
Survey takes place after Centre aligns stakeholders, MoD clearances to release 99% of the areas prohibited for oil exploration

Manu.Pubby@timesgroup.com

New Delhi: India is set to complete an exhaustive survey of its Exclusive Economic Zone (EEZ) months after the central government aligned all stakeholders, including defence and space agencies, to release 99 per cent of the areas prohibited for oil exploration and production due to security concerns.

It is learnt that the first proper survey of the Andamans offshore area, considered to be a petroliferous basin with prospects for oil and gas resources, is nearing completion with data being acquired for 23,055-line kilometres (LKM). Similarly, survey works for 38,711 LKM in the Western sector and 8,235 LKM in the Eastern Sector are nearing completion. The next step is likely to be a survey to cover the limits of the Indian Extended Continental Shelf (ECS).

The survey was started in November last year after a joint effort by stakeholders like the Directorate General of Hydrocar-



bons, ministry of defence and the space department, who were aligned to release areas that had been prohibited earlier.

An empowered coordination committee oversaw the process and the National Maritime Security Coordinator, part of the National Security Council Secretariat, played a critical role in expediting security clearan-

ces. In the past, 42 percent of the Indian EEZ of 2.36 million square km was under a 'no go' zone.

After exhaustive consultations with the Indian Navy, Coast Guard and Defence Research and Development Organisation (DRDO), the 'no go' zone was brought down to 24,832 sq km. Safeguards were also put in place to indemnify government de-

partments and the forces from any damage suffered in oil exploration and production.

The survey is expected to yield discovery of significant oil and gas resources in the Indian EEZ. As per broad estimates, the Indian EEZ should have 17-billion-ton oil equivalent (BTOE) of oil and gas, of which 7.4 BTOE had been discovered prior to the sur-

BEING SELF-SUFFICIENT

 India, which is the third largest energy consumer in the world, is looking to cut down its dependence on imports

vey. The current EEZ survey is being conducted by Shearwater Geoservices Limited on the Eastern and Western offshore and Seabird Exploration in the Andaman region.

India, which is the third largest energy consumer in the world, is looking to cut down its dependencies on imports. At the current pace, the Indian requirement for oil and gas is expected to grow threefold by 2050. Steps to explore for oil and gas in the EEZ are being taken to close the gap.

Less than \$100 mn stuck in Russia, says ONGC Videsh

Press Trust of India

MUMBAI

India's flagship overseas firm ONGC Videsh has less than \$100 million of dividend income lying in Russia because of Ukraine conflict but the company is not in a hurry to bring it back, a senior official said.

"We are not in a hurry to get it back as the company has capital and operating expenses for the three projects in Russia," said MD Rajarshi Gupta.

Less than \$100 mn stuck in Russia: OVL

MANISH GUPTA
New Delhi, May 29

ONGC VIDESH, THE overseas arm of Oil and Natural Gas Corporation (ONGC), on Monday said it has less than \$100 million dividend income stuck in Russia and that it is not in a hurry to get it back.

"We have less than \$100 million stuck in Russia and we are not in a hurry to get it back. We have three projects there that require some expenses," ONGC Videsh Ltd (OVL) managing director Rajarshi Gupta said.

The company is looking for right banking channels to find an option for repatriating the dividend payments from Russia, he added.

As for the equity oil, ONGC chairman AK Singh said that it is an incorporated joint venture and the companies jointly produce and sell, and OVL is free to buy at that rate.

Further, OVL is studying the latest terms and conditions announced by Guyana for participating in exploration and licencing rounds, Gupta said, adding that Africa and Latin America are focus areas for the company.

The operations and assets in Russia are Sakhalin-1 (joint arrangement — 20% stake), Vankorneft (associate — 26% stake) and Imperial Energy (wholly-owned subsidiary).

OVL acquired 20% participating interest (PI) in Sakhalin-1 project through Production Sharing Agreement (PSA) in July 2001. Exxon Neftgaz Ltd (ENL), a US major Exxon Mobil subsidiary, was the project's operator.

Due to the conflict, various restrictions, including interna-



tional sanctions were imposed on Russia, thereby constraining crude oil evacuation from De-Kastri terminal and production from the Sakhalin-1 project. Subsequently, the operator ENL declared force majeure in April 2022.

"Production from the field dropped to zero after the start of Ukraine conflict last year but has now come back to the original level," said Gupta, adding that once the company fulfills some conditions, it can reclaim its 20% stake. OVL has been given the approval from the Russian Federation, he added.

The Russian Federation, in November 2022, granted a proportionate share of 20% to the company in the charter capital (nominal value of RUR 10,000) of Sakhalin-1, as per the company's filing in an exchange.

The grant was conditioned with transfer of the company's share in the existing accumulated abandonment fund relating to the Sakhalin-1 project.





LPG, PNG stoves with max thermal efficiency made

PNS ■ GREATER NOIDA

Public sector oil marketing major Bharat Petroleum Corporation Ltd. has developed LPG and PNG stoves with the highest thermal efficiency in the world.

The LPG stoves have already been launched with 74 percent efficiency which is six to seven percent more efficiency than the traditional gas burners. If all the households adopt the Bharat Hi Stoves, the oil companies can save 1.7 million tonnes of LPG worth Rs 7,000 crores annually, Chief General Manager in-charge (R&D) of the Corporate R&D Centre, Ravi Kumar V said, adding, as many as 70,000 users have adopted these stoves.

The BPCL has also developed an energy efficient PNG burner with 70 percent fuel efficiency as compared to the 55 percent efficiency of the traditional burners.



**Oil India's net profit surges to
Rs 6,810.40 crore**

Oil India Limited declared its financial results for FY 2022-23 registering the highest-ever net profit since the company's inception at Rs 6,810.40 crore, a surge of 75.20% YoY on the back of higher operating income and growth in oil & gas production. The company, over the last six decades, continued its journey of growth in oil & gas production from its matured and recently discovered oilfields during the last fiscal, with 5.5% growth in oil production at 3.18 MMT and 4.4% growth in gas production.

BALANCING GREEN, TRADITIONAL INVESTMENTS BY '30

ONGC Lines Up ₹1-L Cr Green Energy Push

Will also bid for
India's first offshore
wind seabed lease

Our Bureau

Mumbai: ONGC plans to invest Rs 1 lakh crore by 2030 to balance its oil and gas exploration and production portfolio with green energy, chairman Arun Kumar Singh said on Monday. "We have done our internal workings and are now confident that we can achieve net-zero for Scope-1 and Scope-2 emissions by 2038," Singh said, adding that the company will invest Rs 1 lakh crore towards it.

ONGC wants to grow its renewable power portfolio to 10 GW by 2030 from 189 MW at the end of March. Towards this, the company has already signed an agreement to set up 5GW of renewable power capacity and is scouting for opportunities to set up another 5GW.

The company will also bid for the offshore wind seabed lease tender, India's first, which will be floated shortly.

The government plans to issue seabed lease tenders for a trajectory of 37 GW by 2030. The first phase of offshore wind projects will be located along the coasts of Tamil Nadu and Gujarat, with a combined potential of about 70 GW.

ONGC is also looking at setting up a 1 MT per annum green ammonia plant at Mangalore.

LESS THAN \$100 M STUCK IN RUSSIA: OVL

ONGC Videsh Ltd, the overseas exploration arm of ONGC, has less than \$100 million of dividend income stuck in Russia due to the Russia-Ukraine war, but the company is not in a hurry to bring it back.

"We are not in a hurry to get it (the dividend income) back as

Renewable Dream

ONGC has signed deal to set up **5GW** of renewable power capacity

Co scouting for opportunities to set up another **5GW**

Looking at setting up **1 mt per annum green ammonia plant** at Mangalore

Sees hydrocarbon production going up **5%** this fiscal, by **25%** in 3 years

Loss of **₹248 cr** in Q4 after providing for disputed taxes on royalty



the company has capital and operating expenses for the three projects in Russia," said OVL MD Rajarshi Gupta.

Indian oil companies have invested \$5.46 billion in buying stakes in four different assets in Russia. These include a 49.9% stake in the Vankorneft oil and gas field and 29.9% in the TAAS-Yuryakh Neftgazodobycha fields.

Oil companies get dividends on profits made from selling oil and gas from these fields. The Russia-Ukraine war saw Russia put restrictions on repatriation of dollars. Gupta said the company is looking at right banking channels and discussions are on.

ONGC, which has reversed the declining trend of oil and gas production in 2022-23, said it sees its hydrocarbon production rising 5% this fiscal and by 25% in the next three years.



ONGC plans ₹1 lakh cr investment to cut carbon emissions

Rituraj Baruah

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NEW DELHI: Oil and Natural Gas Corp. (ONGC) will spend ₹1 trillion on green initiatives by 2030 to reduce its carbon footprint as part of a broader effort to achieve net-zero emissions by 2038.

ONGC's chairman and managing director Arun Kumar Singh, told reporters on Monday that the oil explorer has set an

ambitious net-zero target and aims to cut both Scope 1 and Scope 2 emissions. Scope 1 emissions are from sources that an organization controls directly, such as fuel used in its operations or in running vehicles, while Scope 2 emissions refer to emissions from, for instance, the electricity it purchases.

According to the company's presentation, ONGC has a renewable energy portfolio of 189 megawatt (MW) as of FY23,

with plans to augment it to 10 gigawatt (GW) by 2030. The energy major plans to venture into offshore wind and green ammonia production, targeting 1 million tonnes per annum (mtpa) of capacity by the same year. "The investments will be in the order of ₹1 trillion," Singh said. The company has signed a memorandum of understanding for renewable energy projects of 5GW in Rajasthan and is scouting for another project with the

same capacity.

With its net zero target in place, ONGC has joined the other oil and gas companies, including Indian Oil, Bharat Petroleum Corp. Ltd (BPCL), and Oil India Ltd, in setting the key climate target. Indian Oil Corp. aims to achieve net zero by 2046, while BPCL and Oil India plan to reach the target by 2040.

ONGC aims to become a "truly integrated oil and gas company" with an equal focus on crude

production, refining and marketing. The company has major plans for the petrochemical segment, the presentation said.

Along with scaling up its green energy portfolio, the company would also enhance its exploration and production (E&P) activities. The oil explorer produced 19.58 million tonnes (mt) of oil in FY23 compared with 19.55 mt in the previous year. Its oil output is expected to rise to 21.26 mt in FY24 and

reach 22.39 mt in FY26, according to the company.

Its natural gas output is projected to rise from 20.64 billion cubic metres (bcm) in FY23 to 23.62 bcm in FY24, which may touch 27.16 bcm in FY26.

Currently, ONGC has 162,000 sq. km of acreage, and it is looking to increase it to 500,000 sq. km by acquiring 100,000 sq. km every year, with an annual expenditure of ₹10,000 crore on exploration.

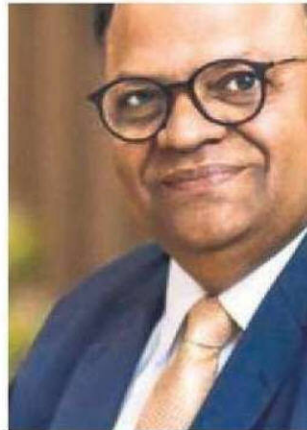
ONGC plans ₹1 tn investment to cut carbon emissions

Rituraj Baruah
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NEW DELHI

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TURN TO PAGE 6

ONGC to invest ₹1 tn to control emissions

FROM PAGE 1

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100,000 sq. km every year, with an annual expenditure of ₹10,000 crore on exploration.

On its international operations, run by unit ONGC Videsh Ltd, the company said that operations at the Mozambique gas project, where Indian oil and gas companies own around 30% stake, are on course for resumption.

ONGC said the situation is improving at the project site after operations were halted due to security concerns.

The \$20 billion 'Offshore Area I' project has been under force majeure since April 2021, following attacks by Islamic State terrorists in the coastal town of Palma in Cabo Delgado province.

ONGC also said that oil output from the Sakhalin-1 project in Russia has recovered to 200,000 barrels per day (bpd).

The company is in the process of reclaiming its 20% stake in the project, it said.

ONGC to invest ₹1 trillion to become net zero by 2038

MANISH GUPTA

New Delhi, May 29

OIL AND NATURAL Gas Corporation (ONGC) chairman Arun Kumar Singh on Monday said that the company will invest around ₹1 trillion in renewable energy by 2030 as it plans to become net zero by 2038.

"We have been working on it (energy transition) and are now confident that we can achieve net zero for Scope-1 and Scope-2 emissions by 2038," Singh said at a press meet in Mumbai post the financial results on Friday.

The country's top oil and gas producer is preparing a roadmap for net zero emissions as part of Prime Minister Narendra Modi's commitment to become a net zero country by 2070 to deal with climate change.

The company plans to increase its renewable energy generation capacity from the current 189 MW to 10 GW by 2030. It has already planned to set up 5 GW of renewable energy projects in Rajasthan.

"We are also planning a 1 million tonne per annum green ammonia plant in Mangalore. Overall, the investments will be in the range of ₹1 trillion," Singh said, adding that offshore wind farms are also on the table.

The only issue bothering ONGC is how to supply renewable energy round the clock (RTC).

ONGC has formed a team to do the research and development on the issue looking at both the battery and non-battery solutions.



ONGC to pump in ₹1 trillion in energy transition

Will invest the amount by 2030 as part of its target to go carbon neutral by 2038

SUBHAYAN CHAKRABORTY
New Delhi, 29 May

India's top oil and gas producer, ONGC, will invest up to ₹1 trillion by 2030 on energy transition goals as part of its target to go carbon neutral by 2038, ONGC Chairman Arun Kumar Singh said on Monday.

The Maharatna company also plans to raise electricity generation from renewable sources to 10 gigawatt (Gw) by the end of the decade from 189 Mw now.

In a post-result media conference in Mumbai, Singh said the company signed a pact with the Rajasthan government to set up a 5-Gw plant in the state. He said the company was still scouting for opportunities to establish projects worth at least 5 Gw more and will look at offshore wind as well.

It is also planning a 1 mmtpa (million metric tons per annum) green ammonia plant in Mangalore, he added.

ONGC is also looking to quickly expand its oil production through a series of projects. Its joint venture ONGC Petro additions (OPaL) and its subsidiary Mangalore Refinery and Petrochemicals (MRPL) are expected to implement the expansion plans.

The company is targeting to double the production of these companies to 8 mmtpa by 2030. This will involve establishing new facilities for the direct synthesis of compounds from crude.

The total oil and gas production of the group stood at 53 MMToE (million metric tonnes of oil equivalent), including from joint ventures and overseas assets, it said in a presentation on Monday. The company has contributed 68 per cent to India's oil and gas production, it said.

The combined refinery throughput of ONGC subsidiaries — Hindustan Petrochemical Corporation & MRPL — stood at 19.09 mmt and 17.14 mmt, respectively, in FY23. In the same year, ONGC had total reserves of 1,221 MMToE.

The company is also looking to aggressively chase a higher exploration target of 500,000 square km with a potential of 180 MMToE by 2025-26, up from the current acreage of 162,000 square km. The ONGC chairman said the company would focus on further exploration in the Madhya Pradesh's Vindhyan basin.

Tax liability

The company reported a net loss of ₹247.70 crore in the fourth quarter (January-March) of FY23 quarter as compared to a net profit of ₹8,859.54 crore a year back, results released on Friday showed.

It posted a surprise loss in the March quarter after over ₹12,100 crore provision for a contested tax liability.

Service tax department at various work centres had raised a demand for payment of service tax on the royalty the company paid to the state and central government on crude oil and natural gas it produces from below ground. The company challenged the demands in courts and plans to continue contesting the matter. This is based on the legal opinion it has received whereby the service tax or GST on royalty in respect of crude oil and natural gas is not applicable, company officials said.

For the full year FY23, ONGC posted a net profit of ₹38,829 crore, down 3.7 per cent from ₹40,306 crore net earnings in the previous financial year.

ONGC Videsh not in a hurry to repatriate dividend from Russia project

Janaki Krishnan

Mumbai

Oil and Natural Gas Corporation's subsidiary, ONGC Videsh (OVL), which has under \$100 million of dividend pending from its project in Russia, is not in a hurry to repatriate this amount and could even consider reinvesting it in the project.

The dividend amount is stuck pending the resolution of the conflict between Ukraine and Russia. The state-run oil and natural gas producer has a stake in the Sakhalin-1 project in Russia through ONGC Videsh routed through a subsidiary in Singapore.

PEAK PRODUCTION

Last year, Russia declared



(From left): Rajarshi Gupta, MD of ONGC Videsh; Arun Kumar Singh, CMD, ONGC; and Pankaj Kumar, Director-Offshore, ONGC

Singapore an unfriendly nation, making repatriation of the dividend difficult.

Production in Sakhalin-1 has returned to its peak daily level of 200,000 barrels, the company said in a presentation on Monday. After the exit of Exxon Mobil from the project last year, a new entity managed

by a subsidiary of Rosneft was set up in its place. ONGC is in negotiations with the new operator to reclaim its stake in the project.

In a media interaction, ONGC Videsh's managing director, Rajarshi Gupta, said the company expected to reclaim its 20 per cent stake in the project in the

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ONGC's revenue to be stable in FY24, EBITDA to improve

Janaki Krishnan

Mumbai

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Talking to *businessline* on the sidelines of a media interaction on Monday, Director-Finance Pomita Jaswal said while the company will continue to incur costs on exploration and survey, several other expenses of a one-time nature will not be a feature this year. While she did not specify a figure, she said operating profit would improve from the previous year.

In FY23, the company's EBITDA margins shrank 336 basis points partly due to higher expenses.

The company has also committed to investing about ₹1-lakh crore over the next 4-5 years in green energy. The company is investing in solar project, wind projects, green hydrogen, low carbon and green ammonia plant opportunities.

"From 2026 onwards, we are hopeful that the open acreage licensing policy will come to our rescue," Chairman and Managing Director Arun Kumar Singh said.

By FY26, the company has targeted its exploration to cover 5 lakh square km from its current 1.6 lakh square km acreage. For the current year, its planned capex is ₹30,125 crore, almost the same as last year.

ONGC Videsh not in a hurry to repatriate dividend from Russia project

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Mumbai

Oil and Natural Gas Corporation's subsidiary, ONGC Videsh (OVL), which has under \$100 million of dividend pending from its project in Russia, is not in a hurry to repatriate this amount and could even consider reinvesting it in the project.

The dividend amount is stuck pending the resolution of the conflict between Ukraine and Russia. The state-run oil and natural gas producer has a stake in the Sakhalin-1 project in Russia through ONGC Videsh routed through a subsidiary in Singapore.

PEAK PRODUCTION

Last year, Russia declared



(From left): Rajarshi Gupta, MD of ONGC Videsh; Arun Kumar Singh, CMD, ONGC; and Pankaj Kumar, Director-Offshore, ONGC

Singapore an unfriendly nation, making repatriation of the dividend difficult.

Production in Sakhalin-1 has returned to its peak daily level of 200,000 barrels, the company said in a presentation on Monday. After the exit of Exxon Mobil from the project last year, a new entity managed

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ONGC will invest ₹1L cr for 2038 net zero target

Sanjay.Dutta
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Mumbai: India's largest oil and gas producer ONGC on Monday unveiled a Rs 1-lakh-crore investment plan to achieve net-zero operational green house gas emission by 2038 without letting up on its primary task of pumping up hydrocarbon volume to meet the country's rising energy demand.

The announcement came even as the state-run explorer reversed in 2022-23 the decline in production and aims to raise output with ongoing investments of \$7 billion and \$5 billion in west and east coasts, respectively.

"After drawing up our plans, we feel that 2038 will be the year by when ONGC will be scope I and II net-zero compliant. Scope III is of course a little far. We are late in announcing it (the goal) because we were tying up our numbers. We want to be really serious (about net-zero)," company chairman Arun Kumar Singh said.

The net-zero deadline is the shortest among state-run oil companies and second after private sector Reliance Industries, considering all domestic players in the sector. In terms of investment, it is second to IndianOil's Rs 2-lakh-

GREEN GOALS

Domestic Cos' Net Zero Goals

2035 | Reliance Industries
2038 | ONGC
2040 | HPCL, BPCL, Oil India
2046 | IndianOil
2050 | Cairn

Global majors

2050 | BP, ExxonMobil, Chevron, Shell, Rosneft



crore goal by 2046. Reliance has a net-zero goal of 2035; HPCL, BPCL and Oil India Ltd have a 2040 target; while IndianOil has 2046 and Cairn's goal is 2050.

The centrepiece of the plan is scaling up renewable energy capacity from 189 megawatts to 10 gigawatts (GW) by 2030 and building green ammonia with annual capacity of one million tonnes, for which ONGC has an MoU with Hyderabad-based Greenco group. Singh said MoU has been signed for 5 GW capacity in Rajasthan and ONGC is scouting for another 5 GW capacity. Option includes offshore wind projects, which will see their first auction this year.

Steps are simultaneously being taken to reduce carbon footprint of operations. Di-

OVL using Russia dividend to meet local expenses

Mumbai: ONGC Videsh Ltd is utilising dividend income of "less than \$100 million", which is stuck in Russia due to western banking sanctions, to meet local and statutory expenses. "It is business as usual... OVL's share is less than \$100 million. The money is deposited in banks there and we can use it for opex, capex or meeting other statutory expenses," company managing director Rajarshi Gupta said on Monday. TNN

rector (technical & field services) O P Singh said the steps include dual-fuel engines to reduce diesel consumption, replacing normal bulbs with LED lights as well as deploying solar panels and battery backup on platforms or sites.

ONGC produced 19.5MT (million tonnes) of oil in 2022-23, marginally up from the previous year. The output is likely to rise to over 21MT in the current fiscal before hitting 22.3MT in 2025-26. Gas output is slated to rise from 20.6bcm (billion cubic meters) in 2022-23 to 27bcm in 2025-26.

ONGC's FY24 capex dips marginally to ₹30,125 crore

The Hindu Bureau
MUMBAI

Oil & Natural Gas Corporation Ltd (ONGC) has announced a capital expenditure plan of ₹30,125 crore for FY24 as compared with ₹30,208 crore in the previous year and the plan would be fully-funded through internal accruals, its chairman & MD Arun Kumar Singh said.

"The capex is to sustain and grow. Cashflow-wise ONGC has no problem," Mr Singh said.

The company also an-



Arun Kumar Singh

nounced that it would invest ₹1,00,000 crore towards energy conversion into solar in the coming year. It wants to have 10GW of renewable capacity by 2030, Mr. Singh said.

He also said that the

company would expand its petrochemicals capacity at its MRPL unit and also at its refinery in Bhopal.

Higher output

Mr. Singh said the company would ramp up production this year as there was a 5% decline in crude production in FY23.

The company will search for more crude and gas from new fields in India as the government has opened up 1 million sq kms of area which was earlier deemed no-go due to security concerns.

Pumped Down

Fuel price decontrol was a reform achieved over two different political dispensations. It's now buried

The monthly average price of the Indian basket of crude began to increase after Russia invaded Ukraine in February 2022. It peaked at \$116/bbl in June 2022. By May 2023, the price crashed to \$75. But India's retail fuel prices have remained frozen – no changes since May 22, 2022. A year's freeze on retail fuel prices has undone one of the most politically challenging market-oriented reforms that was spread over two governments. Petrol prices were deregulated in 2010 and diesel in 2014.

Prices are key market signals, incentivising both buyers and sellers to make adjustments. Minus such signals, market distortions are inevitable. What makes this worse is that India of late hasn't really faced a long period of high fuel prices. The surge in crude price last year was short-lived. Since February 2022, the monthly average price exceeded \$100/bbl for just five months. In contrast, during the last big surge in crude price between 2011 and 2014, the monthly average crude price overshot \$100/bbl in 42 of 43 contiguous months.

Fuel price decontrol hasn't benefitted consumers. During the 7-year phase beginning September 2014 when the monthly average crude price level was often between \$40-\$60/bbl, the retail price didn't fall proportionately. That's because fuel taxes on retail prices increased when crude prices fell. Over the last year, the link between retail price and its input, crude oil, appears to have been severed. GoI needs to revert to a market-based pricing mechanism to both encourage investment and nudge consumers to make rational choices.



▶▶ असम की रिफाइनरी में लगी आग

गुवाहाटी : असम के गोलाघाट जिले में नुमालीगढ़ रिफाइनरी लिमिटेड की हाइड्रोकार्बन इकाई में सोमवार को आग लग गई। एक अधिकारी ने यह जानकारी दी। एनआरएल की प्रवक्ता मधुचंदा अधिकारी ने बताया कि आग पर काबू पा लिया गया है और किसी के हताहत होने की खबर नहीं है। उन्होंने कहा कि रिफाइनरी की हाइड्रोकार्बन इकाई के वेसल वीवी-4 में शाम करीब सात बजकर 20 मिनट पर आग लग गई और आग बुझाने के लिए दमकलकर्मी तुरंत मौके पर भेजे गए। आग लगने के कारणों का अभी पता नहीं चल पाया है और इसकी प्रारंभिक जांच शुरू हो गई है। नुकसान की मात्रा का पता लगाना अभी बाकी है।

ओएनजीसी विदेश की 10 करोड़ डॉलर से कम की लाभांश राशि रूस में अटकी

एजेंसी ■ मुंबई

सार्वजनिक क्षेत्र की ऑयल एंड नैचुरल गैस कॉर्पोरेशन (ओएनजीसी) की विदेश इकाई ओएनजीसी विदेश की यूक्रेन युद्ध के कारण रूस में 10 करोड़ डॉलर से कम की लाभांश राशि अटकी पड़ी है और उसे इसको हासिल करने के लिए कोई जल्दबाजी नहीं है। एक वरिष्ठ अधिकारी ने सोमवार को यह जानकारी दी। भारत की पेट्रोलियम कंपनियों ने रूस में चार विभिन्न संपत्तियों में हिस्सेदारी खरीदने के लिए 5.46 अरब डॉलर का निवेश किया है। इसमें वैकोरनेफ्ट तेल एवं गैस क्षेत्र में 49.9 प्रतिशत और तास-यूराख

नेफ्टेगाजोडोबाईचा क्षेत्र में 29.9 प्रतिशत हिस्सेदारी शामिल है। हिस्सेदारी के बदले क्षेत्र से उत्पादित तेल एवं गैस की बिक्री से होने वाले लाभ पर कंपनियों को लाभांश मिलता है। पिछले साल फरवरी में यूक्रेन पर हमले के तुरंत बाद रूस ने विदेशी विनिमय दर में उतार-चढ़ाव पर रोक लगाने के लिए दूसरे देशों में डॉलर भेजने पर पाबंदी लगा दी थी। ओएनजीसी विदेश लि. (ओवीएल) को पिछली बार जुलाई, 2022 में लाभांश मिला था। उसके बाद आया लाभांश कंपनी के रूस में स्थित बैंक खाते में पड़ा है। कंपनी के प्रबंध निदेशक रजर्षि गुप्ता ने कहा कि रूस में लाभांश आय 10 करोड़ डॉलर से

कम है। उन्होंने कहा, हमें इसे पाने की कोई जल्दबाजी नहीं है क्योंकि कंपनी के पास रूस में तीन परियोजनाओं के लिए पूंजी और परिचालन खर्च हैं। जहां तक लाभांश का सवाल है, उससे कामकाज पर कोई असर नहीं हुआ है। उन्होंने बताया कि ओवीएल के पास सिंगापुर की अनुषंगी के जरिए रूस में तेल एवं गैस क्षेत्रों में हिस्सेदारी है। रूस से पिछले साल सिंगापुर को मित्र देशों से अलग रखा। ऐसे में रूस से पैसा उस कंपनी को नहीं जा सकता है, जिसका गठन सिंगापुर में हुआ है। उन्होंने कहा कि कंपनी उपयुक्त बैंक व्यवस्था पर गौर कर रही है और इस बारे में बातचीत जारी है।

ओएनजीसी विदेश की लामांश राशि रूस में अटकी

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पेट्रोल और डीजल की कीमतें यथावत

नई दिल्ली, चार्ता। वैश्विक स्तर पर तेल की कीमतों में आई गिरावट के बीच घरेलू स्तर पर पेट्रोल और डीजल की कीमतें यथावत रही, जिससे दिल्ली में पेट्रोल 96.72 रुपये प्रति लीटर तथा डीजल 89.62 रुपये प्रति लीटर पर स्थिर रहा। तेल विपणन करने वाली प्रमुख कंपनो हिन्दुस्तान पेट्रोलियम कार्पोरेशन की वेबसाइट पर आज जारी दरों के अनुसार, देश में आज पेट्रोल और डीजल की कीमतों में कोई बदलाव नहीं हुआ है।