

# FIPI



## Federation of Indian Petroleum Industry

Voice of Indian Oil & Gas Industry



# Annual Report 2017-2018



### *Core Purpose Statement*

To be the credible voice of Indian hydrocarbon industry enabling its sustained growth and global competitiveness.

### *Shared Vision*

- A progressive and credible energy advisory body stimulating growth of Indian hydrocarbon Sector for Global linkages
- A healthy and strong interface with Government, legislative agencies and regulatory bodies
- Create value for stakeholder in all our actions
- Enablers of collaborative research and technology adoption in the domain of energy and environment
- A vibrant, adaptive and trustworthy team of professionals with domain expertise
- A financially self-sustaining, not-for-profit organization



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## Governing Council

### Chairman & Co-Chairman



**Mr. Shashi Shanker**  
CMD ONGC



**Mr. Sanjiv Singh**  
Chairman, IOCL

### Members



**Mr. P.M.S. Prasad**  
ED & Member of the Board,  
Reliance Industries Ltd.



**Mr. B.C. Tripathi**  
CMD, GAIL



**Mr. Sudhir Mathur**  
CEO, Cairn Oil & Gas,  
Vedanta Ltd.



**Mr. Prabh Das**  
MD & CEO, HMEL



**Mr. D. Rajkumar**  
CMD, BPCL



**Mr. Sashi Mukundan**  
Regional President & Head  
of Country, BP Group



**Mr. Utpal Bora**  
CMD, Oil India Ltd



**Mr. M. K. Surana**  
CMD, HPCL



**Mr. J.C. Nakra**  
CMD, EIL



**Mr. Prabhat Singh**  
MD & CEO,  
Petronet LNG Ltd.



**Mr. B. Anand**  
CEO, Nayara Energy



**Mr. Nitin Prasad**  
Chairman, Shell India



**Prof. Rajiv Shekhar**  
Director, IIT (ISM),  
Dhanbad



**Dr. Anjan Ray**  
Director, CSIR - IIP



**Dr. R. K. Malhotra**  
Director General & Member  
Secretary



## Dear Members,

The world economy has witnessed a fair share of highs and lows since April 2017. Driven by stagnated oil prices and trade friendly policies adopted by various countries across the world, the global economy grew at over 3.5 per cent in 2017. After ten long years of low economic activity, the Euro zone posted its highest growth in 10 years due to a remarkable increase in investment, trade and industrial production in the region. Due to the policies and tax cuts introduced by the Government, the US economy grew at a robust rate of 3.3 per cent while the country's unemployment rate remained the lowest since 2000. However, 2018 remained a year of looming uncertainties for the world. The year was marked by volatility in oil prices, political uncertainties over Brexit, re-imposition of sanctions on Iran and increasing trade rivalry between the US and China. In the second half of 2018, the trade war between the US and China only intensified with both countries raising levies on imports in an increasingly protectionist trade environment. This led to a very gloomy growth outlook for the year 2019. However, falling oil prices since the month of October and President Trump and Xi Jinping's agreement to hold off the new tariffs, which were to come into effect on 1 January 2019, have brought a sigh of relief to the global economy.

Amidst global turmoil and volatile oil prices, India has managed to emerge as one of the fastest growing economies in the world. International Monetary Fund (IMF) has projected a growth rate of over 7.3 per cent for 2018-19 and further at 7.5 per cent in FY 2019-20. As a result of the Government's vision of 'Minimum Government, Maximum Governance' and single window clearance policies India has reached 77th position in 2018 from 132nd position in 2016 in the World Bank's 2018 Ease of Doing Business ranking. Though, an extremely volatile oil market and a weakening Rupee against US dollar had a significant effect on the economy, India expects to close 2018 on a high note.

For the Indian Petroleum industry, the Government interventions and new policies introduced across the value chain have launched it on a high growth trajectory. In line with Hon'ble Prime Minister's vision of 10 per cent energy import replacement by 2022, the Government has introduced numerous new policies in the upstream sector. The newly introduced Hydrocarbons Exploration Licensing Policy (HELP), which replaced the erstwhile NELP, received an overwhelming

response from the industry. In spite of a challenging global market environment, for 55 blocks put on offer by Directorate General of Hydrocarbons (DGH) under HELP, 110 e-bids were received. Taking the industry's long standing dis-satisfaction over gas pricing into account, the Government is soon going to commission a natural gas trading hub in the country. The trading hub will not only provide a reasonable price for the domestic gas producers but will also incentivize investment into the E&P sector.

The Goods and Services Tax (GST) is one of the biggest and most forward looking tax reform undertaken by the Government in the history of independent India. However, the non-inclusion of major petroleum products such as crude oil, natural gas, MS, HSD and ATF has adversely affected the oil and gas sector. FIPI has been at the forefront advocating for the inclusion of the sector under GST. As result of FIPI's continued and relentless efforts, some of the recommendations have now been accepted by the GST council.

FIPI has been instrumental in supporting the development of the oil and gas industry through voicing industry concerns. In line with Government's objective of increasing domestic production, FIPI has been advocating for a policy on Enhanced Oil Recovery (EOR). At a Workshop organized by FIPI last year, Shri Dharmendra Pradhan, Minister, Petroleum and Natural Gas and Skill Development and Entrepreneurship had also emphasized on the need for an incentive-based model for EOR. It gives me immense pleasure to inform you that the Union cabinet has now approved the policy framework to incentivize oil and gas recovery from aging fields.

Over the last two years, we have been phenomenal in drawing the Government's attention to several issues critical to the industry, including reduction of OID cess on crude oil and continued representation on the much-needed gas pricing reforms. FIPI's on-going study related to the use of LNG as a fuel for long distance transportation has now concluded and a detailed action plan is being prepared. The findings of the study will soon be shared with relevant Government authorities for their consideration. FIPI has also initiated a study on the impact of Electric Vehicles (EVs) on the Petroleum refining sector in India. The findings of this study aim to understand the inter-play between the various future mobility fuels in the likely scenario of significant EV penetration across vehicles segments. The



findings of the report will also explore the 'best-fit' strategy for downstream oil and gas players.

It is my privilege to place before you the Audited Balance Sheet and the Income and Expenditure Account of the Federation of Indian Petroleum Industry for the financial year ending 31 March, 2018.

## Financial Highlights

The Financial Highlights of the federation for the year under review are as follows:

- During FY 2017-18, the Society had an income of Rs 32.50 crore against an expenditure of Rs 25.93 crore, resulting in an operating surplus of Rs 6.57 crore. After considering 0.51 crore as additional surplus from PETROTECH 2016 the overall excess of income over expenditure was Rs 7.08 crore
- The Reserves of Society increased by Rs 7.08 crore from Rs 49.97 crore in 31st March, 2017 to Rs 57.05 crore as on 31st March 2018.
- The Corpus of FIPI increased by Rs 5.04 crore from Rs 27.45 crore on 31st March, 2017 to Rs 32.49 crore as on 31st March, 2018.
- The investable funds of Society as on 31st March 2018 stood at Rs 83.23 crore represented by Investments in Bonds & FDRs Rs 45.23 crore & Rs 38.00 crore in bank deposits.
- The status of Income Tax demands as under:
  - a. Income Tax for the AY 2009-10 Rs. 3.79 crore
  - b. Income Tax for the AY 2010-11 Rs. 0.52 crore
  - c. Income Tax for the AY 2011-12 Rs. 1.12 crore
  - d. Income Tax for the AY 2012-13 Rs. 1.10 crore
  - e. Income Tax for the AY 2013-14 Rs. 3.44 crore
  - f. Income Tax for the AY 2014-15 Rs. 2.02 crore

This is for your information that in respect of the AY 2009-10, 2010-11, 2011-12, 2012-13 the society had preferred an appeal before the CIT (A) and it was decided in the society's favour. The Income Tax department had gone to Income Tax Appellate Tribunal (ITAT) against the said orders. For AY 2009-10 ITAT has ruled in favour of the society. In respect of the AY 2013-14 & AY 2014-15 the society had preferred an appeal before the CIT (A) which has been decided in its favour. Thus, as of now all income tax demands have been decided in favour of the Society.

## Going Forward

In FY 2018-19, FIPI intends to step up its efforts in pushing for the earliest inclusion of the petroleum sector under the GST regime. The GST council has been extremely receptive towards the industry demands and has already accepted a number of recommendations. In 2018-19, we expect to make significant progress in this direction. In the upstream side of the business, where a flurry of new policies interventions such as HELP, OALP, DSF have brought an end to the prolonged period of non-activity in the sector, FIPI will play an active role in further fine tuning of these policies and supporting the Government in resolving long standing issues concerning pricing of natural gas and ease of doing business in the sector. On the downstream side, rationalization of the refinery tariff structure and rolling out of fuel retail stations to match the growth in demand will be the major priority areas for the year.

In the upcoming year, India will be faced with multiple challenges arising from the oil price volatility, a weakening rupee and an ongoing trade war between the two super powers. However, with pro-active and responsible policy making at the center India appears well-equipped to tackle these challenges. It will be interesting to note how the newly introduced Government policies metamorphose the Indian hydrocarbons sector and place India as a preferred investment destination on the world oil and gas map.

In the upcoming year, FIPI will continue its efforts as a partner in the growth of the Indian petroleum industry. Towards this end, I look forward to your continued support.

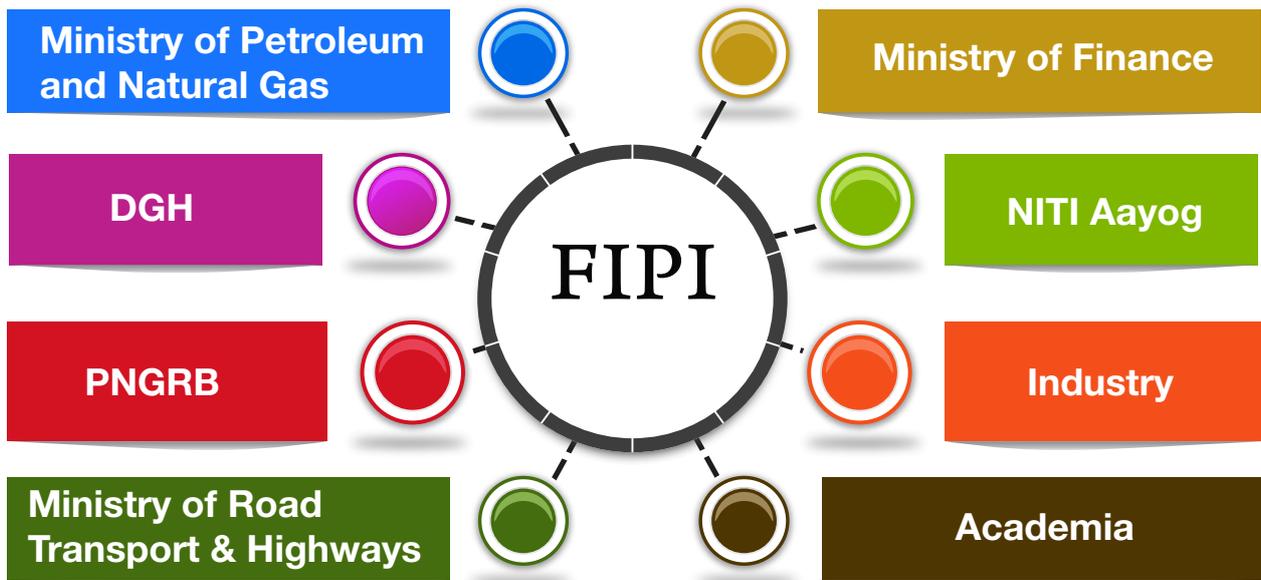
**Dr. R. K. Malhotra**  
**Director General**



**A Snapshot of  
2017-18**

<p><b>22</b></p> <p><b>Representations</b></p> <p>GST, EOR/IOR, Gas Pricing, Tariff Rationalization, And More</p>	<p><b>17</b></p> <p><b>Workshops/ Seminars</b></p>	<p><b>05</b></p> <p><b>Expert Interactions</b></p>
<p><b>04</b></p> <p><b>Industry Academia interactions</b></p>	<p><b>03</b></p> <p><b>International Events</b></p> <p>Global Natural Resources Conclave International Energy Forum CERAWeek</p>	
<p><b>05</b></p> <p><b>Special Studies</b></p> <ul style="list-style-type: none"> <li>• India's Energy Security</li> <li>• Gas Roadmap Vision 2030</li> <li>• Climate Change Risk</li> <li>• Best Practices Related to Policies for Incentivizing EOR</li> <li>• LNG as a fuel for long distance transportation in India</li> </ul>		

# PARTNERING INCLUSIVE GROWTH



## MAJOR ADVOCACY AREAS



# Policy Advocacy

## Representations:

Major issues taken up with the Government during year

### Representation for Inclusion of Petroleum Products Under GST

The Goods and Services Tax (GST) is one of the biggest and most forward looking tax reform undertaken by the Government in the history of independent India. The new regime has not only benefitted the individual tax payers and businesses but has also propelled the Indian economy on a high growth trajectory. However, the non-inclusion of major petroleum products such as crude oil, natural gas, MS, HSD and ATF has adversely affected the oil and gas sector. As result of exclusion of these core petroleum products from GST, the oil and gas industry is saddled with locked up input tax credits in addition to ensuring compliance with dual tax regimes, leading to increased compliance cost. This is adversely affecting the profitability of these companies.

Over the last two years FIPI has been at the forefront in advocating the inclusion of petroleum sector under the newly introduced GST regime. The issue was advocated at various levels with Ministry of Finance, Ministry of Petroleum and Natural Gas and the GST Council and even at the level of PMO and Finance Minister. FIPI has been successful in bringing Ministry of Petroleum and Natural Gas as well as Ministry of Finance fully on board on this issue. Efforts are now required at state level for which FIPI has been facilitating meetings of senior industry members with the state Finance Ministers.

As result of FIPI's continued and relentless efforts for the inclusion of the sector under GST, below are some of the recommendations that were accepted and implemented by the GST council:

- GST rate on transportation of natural gas (without credit) reduced from 18% to 5%
- GST rate on transportation of natural gas (with credit) reduced from 18% to 12%
- GST rate on bunker fuel reduced from 18% to 5%
- GST rate on oil & gas offshore work contracts dropped from 18% to 12%
- GST rate on Transportation of petroleum crude and petroleum products reduced from 18% to 12%
- No IGST on the import of ancillary and rigs under lease
- No GST on advance payment received for a supply
- For public transport buses running on biofuels rate reduced from 18% to 12% with ITC Credit
- GST rate reduced on biodiesel from an erstwhile 18% to 12%
- GST rate on LPG supplied to household domestic consumers reduced from 18% to 5%

### Representation for Lowering the GST rate on LNG Motor vehicle to 12 per cent

In line with India's CoP-21 commitment and the Prime Minister's vision of increasing the penetration of natural gas from a present 6.2 per cent to 15% percent by 2030, it is imperative that natural gas plays an integral role in the country's energy mix. Presently, the transportation sector consumes more than 21 per cent of the country's total energy demand. The sector is heavily dependent on petroleum based fuels such as petrol and diesel, which are inherently polluting in nature. The introduction of Liquefied Natural Gas (LNG), a cleaner fuel, as an automotive fuel presents an opportunity to significantly cut down the pollution caused by the road transportation sector in the country. LNG stored onboard the



commercial vehicle, unlike CNG run vehicles, also allows it to travel longer distances without the need for frequent re-fuelling. In this regard, to promote LNG run vehicles, FIPI made a representation to MoP&NG, advocating for a 12 per cent GST slab for LNG vehicles with the Ministry of Finance.

### Representation on Issues Relating to Delay in Setting up of New Retail Outlets

It is estimated that the demand for gasoline and diesel will increase by over three times by 2040. To meet this demand, India will require 120,000 retail outlets in the next 20 years. To keep pace with the increasing demand of the fuels India needs to set up 6000 retail outlets every year against the current pace of over 3000 ROs per year. FIPI made a representation to the Ministry highlighting the major procedural issue leading to the delay in setting up new retail outlets. The Government has taken account of the representation and has assured streamlining of the procedure.

### Representation for Reduction in OID Cess Rate for the Crude Oil Produced in India

OID Cess is levied on the crude oil produced as a duty of excise under the Oil Industry Development Act, 1974. In 2012, the OID Cess rate was revised to Rs 4500/MT, when the price of Indian basket of crude was USD 110. In March 2016, the Government again revised the rate and made it 20 per cent ad-valorem. The OID Cess is applicable to only the nominated and Pre-NELP exploratory blocks while NELP blocks and the blocks under Marginal Field Policy and HELP have been exempted from the Cess.

India is among the very few countries which levy dual taxation on crude oil production in the form of royalty and Cess. The dual taxation reduces the investible surplus for the E&P companies and acts as a disincentive to incremental investments and production. This is even more important in case of high cost unconventional crude resources such as tight oil or Enhanced Oil Recoveries. Under the present oil price scenario the OID Cess rate translates into INR 6800/MT, 50 per cent higher than the previous regime. India's stand on taxes is in sharp contrast with other global economies, where tax rates

have been reduced to push for rapid growth of Exploration and Production activities. In this regard, FIPI made a representation to the Secretary, MoP&NG to review and revise the OID Cess rate to 8 per cent of the realized price of oil.

### Representation for Issuance of Essentiality Certificate under Deemed Export Transaction

Although, DGH is issuing Essentiality Certificate (EC) for import of specified goods for Petroleum operations, EC is not being issued for domestic purchase of specific goods under procedure of ICB. Consequently, domestic manufacturer is burdened with a merit rate of 18 per cent GST and merit rate of Basic Custom Duty (BCD) on import of raw materials, leading to an acute shortage of raw materials especially casing pipes for continuing petroleum operations. FIPI made a representation to DG, DGH requesting to issue EC under Notification No. 3/2017-IGST (rate) to domestic manufacturers so that they could avail the concessional rate of 5 per cent GST for the supply of specified goods.

### Representation for Rationalization of Tariff Structure for Promoting Investments in Indian Refining Sector

The domestic refining companies in India have slated for large CAPEX spend over the next few years to meet the country's growing energy demand and to meet the stringent fuel quality specifications mandated for the nationwide implementation of BS VI fuels. Due to the present uncertain global oil price scenario the refining margins of Indian refiners are under severe pressure. The non-inclusion of core petroleum products such as crude oil, natural gas, MS, HSD and ATF under GST is resulting into stranded input costs, leading to significant under-recoveries for the Indian Refining Companies. Further, over the last few years, the refining tariff protection has consistently fallen, reaching as low as 1.5 per cent for MS and HSD. The lack of tariff protection favours imports over domestic production, putting domestic refiners at a competitive disadvantageous position. This, in turn, adversely impacts the 'Make in India' objective of the Government. On this issue, FIPI made a representation to Secretary, MoP&NG requesting to retain the customs duty on crude at 'zero' while customs duty on petroleum products be increased suitably to compensate for the stranding of taxed on account of GST.



### Representation on Exploration and Mining Lease

In order to progress the activities in line with the objective of the PSC, the oil industry had agreed to comply with Mining Lease (ML) vide Official Memorandum (OM) No. O-19025/10/2005-ONG-DV dated 1 February 2013 despite its contradiction with the PSC, the PNG rules, the ORDA and the GIPI. This is to address the Government's concern on exposure to exploration risk and the cost recovery for the exploration/appraisal activities can be allowed only when FDP is approved by the Management Committee after satisfying itself that the new discovery is commercial. However, this has constrained the exploration activities in producing areas severely and the industry is confining exploration only to areas where the chance for commercial success is very high. In this regard, a representation has been made with Secretary, MoP&NG for immediate withdrawal of the OM and allowing for exploration at any time during the life of the PSC.

### Representation on Marketing and Pricing Freedom for Domestic Natural Gas

The Government through its various policies has announced for marketing and pricing freedom for domestically produced natural gas. However, the intended freedom has not been realized due to the guidelines on price discovery. As far as natural gas is concerned, India still remains a heavily import dependent market, importing more than 50 per cent of its requirement. The present formula for price discovery indexes the natural gas prices to those of excess gas economies and fails to capture the import dependent nature of the Indian gas market, resulting in artificially depressed gas prices. Due to such low discovered prices for the new domestic gas production, bidders have offered prices 50 per cent lower than imported LNG. Such low prices for natural gas also act as a deterrent in attracting new investments in the sector. In this regard, FIPI has made a representation with Secretary, MoP&NG requesting to review the present gas pricing formula; provide a preferential status to domestically produced natural gas over LNG; and allowing the use of the discovered price as floor price to negotiate a better price for the produce.

To address the gas pricing related concerns of the industry, Shri Dharmendra Pradhan, Minister, Petroleum and Natural Gas and Skill Development and Entrepreneurship has announced for developing a natural gas trading hub in India. The proposed natural gas trading hub is expected to mark a paradigm shift for the Indian natural gas industry and will yield reasonable prices for the domestic producers based on a source agnostic gas on gas competition basis.

### Representation Requesting Clarification on the scope of 'Petroleum Crude' that is excluded from the levy of GST

Condensates are light crude oils with API gravity in the range of 56–62 degrees. Condensates are the product of the same well or underground reservoir from where the petroleum crude and natural gas are produced and find usage in refineries as feedstock for their crude distillation. Internationally and in common and accepted trade practice condensate is traded as petroleum crude. Further, under both central excise and customs tariff, condensate has been classified as petroleum crude. However, since the Indian Constitution does not define the term 'petroleum crude' clearly, a doubt has been created by the amendment 27.09 in the Central Excise Act as to whether under GST condensate will be treated as Petroleum Crude. With this background, FIPI made a representation with the revenue secretary, Ministry of Finance, requesting to clarify if condensate is petroleum crude as in the pre-GST era or it is natural gas in liquid form, which is also excluded from GST.



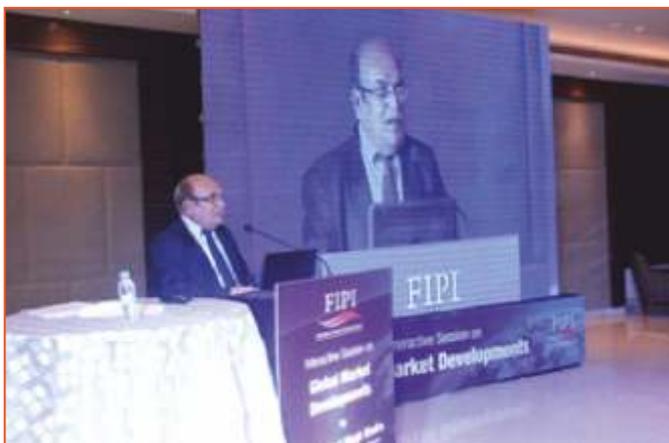
Events

**Global Markets Developments - 15 March 2018**

FIPI had invited Mr. Jagjeet Singh Bindra, Member of the Supervisory Board of LyondellBasell & Former President of Chevron Global, USA for an interactive session on 'Global Markets Developments' in March 2018 in New Delhi. The event was graced by Shri Dharmendra Pradhan, Minister, Petroleum and Natural Gas and Skill Development and Entrepreneurship along with key government functionaries and industry leaders.

Mr Bindra made an insightful presentation on the latest developments in the global oil and gas markets covering the entire spectrum of the oil and gas business. Economic growth in India will further fuel demand for oil and will eclipse China's demand. Europe and North America are expected to lead the

EV market and even though India also aspires to sell Electric vehicles by 2030, it will double its demand for petroleum products. With India's GDP growth set to lead in Asia Pacific region, crude oil demand from India will remain significant. Lower prices have spurred greater demand in the US and elsewhere and rapid growth in China is absorbing fresh LNG supply. On the petrochemicals side, India's deficit of petrochemicals including olefins, aromatics and polymers will grow from 3.2 MMT in 2016 to 5.4 MMT by 2020. Mr Bindra's engaging talk spurred a constructive debate among the participants around the major issue faced by the industry.



Dr. R. K. Malhotra, Director General, FIPI welcoming the participants



Mr. Jagjeet Singh Bindra, Member of the Supervisory Board of LyondellBasell & Former President of Chevron Global, USA delivering the presentation on 'Global Markets Developments'



Hon'ble Minister of Petroleum & Natural Gas Shri Dharmendra Pradhan along with Shri Jagjeet Singh Bindra.



Mr. M. S. Ramachandran, Former Chairman, IOCL raising a query





Mr. N. K. Bansal, Director (Oil, Refining & Marketing), FIPI making a point



Hon'ble Minister of Petroleum and Natural Gas Shri Dharmendra Pradhan along with Participants



### BP's Energy Outlook - 2018 Edition - 12 March 2018

Federation of Indian Petroleum Industry along with BP organized a session on BP Energy Outlook - 2018 on 12 March 2018 at New Delhi. Mr. Spencer Dale, Group Chief Economist BP in his presentation on BP Energy Outlook - 2018 highlighted that 80 per cent of the expansion in world output is driven by emerging economies, with China and India accounting for over half of that expansion. Presently, petro-based fuels meet about 95 per cent of the requirement of transportation fuels and the demand has been steadily rising. Today, the domestic crude oil is able to meet only about 20 per cent of this demand, while

rest is met through imports. In this scenario, India is bound to look out for alternative sources of energy for increasing its self-sufficiency. Looking at the future and the projections made by BP energy outlook 2018, for India it is expected that the demand will grow by 165 per cent by 2040, nearly three times the overall non-OECD growth of 61 per cent, and will also outpace other BRIC countries: China (+41%), Brazil (+60%), and Russia (+6%). India's share of global demand will rise to 11% in 2040 from 5% in 2016, accounting for the second largest share of the BRIC countries.



Dr. R. K. Malhotra, Director General, FIPI welcoming the participants



Ms. Kaushiki Sinha Ray, Senior Asst. Director (Economic Research), FIPI anchoring the workshop





Mr. Spencer Dale, Group Chief Economist, BP p.l.c. delivering the presentation on 2018 edition of BP's Energy Outlook 2040



A section of the participants



Dr. R. K. Malhotra Director General, FIPI expressing his views



Dr. S S V Ramakumar Director (R&D) IOCL making a point



Mr. Spencer Dale responding to a query



Mr. Sashi Mukundan, Regional President and Head of Country, India, BP Group delivering the vote of thanks



## Budget Analysis - Union Budget 2018 and its impact on Oil and Gas sector - Delhi and Mumbai

Two panel discussions on Union Budget 2018-19 and its impact on the Indian oil and gas industry were organized in Mumbai and Delhi. The Union Budget 2018-19 was discussed at length and future steps to be taken up by FIPI and the Oil Industry were deliberated upon. The panel discussions were primarily focused on GST and highlighted the urgent need to bring petroleum products under the fold of GST. The panel mooted on the question of bringing natural gas in the first instance

under GST and felt that while this would be a welcome move, even ATF could be considered along with Natural gas as the impact would be relatively small and states could be easily persuaded for this. The panel also felt that Ministry of Petroleum & Natural Gas who is fully seized of the matter and is supporting the case of the oil industry should be persuaded to take up the case of the industry with GST Council.



Mr. Rajiv Bahl, Director (Finance, Taxation & Legal), FIPI welcoming the participants



Mr. Hemal Zobia, Partner, Deloitte, Haskins & Sells LLP delivering the presentation on Direct Tax Implications



Mr. Gokul Choudhry, Partner, Deloitte, Haskins & Sells LLP expressing his views on the Budget



Mr. Anoop Kalavath, Senior Director, Deloitte, Haskins & Sells LLP delivering the presentation on Indirect Tax Implications.





Shri. A. K. Sharma, Director (Finance), IOCL expressing his views



Shri R. K. Garg, Former Director (Finance), Petronet LNG making a point

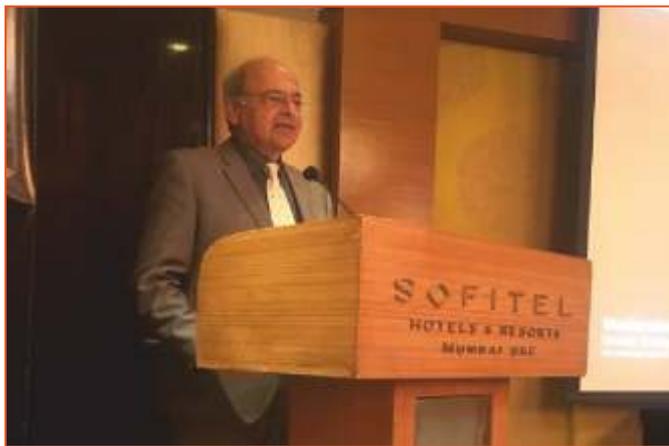


Panel Discussion on 'Implications of the Budget on Oil and Gas Industry with focus on GST' moderated by Mr. Debasish Mishra, Partner, Deloitte. (L-R) Shri R.K. Garg, Former Director (Finance), Petronet LNG; Shri A.K. Sharma, Director (Finance), IOCL; Shri Kartikeya Dube, Tax Director, BP and Shri Navin Jain, Head (Taxation), CAIRN



Dr. R. K. Malhotra, Director General, FIPI giving concluding remarks





Mr. Rajiv Bahl, Director (Finance, Taxation & Legal), FIPI welcoming the participants



Mr. Hemal Zobia, Partner Deloitte, Haskins & Sells LLP delivering the presentation on Direct Tax Implications



Mr. Dilip Lakhani, Senior Advisor, Deloitte Haskins & Sells LLP expressing his views on budget



Mr. Anoop Kalavath, Senior Director, Deloitte, Haskins & Sells LLP delivering the presentation on Indirect Tax Implications



Panel Discussing Implications of the Budget on Oil and Gas Industry with focus on GST



### Energy Think Tank Meeting - 5 January 2018

FIPI organized lectures on 5 January, 2018, at FIPI office in New Delhi, where presentations were made to the Energy Think Tank (ETT) members by FIPI officials on 'Energy outlook'; 'Electric Vehicles – Future Scenario & its impact on the Refining Industry' and 'Hydrogen & Fuel Cells'.

The presentation on Energy Outlook covered the profile of incremental global energy consumption, which will be fueled by China and India due to increasing energy appetite of their middle class & higher urbanization rate. The presentation highlighted that in next 15 years the growth of oil & coal demand will remain low with a significant increase in demand of natural gas and low carbon energy. During the presentation it was also highlighted that with low cost of solar PV technology and most countries moving towards less dependency on fossil fuels, solar PV capacity will see a significant growth. The presentation also covered India perspective of the energy

outlook. As per World Energy Outlook, the percent share of natural gas will remain significantly less than 15% by 2040. Aggressive measures are required to accelerate the growth of natural gas in India. It was also highlighted that with an ever increasing demand in the petrochemical sector, the investments plan for expansion of refineries in India do not run risks.

Aspect of electric vehicles in India was also touched upon and it was realized that electric vehicles will receive a significant thrust in regions where air pollution poses a serious challenge. It was also highlighted that with the possible plan of increase in electric vehicles in India, the market share of CNG transport vehicles may get impacted. Therefore, investments in CGDs have to be well thought of since around 47% of market share in city gas distribution network is from CNG vehicles.



ETT members discussing the various issues



Mr. Ankit Gupta, Deputy Director (Gas) making the presentation on 'Energy Outlook 2017'



Ms. Kaushiki Sinha Ray, Senior Asst. Director(Economic Research) and Mr. Praveen Kumar Rai, Deputy Director (EP&P), FIPI making the presentation on 'Electric Vehicles & Future transportation scenario'





Mr. Sachin Chugh, IOCL R&D giving the overview on 'Hydrogen & Fuel Cells'

### Presentation on “Energy Outlook” by IEA - 7 December, 2017

FIPI organized an interaction with Tim Gould, Head of Energy Supply Division, International Energy Agency (IEA) on December, 2017. The program was organized primarily with the objective of understanding the future dynamics of demand and supply of energy and the drivers of the shift in energy mix.

Mr Gould in his presentation highlighted that there are four major upheavals in the global energy scene. These four factors are –

- Emergence of United States as one of the largest producers of oil and gas in the world
- Solar Photovoltaic is set to be the cheapest source of new electricity in many countries and leading a shift towards renewables
- China's new economic model & cleaner power mix recasting its role in energy
- Electric vehicles & digitalization

China and India will lead the incremental global energy consumption fueled by increasing energy appetite of their middle classes. During the presentation, it was highlighted that India's growth rate will double that of the rest of the world by 2040 driven by the need for electrification, industrialization and urbanization. The demand for oil will continue to rise but at a slower pace due to EVs and a sluggish demand from Petrochemicals, trucks, aviation and shipping segments. Demand for natural gas will continue to rise in Asia, with share of LNG increasing from an erstwhile 39 per cent in 2016 to 59 per cent in 2040.

He summarized the presentation by highlighting the need to address issues related to climate change, achieving universal energy access and improving air quality, which will be critical in defining a new energy strategy for sustainable development.



Mr. Tim Gould, Head of Energy Supply Division, IEA;  
Dr. R K Malhotra, Director General, FIPI



Dr. R K Malhotra delivering the welcome address and opening remarks





Mr. Tim Gould delivering the presentation on World Energy Outlook 2017



Q&A session in progress



Q&A session in progress



Mr. Tim Gould responding to a query



Mr. Rajiv Bahl  
Director (Finance, Taxation & Legal), FIPI delivering the Concluding Remarks



## Symposium on Impact of GST on Oil & Gas sector – 6 December 2017

FIPI organized a workshop on the impact of newly introduced Goods & Services Tax (GST) on the Oil and Gas Sector in association with EY, as knowledge partner, on December 06, 2017 at New Delhi. The workshop was organized primarily with the objective of understanding and analyzing the collective impact of GST on the oil & gas sector. The aim of the symposium was to highlight the core issues affecting the sector and to deliberate on the possible resolution for the same by taking it up with the government.

Mr. Rajiv Bahl, Director (Finance, Taxation & Legal), FIPI welcomed the participants and emphasized on the opportune timing of the symposium. Mr. Abhishek Jain, Partner Indirect Tax, EY and Mr. Achal Chawla, Partner Tax & Regulatory Services, EY made presentations during the workshop for deliberations and clarification on the various issues faced by the industry due to GST.



Mr. Rajiv Bahl, Director (Finance, Taxation & Legal), FIPI delivering the welcome address and opening remarks



(L-R) Mr. Rajiv Bahl, Director (Finance, Taxation & Legal), FIPI, Dr. R. K. Malhotra, Director General, FIPI; Mr. P. K. Jain, Director General of Audit, Customs & Central Tax; Mr. Harishanker Subramaniam, Indirect Tax leader, EY; Mr. S. Rath, Member, PNGRB



Mr. Harishanker Subramaniam giving the overview and approach on the GST



Sh. P.K. Jain addressing the gathering





Mr. Abishek Jain, Partner Indirect Tax, EY delivering the presentation on 'Impact of GST on oil and gas sector'



Mr. Achal Chawala, Partner Tax & Regulatory Services, EY delivering the presentation on 'Impact of GST on oil and gas sector'



Mr. Harishanker Subramaniam answering to a query



Mr. Rajiv Bahl responding to a query

### Program on 'Future of IC Engines and liquid fuels for transportation' - 4 December 2017

Federation of Indian Petroleum Industry (FIPI) and Society of Automotive Engineers (SAE), India in association with Automotive Component Manufacturers Association of India (ACMA) and Society of Indian Automobile Manufacturers (SIAM) organized a program on 04 December, 2017, at New Delhi, on “Future of IC Engines and liquid fuels for transportation”. The program was organized with the objective of understanding the landscape of fuel consumption in transport sector, opportunities and challenges associated with e-mobility and its impact on IC Engines and liquid fuels in future. The program was attended by dignitaries from the Oil & Gas and Automotive industry

Inaugural address for the event was delivered by Dr. R.K. Malhotra, Director General, FIPI and President, SAE India. Presentations were made by Mr. Douglas Patton, President SAE International, Dr. T Christian, Vice President – Bosch and by Dr. S.S.V. Ramakumar, Director (R&D) – IOCL, which were followed by an insightful panel discussion and a round of question and answers. The panel discussion was moderated by Mr. Deepangshu Dev Sarmah who is the Editor-in-Chief of Auto Tech Review and Head of Professional Publishing at Springer Nature India. The program concluded with closing remarks by Mr. CV Raman, Senior Executive Director (Engineering) - Maruti Suzuki India Limited & Chairman SAE NIS

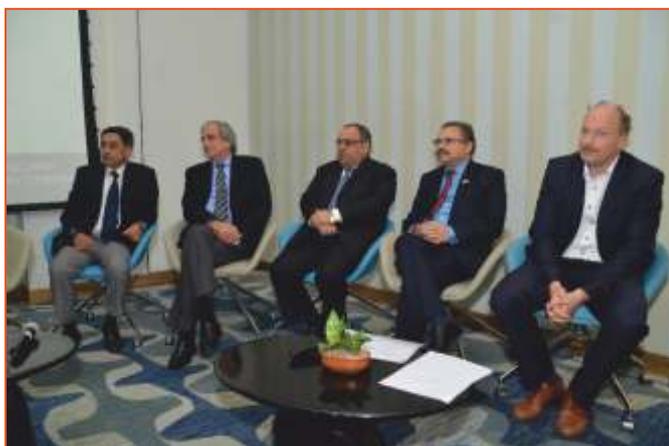




Dr. R.K. Malhotra, DG, FIPI & President, SAE India delivering the inaugural address



Panel discussion moderated by Mr. Deepangshu Dev Sarmah, Editor-in-Chief, Autotech Review



(L-R) Mr. Harjeet Singh, Executive AdvisorTech, Hero Moto Corp; Mr Ashok Taneja, Managing Director & CEO, Shriram Pistons & Rings Ltd; Mr. Vikram Gulati, Country Head & VP (External Affairs), Toyota Kirloskar Motors; Dr. S. S. V. Ramakumar, Director (R&D), IOCL; Dr. Teich Christian, VP, Bosch



Dr. T. Christian, VP, Bosch delivering the presentation on Future of IC Engine in India'



Q&A session in progress



Mr. Douglas Patton, President, SAE International delivering the presentation on 'Is IC Engine Dead or Not Yet'



## Workshop on 'A to Z of Natural Gas & LNG' – 28 – 30 November 2017

FIPI in collaboration with Petronet LNG Ltd organized a residential Workshop on 'A to Z of Natural Gas and LNG' from 28th-30th November 2017 at Petronet LNG Terminal, Kochi. The workshop was the sixth in the series and the second at Kochi. The workshop was conducted by experts from the industry and designed for sharing their experiences with the faculty members of Engineering Colleges, Universities and Industry managers. The workshop was attended by 41 participants, which consisting of 12 faculty members from academic institutions such as Jawaharlal Nehru Technological University, Kakinada, NIT Warangal, IIT Madras, College of Engineering Trivandrum and School of Engineering CUSAT, Kochi and 29 executives from major oil and gas companies like

ONGC, Oil India, GAIL (India) Ltd , BPCL, HPCL, Essar Oil Ltd and KEI-RSOS Petroleum & Energy Ltd. The workshop was inaugurated by Mr. Prabhat Singh, MD & CEO, Petronet LNG.

The gas consumption in India has increased from 11.8 BCM in year 2009-10 to 24.7 BCM in 2016-17, making India the fourth largest making India fourth largest LNG importer. India has set an ambitious target of increasing its pipeline density from 17,000 km and capacity of around 430 Mmscmd to 31,000 km with a design capacity of 782 Mmscmd at the end of 2022. The workshop comprised of ten lectures during nine sessions and a half day visit to Petronet LNG's Kochi Terminal for the participants.



Dr. R K Malhotra, Director General, FIPI addressing the participants



Mr. Prabhat Singh, MD & CEO, Petronet LNG Ltd giving the inaugural address



Mr. S. Rath, Director (E&P), FIPI delivering the presentation on 'Oil & Gas Scenario: Global and India'



A section of participants



## Fuel Quality Workshop on 'Moving Towards High Quality Requirements in India: Beyond 2020' – 21 November 2017

FIPI and Asian Clean Fuel Association (ACFA), Singapore organised a fuel quality workshop 'Moving Towards High Octane Petrol in India: Beyond 2020' on November 21, 2017 at New Delhi. The objective was to deliberate on the options available for shifting to 95 RON petrol production in due course. India is leap-frogging to BS VI emission standards compliant auto-fuels in April 2020 when these fuels will be rolled out on all India basis. In view of the serious air pollution problem in NCR, MoP&NG, in consultation with OMCs, has already decided to introduce BS VI compliant fuels in National Capital Territory from April 2018.

Shri Sandeep Poundrik, Joint Secretary (Refineries), Ministry of Petroleum & Natural Gas in his Inaugural Address mentioned that the workshop is being held at a very appropriate time

when the country is leapfrogging from BS IV to BS VI fuels within a short period of 3 years. He congratulated Indian refineries and marketing companies for smooth transition to BS IV fuel supply all over India from April, 2017. He expressed confidence that oil companies will also achieve the target of BS VI fuel for which refineries are making investment of Rs. 28,000 crore. He highlighted the role of auto fuel quality for emission control and informed that the decision of the Government for advancing the roll out of BS VI fuels in national capital territory by April 2018 has been taken with a view to reduce the vehicular pollution in Delhi. Industry participants discussed some of the major concern areas relating to this major paradigm shift. Experts from other countries presented the best practices adopted elsewhere for improving octane quality of fuel in a cost effective manner.



Dr. R.K. Malhotra, Director General, FIPI welcoming the participants



Mr. Sandeep Poundrik, Joint Secretary (R), Ministry of Petroleum & Natural Gas, Govt. of India delivering the inaugural address



Mr. Clarence Woo, Executive Director, ACFA address the participants



Mr. Brij Behari Chief General Manager (T), IndianOil giving his presentation on 'MS Quality Upgradation - Challenges and Approach for 95 RON beyond 2020'





Dr. Partha Maitra, President-LT Initiative, RIL delivering his presentation on 'Gasoline Maximization Strategy'



Mr. Anoop Bhat, Vice President, Maruti Suzuki India Limited giving his presentation on 'Gasoline Fuel - RON - Industry Perspective'



Dr. Hendrik Fischer, Product Stewardship, Evonik/EFOA delivering the presentation on 'EU Fuel Standards and Fuel Ethers Contribution'



Mr. John Paisie, Executive Vice President, Stratas Advisor delivering his presentation on 'Assessment of Indian Gasoline Market and the Role of MTBE'



Panel Discussions on "Challenges & Opportunities for High Octane Gasoline"



Mr. N.K. Bansal, Director (Oil Refining & Marketing), FIPI delivering the Valedictory address





**Conference on 'Realizing Hydrocarbon Vision 2030 for North East India' - 2 - 3 November, 2017**

The conference on “Realizing Hydrocarbon Vision 2030 for North East India - Way Ahead” was organized during 2nd – 3rd November, 2017 at Kaziranga, Assam. The conference was attended by senior level officials both from industry as well as Government including Mr. Anil Kumar Jain, IAS Additional Secretary, MoEF&CC; Mr. Utpal Bora, CMD, OIL; Mr. V P Mahawar, Director (Onshore), ONGC; Mr. P Padmanabhan, Ex-Managing Director, NRL, Mr. P. Chandrasekaran, Director (E&D), OIL; Mr. P. Elango, Managing Director, HOEC among other key industry members.

The Hydrocarbon Vision 2030 for North East India document was launched by the government of India in February, 2016 and it aims to prepare a roadmap till 2030 to increase the production of oil and gas in northeast India and outline the necessary investment in the hydrocarbon sector to increase exploration activities, expansion of the piped natural gas (PNG) network and ensure availability of petroleum products, including LPG, in the remotest corners of the region. The vision aims at doubling oil & gas production by 2030, making clean fuels accessible, fast tracking of projects, generating employment opportunities and promoting cooperation with neighboring countries.

During the opening session of the conference, various speakers emphasized on doubling production of hydrocarbons by 2030 from North East region by introducing state of the art technologies. The speakers mentioned that to work in North East region has been a challenge due to difficult terrain and is one of the major concerns for carrying out exploration activities. The speakers opined that there is a huge potential of carrying out exploration activities in regions of Manipur, Nagaland & Mizoram, which can act as future hydrocarbon potential areas of North East India. A special emphasis was given by the speakers on sharing of specialized services used by various players in Oil & Gas industry for the optimization of resources.



Lighting of the lamp





Mr. S. Rath, Director (E&P), FIPI welcoming the participants



Mr. Utpal Bora, CMD Oil India delivering his keynote address on 'E&P outlook for North East'



Mr. V. P. Mahawar, Director (onshore), ONGC delivering the keynote address on 'Oil & Gas Production Outlook'



Mr. S. M. Vaidya, Executive Director, IOCL delivering the address on 'Downstream & midstream outlook for North East'



Mr. S. K. Barua, MD, NRL talking on 'An overview on expansion plan of NRL – Vision 2030'



Session on 'Exploration – Production & Environment' chaired by Mr. V. P. Mahawar, Director (Onshore) ONGC and Co-chair by Mr. S. Rath, Director (E&P), FIPI





Session on 'Marketing, Pipeline and Safety' chaired by Mr. S. K Satija, Executive Director, IOCL-PPL-ER and co-chair by Ms. Shukla Mistry, CGM (T), IOCL-AOD



A section of participants.

### Training program on “Energy Trading, Risk Management and Pricing” - 12 - 14 September 2017

A three day training program on 'Energy Trading, Risk Management and Pricing' was organized by Federation of Indian Petroleum Industry (FIPI) between 12th to 14th September 2017. Mr. Johannes Benigni, the Chairman and Founder of JBC Energy Group was conducted the program and was attended by 30 professionals from the oil & gas industry.

The program discussed the basic principles of risk management which could be applied within organizations; the roles of various departments in the risk management process; understanding of the most common types of risk that are faced by companies and to learn how companies identify, monitor,

control and report risk in the energy and commodity trading environment. Further, the role of derivatives was discussed in detail for managing trading and pricing risks. Concepts such as Mark-to-Market, Value at Risk, Stress Testing concepts and the role these play in managing trading risk were also discussed at great length.

The program also gave insights into various calculations used in energy price formation and the methodologies used by price reporting agencies along with investigating the inter-relationships between energy prices in different parts of the world.



### 12th Program on 'Modern Practices in Petroleum Exploration' 4 - 6 September 2017

Federation of Indian Petroleum Industry organized 12th Program on 'Modern Practices in Petroleum Exploration' in association with Keshava Deva Malaviya Institute of Petroleum Exploration (KDMIPE), ONGC between 4-6 September, 2017 at Dehradun. The objective of organizing this Industry – Academia Workshop was to have a two-way interaction between

practicing managers and the learned faculty of academic institutions on Exploration and Petroleum Industry and to enrich knowledge on both the sides. Around 35 participants from various educational institutes as well as industry attended the programme.



Dr. D.N. Singh delivering the Inaugural address



Mr. Devashish Chakrabarty, GM (Geology), E&D Directorate speaking on 'Global E&P Policies and Indian Perspective'



Mr. Dhruvendra Singh, GM (Geology), GEOPIC; delivering on 'Interactive Interpretation Processes for risk mitigation in Petroleum Exploration'



Mr. J.N. PrabhaKarudu, DGM (GP), KDMIPE; sharing his presentation on 'The New Frontier: Exploring for Hydrocarbons with Gravity and Magnetics'



Mr. Santanu Mukherjee, DGM (Geology), Frontier Basin; speaking on 'An overview of unconventional tight gas plays in Sone Valley, Vindhyan Basin'



Mr. D. K. Phaye, C.G. - KDMIPE; delivering on 'Basin and Petroleum System Modeling'



### 8th Industry Educational Program: 'A Focus on Energy Innovation' 20 - 26 August 2017

FIPI in collaboration with University of Alberta, Canada organized the 8th Industry Educational Program from 20 – 26 August 2017 at University of Alberta, Edmonton, Calgary Canada. This program was organized under the umbrella MoU signed with University of Alberta in December, 2007. This was the eighth program in the series.

Senior executives from various major Oil & Gas Companies viz ONGC, OIL, NRL, IOCL & HPCL participated in this program. Content of the 8th Industry Educational Program was focused

around the theme of “Energy Innovation” with special reference to heavy oil extraction, syn crude and conventional oil production and processing, application of Nano Technology, EOR, Sustainability, Technology Innovation & trends in usage in the Oil & Gas services, Technical innovation & Technological Developments in the Petroleum Transportation sector etc. Program was designed for the benefit of all the three streams: Upstream, Downstream, Midstream.



Group Photograph of the participants



Mr Rajiv Bahl, Director (Finance, Taxation & Legal), FIPI, addressing the gathering at University of Alberta



Mr John Doyle, Program Director, University of Alberta addressing the participants



Mr Wes Classen, Senior Trade & Investment Officer, Middle East & India from University of Alberta addressing the participants





Mr Jinjia XU, Regional Manager (Asia), University of Alberta addressing the participants



Dr. Ying Tsui, Associate Dean, Research, Faculty of Engineering giving the overview on 'Industry-Academia Research Collaboration in Canada'



Mr John Brogly, Director, Water & Tailings COSIA giving the overview on 'Canada's Oil Sands Innovation Alliance'



Dr. Alan Murray, Chief Engineer (ret.) National Energy Board making the presentation on 'Technical innovations & Technological Developments in the Petroleum Transportation'



Participants visited 'In Situ Combustion Research Facility'. Hosted by Matthew Ursenbach



Certificates of Participation were given away to all participants by Mr Rajiv Bahl, Director (Finance, Taxation & Legal), FIPI, and Mr John Doyle Program Director, UoA, at the University of Alberta, Calgary Center.



## Interactive Session with Mr. Bob Dudley, Group Chief Executive, BP p.l.c - 15 June 2017

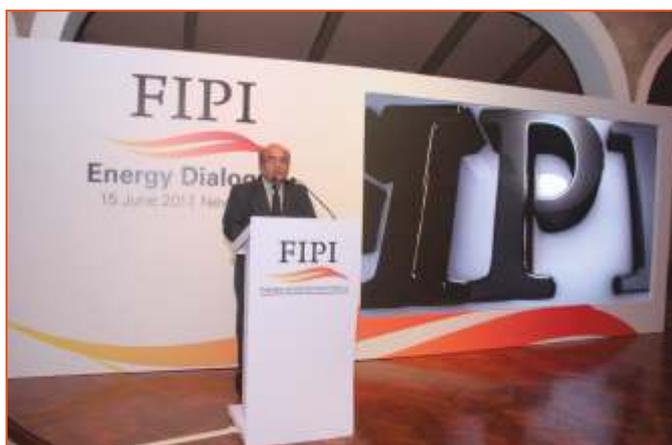
Federation of Indian Petroleum Industry organized an interactive session with Mr. Bob Dudley, Group Chief Executive, BP p.l.c on June 15, 2017 as a part of the 'Energy Dialogue' series. Several eminent personalities including Shri Dharmendra Pradhan, Hon'ble Minister for Petroleum & Natural Gas, Shri Piyush Goyal, Hon'ble Minister for Power, Coal, New & Renewable Energy & Mines; Shri Rajiv Pratap Rudy, Hon'ble Minister of State (I/C) for Skill Development & Entrepreneurship; H.E. Sir Dominic Asquith, British High Commissioner to India; Shri K D Tripathi, Secretary, MoP&NG; Shri Mukesh Ambani, CMD, Reliance Industries; senior officials from the Government of India, and Industry Leaders from Indian oil and gas industry attended the session.

Dr. R.K Malhotra, Director General, FIPI started the session with a welcome address. He said, "A lot of debate has been going on about the future energy scenario due to disruptive technological development and emergence of alternatives particularly electric vehicle, batteries, hybrids & fuel cells etc. Although as per IEA & BP energy outlook both oil & gas will

continue to play a dominant role even by 2040 and petroleum fuels will continue to fuel the transport sector".

Shri D.K. Sarraf, Chairman FIPI & CMD ONGC delivered his formal welcome address and opening remarks. He said, "We are happy to have amidst us Mr. Bob Dudley to share his wide experience and wisdom on the global energy landscape and the future of oil & gas business. I am sure with this session with Mr. Dudley, we would get a platform where we will exchange ideas and benefit immensely in terms of our understanding of the energy transition".

Mr. Bob Dudley, Group Chief Executive, BP p.l.c, in his speech said, "We need to adapt digital technologies & make things simpler and standardised to grow. India is going to need all forms of energy. If you are large energy consumer, then low prices are good news. People of many parts of India are able to switch from firewood, kerosene to natural gas for cooking. Energy is the most important catalyst for achieving the sustained growth"



Dr. R. K. Malhotra, Director General, FIPI welcoming the guests and introducing the session



Mr. D. K. Sarraf, Chairman, FIPI and CMD, ONGC delivering welcome address





Mr. Bob Dudley, Group Chief Executive, BP p.l.c. addressing the audience



Eminent personalities attended the session



Shri Piyush Goyal, Hon'ble Minister of State (I/C) for Power, Coal, New & Renewable Energy & Mines also attended the session

### Workshop on 'Cyber Attacks and It's Threats" – 15 June 2017

FIPI organized a half-day workshop on “Cyber Attacks and Its Threats” in association with Data Security Council of India (DSCI), A NASSCOM® Initiative on June 15, 2017 at New Delhi. CEO of DSCI Ms. Rama Vedashree delivered the Introductory Address and mentioned that concerns due to increase in cyber-attacks, management should now consider security investments as a part of regular risk management and take all action to secure systems. Mr. Abhimanyu Ghosh, Officer on Special Duty, Govt. of India, National Security Council Secretariat appreciated the efforts of FIPI and DSCI in generating awareness on the critical issues of cyber threats and providing a platform for exchange of experience and knowledge. He mentioned that Government is willing to look

into any suggestion from industry in this respect. The workshop witnessed enthusiastic participation from over 60 delegates with sessions encompassing Imperatives of Critical Infrastructure for National Cyber Security Preparedness; Effective defense-in-depth strategies for SCADA/ICS systems; Mitigating cyber-security risks in SCADA/ICS environment. The discussions centered on increasing risks associated with the cyber world and concluded upon the pressing need of finding a solution to cyber threats, besides suggesting various tools for the same.





Mr. N.K. Bansal, Director (Oil Refining & Marketing), FIPI delivering the welcome address and opening remarks



Ms. Rama Vedashree, CEO, DSCI delivering the Introductory Address



Mr. Abhimanyu Ghosh, Officer on Special Duty National Security Council, Govt. of India, delivering special address



Mr. Vinayak Godse, Senior Director, DSCI making his presentation



Mr. Santosh Dash, BDM (HICS), Honeywell making his presentation



Panel discussion on 'Mitigating overall cyber-security risks' moderated by Mr. Vinayak Godse, Senior Director, DSCI



## Workshop on 'Comparative Regulatory Frameworks to Increase Utilization of Natural Gas in India' – 9 May 2017

A workshop on the “Comparative Regulatory Frameworks to Increase Utilization of Natural Gas in India” was organized by FIPI on 9th May, 2017 at New Delhi. The objective of the workshop was to learn and draw from the experiences of natural gas infrastructure development in Spain and Latin America.

The speakers from Gas Natural Fenosa (GNF) Ane Ariño Ochoa (Director Business Development), José María Sáez (Director of International Regulatory Affairs), Carlos Miravent Pi (Director International Business Development) and Mario García Gómez (Head of India Office) presented their experience in Latin America and Spain. Also way forward in their view for increasing share of gas in energy basket was shared.

During the session the specific models of evolution of gas

regulation were discussed, wherein it moved from local distribution to vertical integration and finally led to a competitive market scenario. They also discussed how freedom of entry and investment and the right to use infrastructure has helped in building a better transmission and distribution network in Spain. As per views of GNF, India needs to create a level playing field with LPG as consumer's decision on using a particular fuel should not depend upon the amount of subsidy it is receiving. Also although auction continues, the tariffs to be implemented should be fixed by regulator based on market demand and competition with other fuels and focus should be more on providing more connections to the customers in initial period of operation. During the session Shri A P Sawhney, Additional Secretary – MoP&NG highlighted that with the number of new LNG terminals coming in it will help in bringing more competition into the Indian market.



Mr. S. Rath, Director (E&P), FIPI welcoming the participants



Ane Ariño Ochoa, Director Business development Asia & North Africa, Gas Natural Fenosa





Mario García Gómez, Head of India Office, Gas Natural Fenosa briefing characterization of natural gas demand in India



José María Sáez, Director of International Regulatory Affairs, Gas Natural Fenosa



Carlos Miravent Pi, Director International Business Development, Gas Natural Fenosa



(L - R) Sh M A Pathan Former Chairman IOCL, Sh A.P. Sawhney Additional Secretary MoP&NG and Shri G.C. Chaturvedi Former Secretary to Govt of India



Shri A P Sawhney, Additional Secretary, MoP&NG sharing his thoughts



### Industry Academia Interface on 'A-Z of Oil' – 1 – 2 May 2017

Federation of Indian Petroleum Industry organized Industry-Academia Interface Programme on 'A-Z of Crude Oil' in association with IndianOil Institute of Petroleum Management (IIPM), from May 1 – 2, 2017 at Gurgaon. The objective of organizing this Industry – Academia Workshop was to have a two-way interaction between practicing managers and the learned faculty of academic institutions on Oil & Gas Industry to enrich knowledge on both the sides.

The programme was conducted by experts from the industry and designed for the teaching faculty of Engineering Colleges, Universities and Industry members. Participants from various educational Institutes, attended the programme. Presentations were made by the faculty drawn from Oil & Gas sector on all the aspects of crude oil including exploration and production, logistics, refining etc. For the first time, a slot was kept for participants to present their work in their respective institute. Dr. Sunil Kumar from IIP, Dehradun presented his work on Energy Optimization in Crude Distillation Unit.



Group photograph

### Workshop on 'Clean Fuels for Cooking & Transport: Social, Environment & Health Benefits' – 27 – 28 April 2017

The workshop on the theme “Clean Fuels for Cooking & Transport: Social, Environment & Health Benefits” covered topics on cooking fuels including penetration of PNG in India along with improving the efficiency of supply chain in LPG distribution specifically in remote / rural regions. The health impact due to switchover to clean cooking fuels was a topic which was deliberated in detail during the workshop. Apart from clean cooking fuel there was also a focus on clean and

sustainable transport which needs to be developed in India. the workshop deliberated on the use of LNG as a transport fuel and India leapfrogging from BS IV to BS VI type engines and its potential impact was discussed in detail. At the workshop there were representatives from auto manufacturers to deliberate on 'EVs', hybrid and hydrogen vehicles which are considered as a future of mobility.



Lighting of the lamp



(L-R) Dr. R. K. Malhotra, Director General, FIPI; Dr. Pierce Riemer, Director General, World Petroleum Council; Mr. Christof van Agt, Senior Energy Analyst, International Energy Forum; Mr. S. Rath, Director (E&P), FIPI





Dr. R. K. Malhotra, Director General, FIPI welcoming the participants



Dr. Pierce Riemer, Director General, World Petroleum Council delivering his address



Mr. Christof van Agt, Senior Energy Analyst, International Energy Forum delivering his address



Mr. S. Rath, Director (E&P), FIPI giving the vote of thanks at inaugural session



Session chaired by Mr. M. A. Pathan, Former Chairman, IndianOil



Session chaired by Mr. Ashutosh Jindal JS (M) MoP&NG & Mr Prabhat Singh CEO & MD Petronet LNG Ltd





Mr. Ashutosh Jindal, JS (M) MoP&NG answering the query



Dr. Anjan Ray, Director, CSIR-Indian Institute of Petroleum chairing the session



Session chaired by Dr. Y. B. Ramakrishna, Chairman, Working Group on Bio Fuels, Ministry of Petroleum & Natural Gas, Govt. of India



Session chaired by Mr. Sanjiv Singh, Director (Refineries), IndianOil



Valedictory Session in progress



Mr. A. P. Sawhney, Additional Secretary, MoP&NG delivering his address



Major Events scheduled in 2018 - 19

**International Energy Forum (IEF) Ministerial Meet**



The 16th IEF Ministerial Meeting, hosted by Government of India, under the theme: 'The Future of Global Energy Security: Transition, Technology, Market Stability and Inclusive Growth' was organised by FIPI in April 2018. The event witnessed Energy ministers from 60 countries, 15 chief of international organizations including IEA and OPEC and over 30 CEOs from top companies in attendance among other national and international industry leaders.

**CERAWEEK - India Energy Forum**

India Energy Forum



FIPI joined hands with IHS Markit to host the second edition of Regional CERAWEEK in the October, 2018 in New Delhi. The event was attended by Mr Dharmendra Pradhan, Minister, Petroleum and Natural Gas and Skill Development and Entrepreneurship, Government of India; H.E. Sultan Al Jaber, Minister of State, UAE and Director General & CEO, ADNOC and Mr Mohammed Barkindo, General Secretary, OPEC along with many other leaders of international oil industry.

**WINNERS: Women in India's Energy Sector**



In the run up to PETROTECH 2019, a one-day workshop, "WINNERS-Women in India's Energy Sector" was organised by Federation of Indian Petroleum Industry on October 31, 2018 in New Delhi. The workshop saw some of the enlightened minds of the country engage in an invigorating discussion on the role of women in the workforce as well as policy measures that could possibly promote increased participation of women in the workforce of the country. The conference was attended by over 300 delegates from the oil industry.

**ADIPEC 2018, Abu Dhabi**



FIPI had setup India Pavilion at the Abu Dhabi International Petroleum Exhibition & Conference (ADIPEC) from 12th - 15th November 2018 at Abu Dhabi. The theme of the pavilion set up by FIPI was "Synergy in Energy" which showcased the Indian oil and gas sector to the international world. An eminent delegation of Indian oil and gas companies encompassing the entire hydrocarbon value chain took part in ADIPEC 2018. In the India Pavilion set up by FIPI, 7 organizations viz. ONGC, IOCL, OIL, HPCL, BPCL, EIL and L&T participated and exhibited their strengths. The India Pavilion was formally inaugurated by Shri Dharmendra Pradhan, Hon'ble Minister of Petroleum & Natural Gas and Skill Development & Entrepreneurship and H.E. Sultan Ahmed Al Jaber, Minister of State, UAE & Director General & CEO of ADNOC in an impressive ceremony held on 12th November in the presence of global as well Indian dignitaries from the oil industry.

**PETROTECH 2019**



FIPI is extending support to ONGC for organising Petrotech 2019, the largest petroleum industry pioneer event in South East Asia. Petrotech 2019 is scheduled in February 2019 at Greater Noida. The mega-event is expected to be attended by over 7000 delegates and over 700 exhibitors from India and abroad. As a precursor to Petrotech 2019, FIPI will also be organizing three events namely 'WINNERS: Women in India's Energy Sector'; Workshop on 'Digital Transformation of Oil & Gas Sector'; and Youth Forum 2019.

**2nd WPC Leadership Conference**



FIPI is jointly organising the 2nd Leadership Conference with World Petroleum Council (WPC) in February 2019 in Mumbai. The conference will focus on Energy Poverty, Energy Transition and Industry Responses to Climate Change and will be attended by global industry leaders.



## Special Studies

- **Study on Climate Change Risk**

Preparedness for Oil & Gas Sector in India: FIPI along with TERI had undertaken this study to assess the impact of climate change on Oil & Gas sector. The study has now been completed. The key findings of the study will be presented to the relevant Ministries and policy makers for their consideration

- **Gas Roadmap 2030**

FIPI had undertaken the Gas Roadmap Vision 2030 study with KPMG as knowledge partner. The study has been completed and a report is being prepared for advocating the findings with the Government

- **Viability assessment of LNG as a fuel for long distance transportation in India**

FIPI has undertaken this study with PwC as knowledge partner. The study aims to assess the potential of LNG as fuel in heavy duty vehicles, replacing diesel. The report for the study has been completed and the findings will be shared with the Ministry

- **Identification of Best Practices Related to Policies Incentivizing EOR**

FIPI had carried out a Study on Identification of Best Practices Related to Policies Incentivizing EOR with IHS Markit as knowledge partner. The Study has now been completed and the Report has been submitted to Ministry of Petroleum & Natural Gas.

- **India's Energy Security**

Inter-regional Cooperation to Energy Security Society: The study is being carried out by Dr. Sanjay Bhardwaj, Director, Energy Studies Program, JNU. The report for this study is under preparation and will be ready shortly with key recommendations to be shared with the Government

### New studies undertaken:

- Future of Oil for Transportation and its impact on Refineries: Scenario 2030 and Beyond
- Contribution of Domestic Oil Production to the Indian Economy. A study has been commissioned by FIPI on the contribution of Indian domestic oil and gas production to the economy of the country over the past 60 years
- Impact of Non-Inclusion of Core Petroleum Products under GST.

The study has been commissioned to evaluate the over all impact of non-inclusion of petroleum products such as crude oil, natural gas, ATF, MS, HSD under the newly introduced GST regime. The findings of the study will be further shared with the Government emphasizing the urgent need to bring all petroleum products under the fold of GST

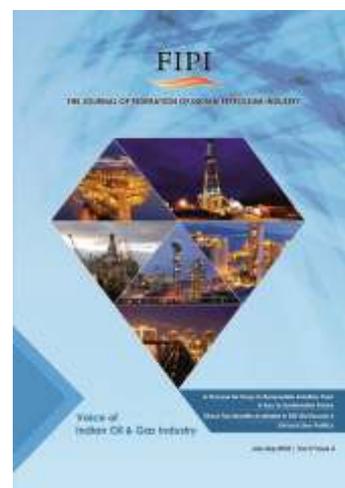
## Membership Services

### Enrollment of Members

As on 31 March 2018, Federation of Indian Petroleum Industry (FIPI) had 53 member organizations. A detailed list of Members is provided towards the end of this report.

### FIPI Journal

The quarterly FIPI Journal is regularly produced and has been widely appreciated in content and contribution by member companies and recipients alike. The Journal is also available on the website of FIPI. To partially defray expenses of publication we also accept a few advertisements from member companies.



### Economic Policy Report

FIPI has started publishing a monthly policy report focusing on Economic and Policy Issues pertaining to global as well as national oil & gas sector. This report contains a detailed analysis of the various policy issues and the oil & gas market trends. The report is published on the 1st of every month and is also uploaded on our website



### Weekend Reading

Aiming to keep our members updated on the latest developments in the field of oil & gas, we bring you the latest news and energy stories from across the globe and provide various reports & analysis on a wide range of subjects.

### Oil Price



### Non-Conventional Energy



### Technology



### Global Oil & Gas



### Special Reports



### India Oil & Gas





# FIPI Awards 2017

The FIPI Oil and Gas Awards have been created to recognise the leaders, innovators and pioneers in the oil and gas industry. The objective of the FIPI Oil & Gas Awards is to celebrate the industry's most outstanding achievements. FIPI selects among applicants and rewards those companies and individuals who have demonstrated an unparalleled ability to succeed, continually set standards of excellence, and who will be or are the stars of the industry.

This year FIPI has introduced two new Awards; one for 'Digital Initiatives in Oil & Gas Sector' and the other on 'Start-up in Oil & Gas Sector'. Beside, award for Women Executive is now to be given in two categories i.e 'Women Executive of the Year (Service experience > 20 years)' and 'Women Executive of the Year (Service experience <= 20 years)'

## Evaluation

The applications are evaluated by the Awards Committee comprising of experts from oil and gas industry. Evaluation by Award Committee is submitted to Jury for final verdict. The decision of the Jury for selection of a particular awardee will be final and binding.

### Jury

The Jury for FIPI Oil & Gas Awards comprises:

<p><b>Chairman - Dr. Anil Kakodkar</b> INAE Satish Dhawan Chair of Engineering Eminence at the Atomic Research Centre &amp; former chairman, Atomic Energy Commission of India and Secretary to the Government of India.</p>	<p><b>Chairman - Dr. R. A. Mashelkar</b> President of the Global Research Alliance; Chairperson, National Innovation Foundation of India &amp; former Director General, CSIR.</p>
<p><b>Member - Shri Naresh Narad</b> Former Chairman, Public Enterprises Selection Board &amp; former Secretary to the Government of India.</p>	<p><b>Member - Shri S. C. Tripathi</b> Former Secretary to the Govt. of India</p>
<p><b>Member - Shri M. A. Pathan</b> Former Chairman, Indian Oil Corporation Ltd</p>	<p><b>Member - Shri B. C. Bora</b> Former Chairman, Oil &amp; Natural Gas Corporation Ltd</p>

### Awards Committee

The Awards Committee for FIPI Oil & Gas Awards comprises:

<p><b>Chairman - Shri G. C. Chaturvedi</b> Former Secretary to the Govt. of India</p>	
<p><b>Member - Shri M.B. Lal</b> Former CMD, HPCL &amp; former Member(Technical) PNG in the Appellate Tribunal for Electricity./</p>	<p><b>Member - Shri S. Behuria</b> Former Chairman, IndianOil Corporation Limited</p>
<p><b>Member - Shri R. S. Sharma</b> Former CMD, Oil &amp; Natural Gas Corporation Limited</p>	<p><b>Member - Shri C. R. Prasad</b> Former CMD, GAIL (India) Ltd</p>



## Winners of FIPI Awards 2016

Responsibly Growing Corporate of the Year	<i>Hindustan Petroleum Corp Ltd.</i>
Exploration & Production - Company of the Year	<i>Oil India Ltd.</i>
Most Improved Refinery of the Year	<i>Indian Oil Corp. Ltd. - Bongaigaon Refinery</i>
Refinery with sustained excellent performance	<i>Reliance Industries Ltd. SEZ</i>
Oil & Gas Pipeline Transportation - Company of the Year	<i>Indian Oil Corp. Ltd.</i>
Oil & Gas Marketing - Company of the Year	<i>Hindustan Petroleum Corp Ltd.</i>
Project Management (Rs500 - 2000 crore) - Company of the Year	<i>Bharat Petroleum Corp. Ltd.</i>
Human Resource Management - Company of the Year	<i>GAIL (India) Ltd.</i>
Environmental Sustainability - Company of the Year	<i>Oil &amp; Natural Gas Corp. Ltd.</i>
Innovator of the Year	<i>Indian Oil Corp. Ltd. - R&amp;D Centre</i>
Woman Executive of the Year	<i>Ms. Sabitha Natraj, IOCL</i>









## Member Organizations

- Axens India (P) Ltd.
- Baker Hughes, A GE Company
- Bharat Oman Refineries Ltd.
- Bharat Petroleum Corporation Ltd.
- BP Group
- Cairn Oil & Gas, Vedanta Ltd
- Chandigarh University
- Chemtrols Industries Pvt. Ltd.
- Chennai Petroleum Corporation Ltd.
- CSIR-Indian Institute of Petroleum, Dehradun
- Deepwater Drilling & Industries Ltd.
- Delonex Energy Advisors India Private Ltd.
- Dynamic Drilling & Services Pvt. Ltd.
- Engineers India Ltd.
- Ernst & Young LLP
- ExxonMobil Gas (India) Pvt. Ltd.
- GAIL (India) Ltd.
- GSPC LNG Ltd.
- Gujarat State Petroleum Corporation Ltd.
- Gulf Publishing Company
- Haldor Topsoe India Pvt. Ltd.
- Hindustan Petroleum Corporation Ltd.
- HPCL Mittal Energy Ltd.
- IHS Markit
- IIT (ISM) Dhanbad
- IMC Ltd.
- Indian Oil Corporation Ltd.
- Indian Strategic Petroleum Reserves Ltd.
- Indraprastha Gas Ltd.
- IOT Infrastructure & Energy Services
- Jindal Drilling & Industries Pvt. Ltd.
- KPMG
- Lanzatech
- Larsen & Toubro Ltd.
- Maharashtra Institute of Technology (MIT), Pune
- Mangalore Refinery & Petrochemicals Ltd.
- Mitsui Chemicals India Pvt. Ltd.
- Nayara Energy Ltd.
- Numaligarh Refinery Ltd.
- Oil & Natural Gas Corporation Ltd.
- Oil India Ltd.
- Petronet LNG Ltd.
- Prize Petroleum Company Ltd.
- Rajiv Gandhi Institute of Petroleum Technology
- Reliance Industries Ltd.
- SAS Institute (India) Pvt Ltd.
- Shell Companies in India
- South Asia Gas Enterprise Pvt. Ltd.
- Tata Petrodyne Ltd.
- Total Oil India Pvt. Ltd.
- University of Petroleum & Energy Studies
- UOP India Pvt. Ltd.
- VCS Quality Services Private Ltd.
- World LP Gas Association





# FIPI



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