



**Karnatak named GAIL's interim CMD**

New Delhi, August 1

GAIL (India) Ltd's Director (Projects) Ashutosh Karnatak has been appointed as its interim CMD. He has been serving as the Director (Projects) since March 2014. He took charge after former GAIL (India) CMD, BC Tripathi, was denied a third extension. OUR BUREAU

# ONGC, Its Partners Likely to Exit Oil Blocks in Sudan

State-run co along with JV partners China, Malaysia upset as oil dues from Sudan rise to \$500m

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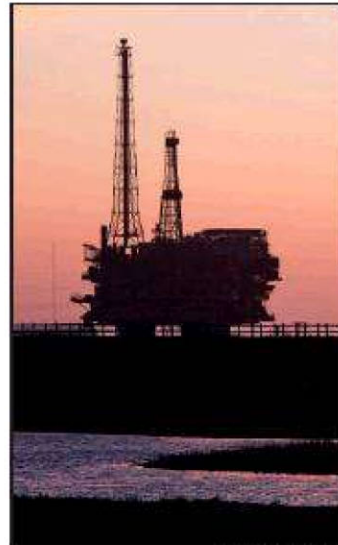
**New Delhi:** ONGC and its Chinese and Malaysian partners have decided to exit their oil blocks in Sudan, frustrated by the years of reluctance by the Sudanese government to pay for the oil it lifts from these blocks.

ONGC has been engaged in an arbitration with Sudan for more than a year to recover its oil dues that have now climbed to \$500 million.

ONGC owns 25% stake in a joint venture that operates blocks 2A and 4 in Sudan whose output the local government had been lifting but not paying for since 2011. The balance stakes in the two blocks are split between China's CNPC (40%), Malaysia's Petronas (30%) and Sudan's Sudapet (5%).

"The company has reviewed the geopolitical situation in Sudan and has considered the option for exit from the operations in Block 2A, 4 in terms of article 14.1 of the JOA. The intention in this regard has been conveyed to the government of Sudan on 10 May 2019," ONGC Videsh, the overseas arm of the state-run explorer, said in its financial statement. "Consequently, the company has provided Rs 5,979.71 million against the associated oil and gas and other assets in its consolidated financial statement."

The amount being provided for is the carrying value of the oil assets in blocks 2A and 4 of Sudan, said a person familiar with the matter, adding that the project has already



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paid back the investment.

ONGC Videsh declined comment for the story.

The joint venture partners have requested Sudan to terminate the production license by August 31 and are awaiting a formal order from the government, the person quoted above said.

Meanwhile, arbitration tribunal at the International Court of Justice has been formed to deal with the ONGC's request for recovery of oil dues from Sudan. At the request of Sudan, the tribunal had suspended arbitration proceedings by three months until August 2, the person said.

In 2003, ONGC Videsh had acquired 25% stake in the joint venture, Greater Nile Oil Project, which comprised blocks 1, 2 and 4, located about 800 km from Sudan's capital Khartoum. After South Sudan was carved out of Sudan in 2011 following years of civil strife, all the blocks were split between the two countries.

Sudan had denied ONGC and partners an extension of license to operate block 2B after the initial contract expired in November 2016.

Operations at blocks in South Sudan resumed this year after being shut for five years due to security issues.



## Maruti bats for CNG, hybrid cars to curb pollution

### **PRESS TRUST OF INDIA**

New Delhi, August 1

Maruti Suzuki India Ltd (MSIL) has said the usage of all kinds of green technologies, including CNG and hybrid cars, should be encouraged to cut oil imports and reduce air pollution. In the company's annual report for FY19, MSIL Chairman RC Bhargava said the company is fully committed to helping the government's programme for reducing the consumption of oil and achieving cleaner environmental standards.

"We had started in this direction many years ago with the introduction of factory-fitted CNG vehicles. The production of such cars increased by 40 per cent in 2018-19 and this year is targeted to increase by near 50 per cent," he said.

On electric vehicles, he said MSIL, with the support of Toyota, is working on developing such models.