

## **GAIL CMD conferred 'CEO with HR Orientation' award**

Sandeep Kumar Gupta, Chairman & Managing Director, GAIL (India) Limited, has been conferred the 'CEO with HR Orientation' award at the 32nd World HRD Congress & Awards. Gupta received the award for his business-related HR sensitivity and savviness, communication effectiveness with and towards employees,



innovation within other HR disciplines and areas, and change management. Gupta is a commerce graduate and a Fellow of the Institute of Chartered Accountants of India. He has an experience of over 35 years in the oil and gas industry. Before joining GAIL in October 2022, he held the position of Director (Finance) since August 2019 on the Board of Indian Oil Corporation Limited.



# State Oil Cos Power Up Capex Machine

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**New Delhi:** Indian Oil Corporation, Hindustan Petroleum Corporation and GAIL have accelerated their capital spending, with each of them exceeding their annual capex target in just ten months. The combined capex of these three state-run oil companies during the April 2023-January 2024 period amounted to ₹51,000 crore, according to the petroleum and natural gas ministry data.

All state-run oil companies together spent ₹1,03,000 crore in this period against the target of ₹1,06,000 crore for this financial year.

Indian Oil Corporation, the nation's top refiner and fossil fuel re-

tailer, has been the biggest spender among all state oil companies in this fiscal. It spent ₹32,300 crore in the April-January period against its full-year target of ₹30,400 crore. The company is expanding its refining capacity and adding petrochemical facilities, fuel stations, natural gas supply infrastructure and biofuel production units.

Hindustan Petroleum Corporation, which is building a greenfield refinery in Barmer in Rajasthan, also overshoot its capex target of ₹10,200 crore for 2023-24, having spent ₹10,500 crore in the April-January period. The Barmer project has been a key cash guzzler for the company, which is also investing in its natural gas, biofuel and fossil fuel retail business.

GAIL, the nation's top transpor-

## Year of Big Spending

**IOC biggest spender at ₹32,300 cr in April-Jan vs FY target of ₹30,400 cr**

HPCL also overshoots target of ₹10,200 cr, with spending of ₹10,500 cr till Jan

GAIL spends ₹8,400 cr till Jan vs full-year target of ₹7,750 cr

ONGC spends ₹27,000 cr against ₹30,000 cr planned

BPCL uses up ₹8,500 cr against allocation of ₹10,000 cr



ter and marketer of natural gas, spent ₹8,400 crore until January in this fiscal, overshooting its full-year target of ₹7,750 crore. It has been spending money on expanding its petrochemical production facility, pipelines and gas marketing network.

Oil and Natural Gas Corpora-

tion, the country's top domestic producer of oil and gas, spent ₹27,000 crore until January in this fiscal against the planned expenditure of ₹30,000 crore for the year. Bharat Petroleum Corporation has used up ₹8,500 crore against the annual allocation of ₹10,000 crore.



The company could issue debt with a duration of 15 to 50 years, its chief financial officer Ziad Al-Murshed said. **BLOOMBERG**

## Aramco likely to sell debt this year with longer-dated focus

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**S**audi Aramco may sell bonds this year as financial markets have improved and the company looks to offer longer-dated debt, according to the state oil producer's finance chief.

The company could issue debt with a duration of 15 to 50 years, chief financial officer Ziad Al-Murshed said at a conference in Riyadh. The ability to sell debt with that duration indicates investors see Aramco, which already has one 50-year bond, remaining relevant in the business of selling oil and natural gas for transport and chemicals production through at least 2070.

"Markets are becoming more stable, so you can expect us to be active in the market," Al-Murshed said. "We're always prioritizing longer-term over short-term" maturities. When asked if the company could sell bonds in 2024, he said that was "likely."

Economies have been battered by persistent inflation and higher energy costs over the past few years as governments seeking to bounce back from the pandemic have contended with conflicts from Europe to the Middle East. As the world's biggest crude exporter and OPEC's leader, Saudi Arabia has been spearheading a cut in oil production to stop barrels from building up in storage and further pres-

suring prices.

Global oil markets have "sufficient" supply, Al-Murshed said. Spare crude production capacity is at about 3% of global demand, he added. He, however, declined to comment on the potential sale of Aramco shares by the Saudi government.

Aramco, which reports full-year earnings in March, has so far maintained its dividend to the Saudi government despite the lower production and oil trading below last year's peak. The Organization of Petroleum Exporting Countries and allied countries, including Russia, have extended output curbs into this year. Some members, including Saudi Arabia, have made additional voluntary cuts that they could extend in the second quarter.

Even with lower production, Aramco has been able to support and even increase its dividends. The company's payouts are a key component of the Saudi government's income and are ever more vital as Crown Prince Mohammed bin Salman pursues expensive projects, while looking to diversify the economy from oil.

The company will continue to pay what it can afford and won't need to issue debt to support the dividend, Al-Murshed said. The base dividend will be "sustainable and progressive," meaning the company aims to increase it in coming years, he added.

**The company has maintained its dividend to Saudi govt despite lower production, oil trading below last year's peak**