



ONGC Videsh Limited signs SPA to acquire stake in ACG oil field, Azerbaijan

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ONGC Videsh Limited, a Schedule "A" Navaratna Central Public Sector Enterprise, has signed a definitive Sale Purchase Agreement (SPA) for directly acquiring 0.615% Participating Interest (PI) in Offshore Azeri Chirag Gunashli (ACG) oil field in Azerbaijan from Equinor. The agreement also includes acquiring 0.737% shares of the Baku Tbilisi Ceyhan (BTC) pipeline company through its wholly-owned subsidiary ONGC BTC Limited. The acquisitions are expected to be completed in the upcoming months. Total investment for these acquisitions would be up to USD 60 million. These acquisitions are in addition to ONGC Videsh's existing 2.31% PI in the ACG field and 2.36% shareholding in the BTC pipeline.

ACG is a super-giant offshore oil field in the Caspian Sea operated by oil major BP since 1999. The field has been developed in phases and a seventh production platform, Azeri Central East, has been commissioned in early 2024. The other partners in the field are SOCAR, MOL, INPEX, Exxon, Turkiye Petrolleri AO and Itochu. The field has a contract term till 31 December 2049. Baku-Tbilisi Ceyhan (BTC) pipeline carries oil from the Azeri-Chirag-Deepwater Gunashli (ACG) field and condensate from Shah Deniz across Azerbaijan, Georgia and Türkiye. It links Sangachal terminal on the shores of the Caspian Sea to Ceyhan marine terminal on the Turkish Mediterranean coast.

ONGC Videsh Ltd., which is a wholly owned subsidiary of ONGC, the flagship NOC of India, is engaged in overseas E&P operations and is India's largest international Oil and Gas E&P Company having 32 Assets in 15 countries. This acquisition is consistent with its strategic objective of energy security of the nation by adding high-quality international assets with equity oil to its existing portfolio. ONGC Videsh's production of Oil and Oil Equivalent Gas (O+OEG) during FY'24 was 10.518 MMtoe and is currently producing about 200,000 barrels of O+OEG per day. ONGC Videsh has total O&G reserves (2P) of about 476 MMtoe whereas its parent, ONGC has 2P reserves of 704 MMtoe as on 1 April 2024. The market capitalization of ONGC stood at approximately Rs. 4,16,659 crore as on 18 July 2024.

Equinor ASA is a global energy company headquartered in Stavanger, Norway. Equinor's portfolio of projects encompasses oil and gas, renewables and low-carbon solutions. With a holding of 67%, the Norwegian state is the main shareholder in Equinor.

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