


CLIENT RESULTS & SUCCESS STORIES

CASE STUDY : ADVISORY AND
CONSULTING SERVICE CAPABILITY
– OIL & GAS SECTOR

June , 2017



Featured Slides

About Client Success Story



“To examine the LNG business opportunities in India and its market outlook. Tracking business case in expansion of LNG infra in the country ,with analyzing regional opportunities, analyzing opportunities vis-à-vis upcoming contracts and trade opportunities”

Client Introduction:

The client is amongst the top 10 business houses in India. Its footprints stretches over wide range of industries, spanning automobiles, home appliances lighting, iron and steel, insurance, travel and finance. One of the flagship company for which this study was done is ranked as the world's fourth largest three and two wheeler manufacturer and is well-known across several countries in Latin America, Africa, Middle East, South and South East Asia.

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Client's Issues, Challenges & Our Solution



Break up Approach

To deal with any consulting engagements our approach lies in step wise dealing with the scope/problem statement. Enincon truly believes that to ensure the integrity of problem solving is maintained and build a common understanding breaking the problem into discrete chunks is important

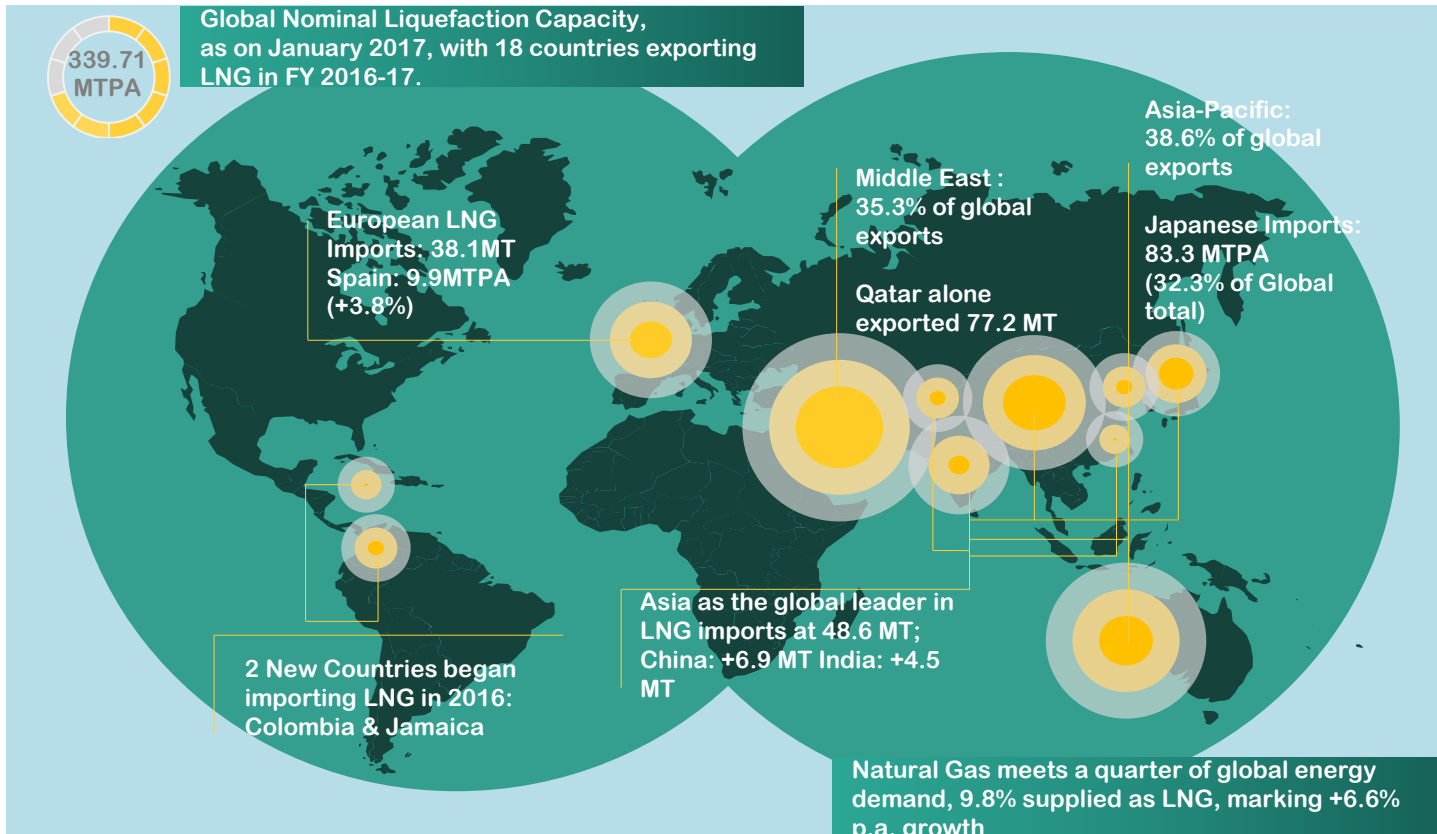
Client Challenge 01:

Given the intentions of Indian government for making India a “*Gas Hub*”, many value chain players have high hopes to see a major turnaround in the current situation of Natural Gas availability in India. In this milieu, the client who is one of the important part of this value chain wishes to understand the holistic view of LNG’s need and availability in the country along with the past trends witnessed in the domestic supply of the same. Further, the client also wants to have a track of the demand –supply movements of LNG in India.

Solution 01:

To the problem statement indicated by client, a development timeline was framed to map the LNG availability in India till date. The timeline tracked the strings of key development taken place for increasing the domestic potential of LNG in India from late 1970's till 2017. Be it reforms in the policy and regulatory structure or be it expansion in the domestic production capacity or be it facilitating appropriate infrastructure , all major activities taken in this regards were highlighted in the timeline. Further, the trends of past 5 years (2012-2017) were also examined for tracking the LNG imports movements, its demand-supply movement in India and pricing movements .Additionally, the trends in developing the existing LNG terminals in the country was also framed into the study.

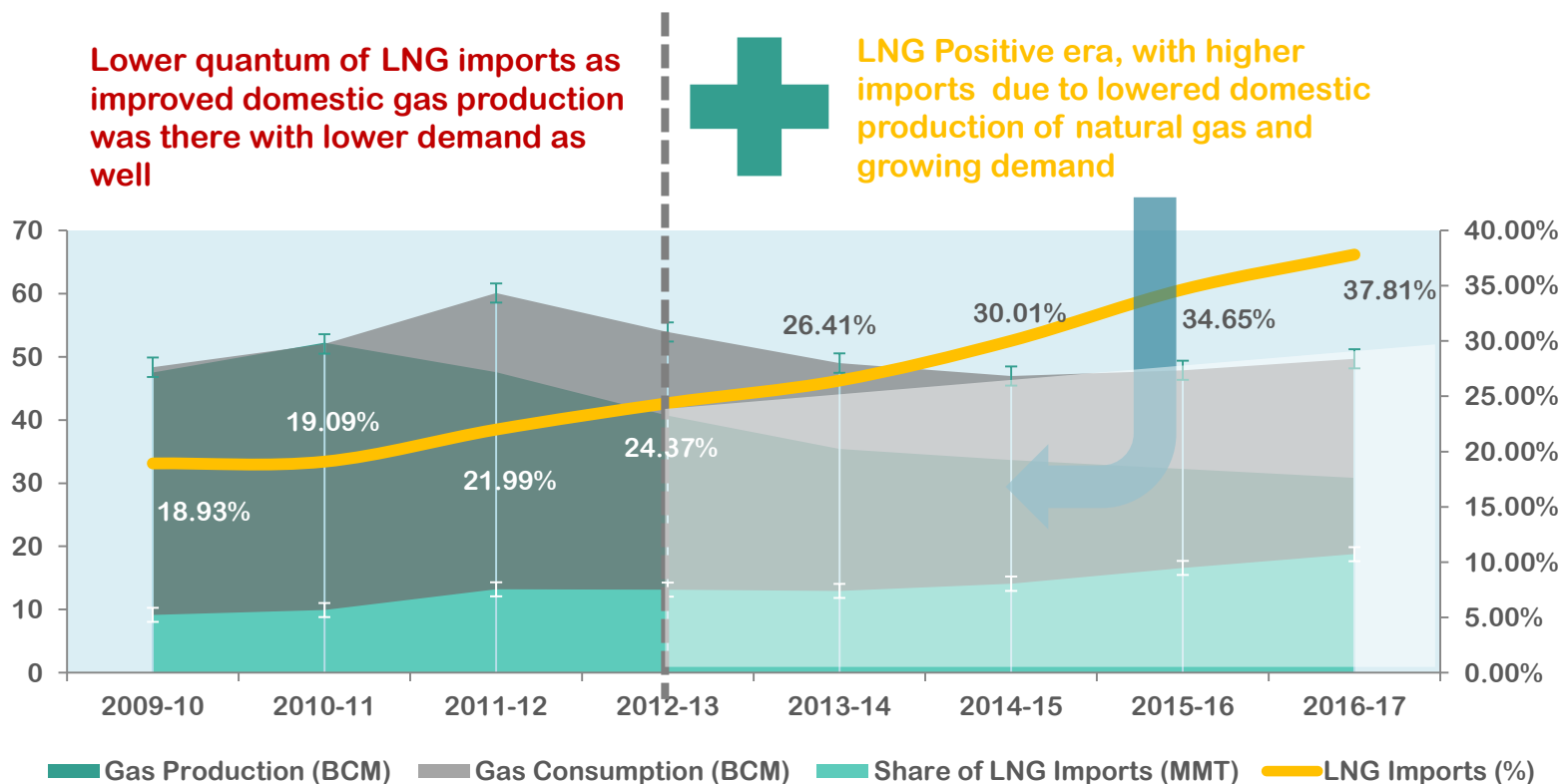
Exhibit 1: Global LNG Trade Facts & Share Growth of India FY 2017



Source: enincon research, IGU Presentation Energy Egypt 2016-17

While studying, we observed that the fall in domestic gas availability courtesy dwindling investments in the E&P segment led to dependency on LNG which at large is imported in the country. Further, the gap between the gas production and gas consumption in the country started widening post 2011-12 at over 13 BCM only stretching further at close to 19 BCM in 2017-18. This gap clearly transpired for an opportunity corridor for India to be an attractive market for LNG imports.

Exhibit 2: Natural Gas Production, Consumption and LNG Import Trend in India



Source: enincon research, PNG Statistics, BP Energy

Client Challenge 02:

Client wishes to understand the LNG outlook and underlying opportunities into the same.

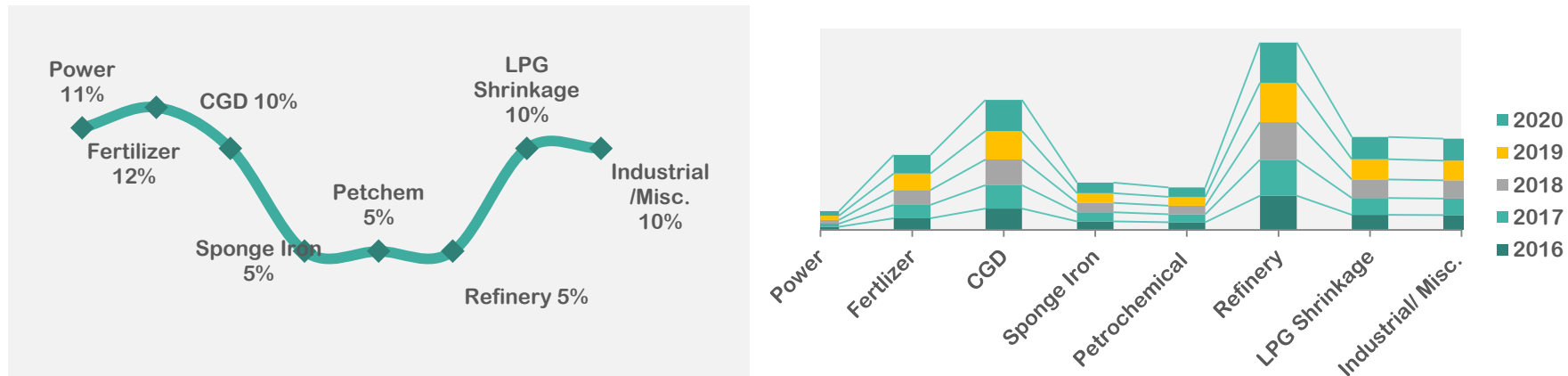
Solution 02:

To the problem statement indicated by client, scenario wise futuristic demand estimations for LNG was done. To evaluate the realistic demand of LNG is estimated and different scenarios are prepared keeping following conditions as rationale for same, which namely are:

- I. Scenario 1: Gas achieves 6% of energy mix in India by 2020
- II. Scenario 2: Gas achieves 7% of energy mix in India by 2020
- III. Scenario 3: An increase of 1% is observed on the valued growth upon the CAGR values for different demand industries

The demand projections were also done vis-à-vis end consumer. Futuristic supply estimations of LNG in India was also included in the study. Anticipated growth in the domestic availability of LNG was also the part of the solution.

Exhibit 3: Anticipated Growth Rate for LNG Consumption in India & LNG Contribution Growth Percentages till FY 2020





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Happiness does not come from doing easy work but from the afterglow of satisfaction that comes after the achievement of a difficult task that demanded our best

- Theodore Isaac Rubin

