



Shining Perspective

- Energy security and environmental sustainability are the need of the global society
- Advanced technology will play a larger role in reducing the high risk of unsuccessful oil exploration, anticipating successful oil reserves, enhancing operational efficiency, and attracting & hiring new employees through social networking website. Furthermore, Integration of new technologies will help in reducing carbon emissions and combating climate change
- So, the prime factor is technological innovation, which will drive the success of future Oil and energy Industry

Industry is likely to see consolidation as investments increasingly continue getting poured in Asia Pacific zone.

The future of energy sector will be driven by technological innovation. While demand continues to grow for alternate fuels-bio fuels, green diesel, methanol; securing reliable source of energy remains top strategic priority for developed and developing nations alike.

Increased capital expenditure will be driven mainly by large national oil company's world over while production

base will continue to shift to politically unstable countries like Iran, Afghanistan.

India will witness increased investment in nuclear energy as the sector emerges strongly post mutually

advantageous deals with the West and Russia. Nuclear energy continues to be a pragmatic environmentally sound energy source.

Demand for energy continues to increase exponentially with increased pace of urbanization. As more and more people have higher disposable income, their demand for energy will also increase. This is going to put tremendous pressure on energy production in country.

Industry Growth Drivers

- Economic growth/ activity
- Population growth
- Deregulation
- Technological innovation
- Huge Asian Demand

Industry Competitive Scenario

- Increasing competition between IOC (International oil companies) and NOC (National oil companies)
- Emergence of National Oil Companies as global players
- Oligopolistic competition
- NOCs controls majority of the market share in majority of countries

Industry Complexity

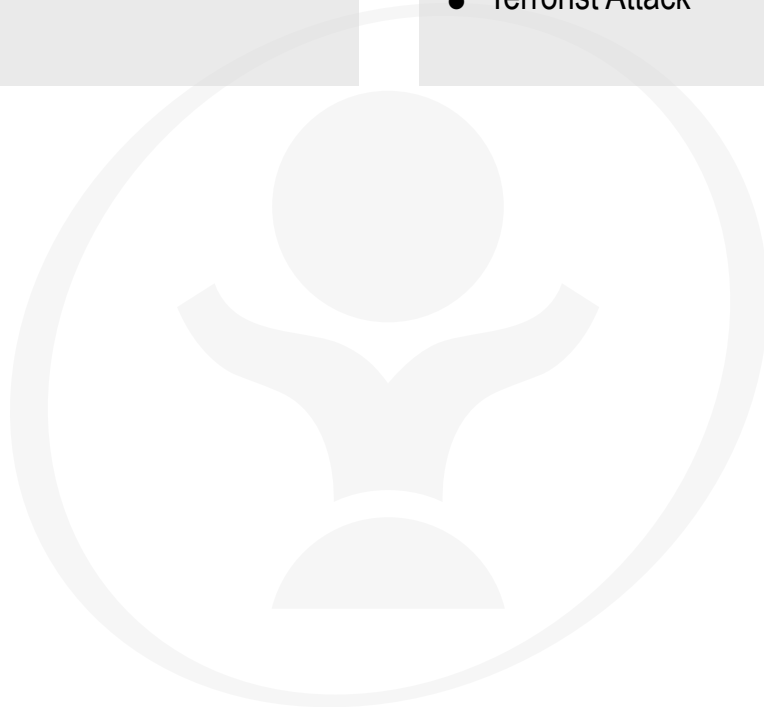
- Government regulations
- Higher taxation
- Huge Entry barrier
- Capital Intensive industry
- Stringent Environmental norms: Climate change
- Addressing sustainability issues
- Managing cost - Efficiency
- Integration of new technologies to reduce carbon emissions and combat climate change
- supply for controlling the up and down industry cycle
- Complex process of new technologies for upgrading
- Managing geo-political risk
- Maximizing shareholder value
- Managing investor concern for stable investment return

Industry Pain Areas

- Price volatility
- Uncertainty of ROI

- Long gestation period and high investment risk
- Additional of costs due to stringent environmental norm
- Accelerating depletion in existing oil producing fields
- Limited oil resources and spiraling energy demand
- Securing reliable sources of energy supply: Recoverability of resources/ natural reserves

- Low reserve replacement ratio
- High investment in technology and R&D
- Managing financial risk
- Managing profitability
- Recruiting and retaining skilled workforce
- Energy demand growth in mature economies is slowing into a long-term decline trend
- Concentration of reserves and risk
- Terrorist Attack



Delivering extra benefit

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