

GAIL's pipeline project nixed over delays

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The Petroleum and Natural Gas Regulatory Board (PNGRB) has terminated the Surat-Paradip natural gas pipeline project by GAIL India owing to delays. The regulator has also ordered encashing the state-owned firm's entire performance bank guarantee of ₹200 million.

The proposed 1,724-kilometre project, touted as the first pipeline in the country connecting the eastern and western coasts, would have seen an investment of ₹60 billion. In its order dated March 13, the downstream regulator said the ground progress made in the project by the company was "nil" even after six years.

Under the terms of internally financed projects, an entity is supposed to submit its detailed feasibility report and financial plan within 120 days of authorisation, and GAIL failed to do so. Following this, in September 2015, the PNGRB ordered encashing 25 per cent (₹50 million) of the performance bond submitted by GAIL for failing to achieve financial closure. GAIL had got the authorisation to lay the pipeline in April 2012.

"As per provision 16 (1) c, the entity shall make good the encashed performance bond, within a week of encashment of part of performance bond, failing which the remaining amount shall also be encashed and authorisation of the entity terminated," the order said.

The Board concluded that GAIL had failed to perform its obligations under the terms and conditions of the authorisation with respect to refurbishment of the encashed amount of ₹50 million for the project. Hence, it added, the remaining amount would be encashed and the authorisa-

TURN OF EVENTS

Apr 25, 2012: GAIL gets authorisation to build Surat-Paradip Natural Gas Pipeline (SPPL)

Sep 22, 2015: PNGRB decides to encash ₹50 mn of ₹200 mn performance bank guarantee by GAIL for not achieving financial closure

Apr 11, 2017: Delhi High Court dismisses GAIL's plea challenging PNGRB order to encash part of the bank guarantee, following which ₹50 mn was encashed

Jan 18, 2018: PNGRB writes to GAIL to replenish the bank guarantee, already encashed

Feb 20, 2018: Regulator writes to GAIL to explain why its licence should not be cancelled for not meeting previous directive

Mar 13, 2018: PNGRB terminates the authorisation for the project

tion terminated. The pipeline was supposed to start from Mora in Gujarat and would terminate at Indian Oil Corporation's Paradip refinery. It was to carry imported natural gas from Dahej and Hazira liquefied natural gas (LNG) terminals, crossing cities like Jalgaon, Nagpur, Raipur and Bhubaneswar.

The PNGRB ruling comes at a time when the government is reportedly planning to spin off the marketing operations of GAIL into a separate company. Under the Petroleum and Natural Gas Regulatory Board Act, marketing and transmission functions should not be performed by the same entity. The aim was to prevent conflict of interest since companies like GAIL are in a position to push their gas on priority since, as a transmission company, it also runs pipelines.



GAIL Loses Licence for Surat-Paradip Line

New Delhi: The Petroleum and Natural Gas Regulatory Board (PNGRB) has cancelled GAIL's license to build Surat-Paradip natural gas pipeline and ordered encashment of its performance bank guarantee after the state firm failed to make progress on the project six years after obtaining license.

PNGRB had authorised GAIL to lay Surat-Paradip pipeline in April 2012. After GAIL failed to submit its project funding plans for years, the

regulator penalised the state firm by ordering encashing of a quarter of its ₹20 crore performance bank guarantee in September 2015.

GAIL's challenge of the regulator's order was dismissed by the Delhi High Court in April 2017, following which ₹5 crore of bank guarantee was encashed. The regulator also directed GAIL to replenish this amount as bank guarantee and submit financial closure plan for the project.

— Sanjeev Choudhary



GAIL seeks 2 LNG cargoes for Apr-May delivery

GAIL (INDIA) IS seeking two liquefied natural gas (LNG) cargoes for delivery over April to May, traders said on Wednesday. The company is seeking one cargo for April 10-20 delivery and another for delivery over April 20 to May 2, one of them said. The tender closes on March 20. Gail recently bought two LNG cargoes for delivery in April at a premium of \$8.50 to \$8.70 per million British thermal units (mmbtu), traders have said.



Hawa Badlo movement with the support of GAIL (India) Ltd & its startup partner PerSapien Innovations has taken an initiative to gift 'Airlens' – smart nasal filters to traffic policemen in Delhi & NCR to combat against Air Pollution. The official announcement was made in the presence of chief guest Dendra Pathak, Special Commissioner of Traffic Police, Delhi at India Habitat Centre in New Delhi on Thursday

INDIAN OIL The Public Enterprise Selection Board has selected Akshay Kumar Singh, for the post of Director (Pipeline) in Indian Oil Corporation Ltd. Singh is currently an ED in GAIL & has made significant contributions in Petroleum & Natural Gas Sector in last 32 yrs. He has vast experience in executing challenging, complex & mega size cross country pipeline projects with stiff time schedule and cost. He has substantive experience in design engineering, planning, execution, operational and maintenance streams of hydrocarbon sector.



Smart masks

GAIL's *Hawa Badlo* movement to combat pollution affecting traffic policemen

H*awa Badlo* is a movement against air pollution which is supported by GAIL (India) Ltd. Its objective is to create awareness about the consequences of environmental contamination caused by human activities. It motivates the masses to inculcate friendly habits such as switching to cleaner fuels like CNG/Natural Gas, carpooling, and use of public transports.

Along with the support of GAIL and its startup partner PerSapien Innovations, *Hawa Badlo* has taken an initiative to gift 'Airlens', smart nasal filter that entraps air pollutants to empower everybody with pure breath. They were distributed to traffic policemen in Delhi and NCR to combat Air Pollution.

More than 60,000 quantity of 'Airlens' available in 3000 packs were handed over to Delhi traffic policemen to help them combat air pollution comfortably without causing any hindrance in speaking, whistling while performing their duty unlike a traditional air pollution mask. Air Pollution is a silent killer claiming one life every 23rd second in India. Recently, the situation in Delhi was rightly called a major public health emergency by the experts. The city's traffic police faces with the task of managing over 1 crore vehicles everyday, facing the brunt of rising air pollution.

Pained by the growing air pollution, researchers from Stanford University, AIIMS and IIT founded "Persapien Innovations" with a mission to care for each (Per) Human (Sapien). The team has researched for two years to develop a new technology "Active Molecular Technology" that filters PM 2.5 and other pollutants while causing minimal resistance to breathe. Also, based on this research, they developed "Airlens" which was launched by Padma Shri Prof Randeep Guleria, Director, AIIMS and other eminent personalities recently. They have also developed a unique digital technology to get the air quality information at every location using advanced mathematical models like satellite, traffic and weather data. Using this, Air Quality Data and progress tracking are provided through a free App "Airlens Data".