

Major fire at chemical factory in Sonipat



OUR CORRESPONDENT

NEW DELHI: A major fire broke out on Sunday at a chemical factory in Kundli industrial area of Haryana's Sonipat district and more than 20 workers were evacuated and the situation brought under control, a top official said.

Nearly 20 fire tenders were pressed into service to douse the flames, which have now subsided and the fire should be brought fully under control by late in the night, Sonipat Deputy Commissioner Lalit Siwach said.

Fire tenders from Kundli and nearby areas, including Narela in Delhi, Haryana's Rohtak, Bahadurgarh, Sonipat, Samalkha and Panipat were summoned to douse the flames, he said.

"The factory is related to making peppermint oil and ancillary chemicals, all of which are used in making toothpaste," he said.

Siwach said more than 20 people were working in the factory at the time of the incident, "but all were evacuated in time".

Meanwhile, the Sonipat district administration faced the problem that a GAIL gas pipeline ran nearby and high temperatures caused by the burning chemicals could have resulted in a mishap, but timely action prevented any untoward incident from happening.

No bias against CGD players in gas allocation, says petroleum board

VIKAS SRIVASTAVA
Mumbai, April 17

THE PETROLEUM AND Natural Gas Regulatory Board (PNGRB) has denied allegations of discrimination against city gas distribution (CGD) companies in natural gas allocations since April 2021.

A senior PNGRB official told FE that 10% extra allocation of gas used to be made to every CGD player based on their previous six months' allocation after a review. But the reduction in sales during the Covid period lowered the base for fresh allocations. The CGD players will get the same level of hike from the March review since the sales are back to pre-Covid levels, the official said.

However, the official accepted that the allocations have not kept pace with the increased demand in the last couple of months due to which CGD players had to



blend costly regasified natural gas (R-LNG) with domestic gas to produce compressed auto fuel (CNG) and piped cooking gas (PNG).

The CGD players have raised concerns that the reduced allocation of domestic natural gas, and a 110% hike in domestic gas price from April 1 forced them to blend RLNG with domestic gas and increase the CNG and PNG price by ₹10 per kg/scm.

Companies such as Mahanagar Gas (MGL) are blending around 15-20% of R-LNG with local gas, sources said.

The government on April 1 doubled the domestic natural gas price for six months to \$6.1 per million British thermal unit (mmBtu), and the price of gas from difficult – high pressure-high temperature – gas fields to \$9.92 per mmBtu from \$6.1/mmBtu. This coupled with increase in the landed price of imported LNG at \$37/mmBtu has increased the overall cost of production for the CGD players.

The PNGRB official said, that government is aware of the development and the rising input cost for the CGD players. If the war in Ukraine extends to this year-end, the possibility of domestic gas price going up is high. Plans are afoot to pool the long term RLNG of GAIL and the high-pressure-high-temperature (HPHT) gas and sell that to well entrenched CGD players who have reached closer to completing their capex cycle.