

## **GAIL wins two awards at Asian Oil and Gas Awards**

GAIL won two prestigious awards at the Asian Oil and Gas Awards event held recently at Kuala Lumpur, Malaysia. The coveted “The Innovation Award—India” was given to GAIL for reduction in LNG shipping cost and emissions through



ship-to-ship (STS) transfer of LNG with backhauling. Another top-notch award, “Midstream Project of the Year—India”, was bestowed for the installation of the first floating compressed natural gas (CNG) station at Varanasi. The award recognises the most outstanding players in Asia’s oil and gas sector.



**GAIL (INDIA) LIMITED WINS  
SAP ACE BEST FINANCIAL  
TRANSFORMATION AWARD – 2023**

GAIL (India) Limited has won SAPACE Award - 2023 for the Best Financial Transformation for implementation of Vendor Invoice Management Systems.

The award was received by Shri R. K. Jain, Director (Finance) and Shri Sashi Menon, Executive Director (F&A) and other officials involved in the implementation of the system.

Commenting on the achievement, Shri R. K. Jain, Director (Finance) said, "It is a great honour and privilege to receive this prestigious award. We have always been committed to make a difference in the lives of stakeholders by empowering them in every possible way."

Under Vendor Invoice Management System initiative, GAIL implemented Vendor Invoice Manage-



ment of SAP, established centralized Shared Service Center - "SARATHI", Supplier Portal - "SPARSH" and for vendor query resolution CHATBOT - "ASHA".

These key initiatives automates and consolidate the operations of vendor invoice processing from across multiple locations of GAIL. This has enabled GAIL to operate on one standardized platform and drive efficiencies across the Finance operations and enhance the vendor experience. The project was implemented in a record timeframe which is a testament to the close collaboration between GAIL and its partners.

# Plans Afoot to Build Strategic Natgas Reserve

Building up to 4 billion cubic metres storage capacity to cost \$1-2 b; move to help tide over global supply emergencies

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**New Delhi:** India is drawing up a plan to build a strategic natural gas reserve with a capacity to store up to 4 billion cubic metres (BCM) of imported gas, which can be used in case of supply emergencies and to smoothen the domestic market, according to people familiar with the matter.

After oil minister Hardeep Singh Puri recently gave a green signal to the idea of setting up the gas reserve, the oil ministry directed Oil and Natural Gas Corp (ONGC), Oil India and GAIL to jointly prepare a detailed feasibility report on the same, people said. The companies are expected to submit the report in three months.

India has evaluated building stra-

tegic gas storage in the past as part of its energy security plan but didn't go ahead with it due to its prohibitive costs. The geopolitics-driven frenzy in the global gas market last year, which disrupted India's gas imports and forced some factories to cut production, has brought a strategic policy rethink, people said.

The 3-4 BCM gas storage capacity being targeted now can cost \$1-2 billion to build, the person cited previously said. India, which consumed 60 BCM of natural gas last fiscal year, aims to increase the share of gas in its energy mix to 15% by 2030 from the current 6%. A large multi-location storage, a well-laid pipeline network, and a mature gas exchange can help develop the domestic gas market. Large gas storage can also help India become the regional hub and

## Pushing for Gas-based Economy

■ **ONGC, Oil India, GAIL** jointly preparing a detailed feasibility report

■ **Report will offer** cost and time estimates, viable business models

■ **Storage could be** either strategic, commercial, or a mix of both



■ **ONGC** has identified 2 depleted wells for the storage

■ **Storage can help** handle supply disruption, smoothen domestic demand-supply situation

**Last year's global gas disruption has prompted the govt to push for storage**

supply to neighbouring countries like Sri Lanka, Bangladesh and Myanmar in the future, the person said.

The feasibility report will present cost estimates, probable locations, construction timelines, and the business and financial models for the re-

serves, he said. Depleted wells of ONGC and Oil India could be used for the storage, he said, adding that ONGC has already identified two such wells in Gujarat while Oil India is aiming to do the same in the North East.

The report is expected to suggest

the most optimal storage model and answer questions on whether a strategic or commercial model or a mix of both would be suitable for the country. It would also offer details on the commercial model and the government support needed to make it financially viable, the person said.

Who can be permitted to invest in such storage and how they can recover their investments will also be part of the report. India aims to become a gas-based economy, and, with gas consumption expected to balloon in the future, it would need storage to tide over the short-term market challenges. The country imports about half the gas it consumes. Major gas-consuming economies like Europe and China have large artificial gas storages, which help manage domestic demand.