



GAIL shuts Pata petchem plant

STATE-owned gas utility GAIL India Ltd has shut its petrochemical plant at Pata in Uttar Pradesh, joining a host of petchem makers who have been forced to shut units as the unprecedented nationwide lockdown evaporated demand and created transportation hurdles.

GAIL first cut capacity of the 400,000 tonnes a year polyethylene plant at its Pata complex by half as two-thirds of trucks that used to transport finished products to users stopped operations soon after the lockdown was imposed, sources privy to the development said. But with polymers it produces filling every inch of space in its godowns, GAIL last week shut the plant, they said.

ONGC gas output down 15%

Factories shut down due to nationwide lockdown have refused to take supplies

NEW DELHI: State-owned ONGC has been forced to cut natural gas production by over 15 per cent as factories shut down following the unprecedented nationwide lockdown have refused to take supplies.

Oil and Natural Gas Corp (ONGC), which produced 64.3 million standard cubic meters of gas per day (mmscmd) prior to the lockdown imposed on March 25, has reduced the flow to 53.4 mmscmd, sources aware of the development said.

Gas sales are down to 40 mmscmd against 50 mmscmd previously, they said.

The difference between production and sales is due to the fact that some of the gas is also used by ONGC for internal consumption purposes such as power generation and re-injection into wells.

Sources said the company received requests from customers for a reduction in gas supplies while some supply reduction requests have been lodged with the gas transporter GAIL. The customers refusing gas supplies are mostly small



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ernment to check the spread of Coronavirus pandemic, Prime Minister Narendra Modi had announced a three-week-long nationwide lockdown, with effect from March 25.

The lockdown meant offices and factories, barring those

involved in essential supplies business, were to be shut and people were to stay at home.

There are indications that restrictions on the movement of people and goods are likely to continue after April 14 when the lockdown ends.

So far, 9,152 persons are reported to have infected with the virus and as many as 308 killed.

The national capital and some states had imposed lockdown and placed restriction on movement of people even before the nationwide lockdown was declared. This had impacted fuel consumption and demand.

A separate source said GAIL, the nation's biggest gas transportation and marketing company, had seen volumes drop to 76 mmscmd from about 115-120 mmscmd prior to the lockdown. "There is about 30 per cent hit in the gas that is being transported through GAIL pipelines," he said.

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Gas is used as a fuel in a variety of industries - from glass to fertilizer plants. Large factories such as fertilizer plants continue to use gas as they have been classified as essential commodities.

The demand for gas has also been hit as all vehicles, barring the ones used by law enforcement agencies and those used in maintaining essential supplies, have gone off the road. This meant vehicles run on compressed natural gas (CNG) too have gone off the road in cities ranging from Delhi to Mumbai to Ahmedabad.

Lesser CNG vehicles meant lesser need of gas and so city gas distributors too have sought a reduction in the volumes they used to take from GAIL/ONGC, the sources said.

Indraprastha Gas Ltd, the company that retails CNG to automobiles and piped cooking gas to households in the national capital and adjoining cities, has already shut two-thirds of its CNG dispensing pumps in view of the demand constraints. PFI

ONGC gas output drops 15% as shut factories reject supplies

PRESS TRUST OF INDIA
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