

**GAIL:** 'Integrity Pledge' was administered by Sandeep Kumar Gupta, CMD GAIL, to the GAIL employees at the initiation of the Vigilance Awareness Week-2023 in presence of CVO, functional directors and other senior officials. Towards this, employees at Corporate Office, its various work centres as well as MD's and CEO's of GAIL JV's and



Subsidiaries participated in the event. On this occasion, CMD also released an animated video on Public Interest Disclosure and Protection of Informer (PIDPI).

# PNGRB firm on common carrier rule

ARUNIMA BHARADWAJ  
New Delhi, November 5

**THE PETROLEUM AND** Natural Gas Regulatory Board's (PNGRB) move to end the dominance of city gas companies like Indraprastha Gas and Mahanagar Gas in their respective markets and make all such entities come under a network of 'common carrier' is still facing resistance from these companies, a member of the board told *FE*.

However, the board is firm on the common carrier principle (CCP) and plans to work on it for its smooth implementation, he said.

"Currently, there is resistance from entities, but we are coming out with ways and telling them they have to do this," the member said. "Whoever has the monopoly does not wish to end it. But we have to see the consumers' point of view. Ultimately, the end consumer will have the choice and should benefit."

City gas distribution companies have for long been against the regulation as it will impact their share in their respective key markets, forcing them to reserve a part of their pipeline capacity for a third party.

## FACING RESISTANCE FROM GAS FIRMS



- Rule aims to bring city gas distribution firms under 'common carrier' network to end their dominance

- Firms have opposed it, fearing an impact on their market share

When PNGRB first unveiled the CCP in 2003, cross-country pipelines were exempted and some leeway was given to gas producers like Reliance to own and operate pipelines up to a certain distance from the production sites without having to face competition. Trunk pipelines for transportation of gas across the country for long distances are, however, being largely shifted to the CCP regime.

But the regulator is trying to ensure the principle is implemented in the distribution segment which is

close to end consumers. Litigation is impeding the move.

State-run GAIL India, which owns the largest gas transmission network in the country with nearly 75% share, has laid the Natural Gas Pipeline Open Access System to apply for booking of its capacity on common carrier/contract basis.

A common carrier system implies that capacity in a natural gas pipeline, over and above the pipeline entity's own requirement and capacity allocated on a contract carrier basis, will

be made available to any other entity on a non-discriminatory "first-come-first served" basis, subject to the latter entering into a contract with the network owner.

On declaration of a CGD network as common carrier, the authorised entity is subjected to provide access on demand to any other entity and recover the transportation rates for CGD from an entity accessing the CGD network, according to the Board's official notification.

Further, the relevant notification said the CGD companies should provide access or connectivity of their infrastructure to any other interested third party within 270 days of submission of request for the same at a reasonable cost.

"We have to generate a kind of environment for consumers that they have the option, but the realisation of the same takes time," the member said. "It has started happening in Delhi and Mumbai and consumers are benefiting."

CGD companies have earlier argued any infringement on the infrastructure is not appropriate and will harm their interests, as they have spent huge amounts on creating it.





# IOC acquires Mercator Petroleum for ₹148 crore

PTI ■ NEW DELHI

State-owned Indian Oil Corporation (IOC) has acquired Mercator Petroleum for about Rs 148 crore in an insolvency proceeding, according to regulatory filings by the company.

"The resolution plan submitted by IOC for acquisition of 100 per cent stake in Mercator Petroleum Limited (MPL) has been approved by the National Company Law Tribunal, Mumbai Bench vide its order dated November 2, 2023 under the relevant provisions of the Insolvency and Bankruptcy Code, 2016," the firm said in the filing.

MPL has an onland oil and gas exploration block located in Cambay Basin, Gujarat. The block CB-ONN-2005/9, which the company had won in 7th NELP bid round in 2008, has potential oil discovery of 45.5



million barrels of inplace reserves.

IOC's Koyali refinery is located about 60 km from the block and in November 2019 it signed a contract to buy oil from the block.

"IOC will implement the Resolution Plan and complete the regulatory processes, including obtaining necessary approvals, if any, for successful implementation of the

Resolution Plan," it said.

As per the resolution plan, the company will pay Rs 135 crore to secured financial creditors, who had admitted claims of Rs 291 crore. No payment has been provided for unsecured financial creditors, who had admitted claims of Rs 118 crore. The resolution plan offers Rs 5.40 crore to operational creditors - vendors, workmen, employees and

statutory dues - against their total admitted claims of Rs 73 crore.

Additionally, IOC will bear insolvency proceeding cost of Rs 8.7 crore. Cayman Island-based oil services company Halliburton Offshore Services Inc had initiated insolvency proceedings in August 2021 after Mercator defaulted on payment of Rs 2.87 crore.

IOC's resolution plan for Mercator Petroleum was approved by the committee of creditors by 100 per cent vote. It then moved to the NCLT, which has now given its approval.

IOC is the second PSU to have acquired a company in an insolvency proceeding. In March this year, India's largest gas firm GAIL acquired insolvent private-sector chemical company JBF Petrochemicals for Rs 2,079 crore, helping the state-owned firm expand its foot-

print in the petrochemical business.

GAIL had outbid a consortium of IOC and Oil and Natural Gas Corporation (ONGC) in the insolvency process run by IDBI Bank to recover Rs 5,628 crore of dues to financial and operational creditors.

JBF was incorporated in 2008 to set up a 1.25 million tonnes a year capacity purified terephthalic acid plant at Mangalore Special Economic Zone. The plant, which is a backward integration project for JBF Industries' polyester plants, was commissioned in 2017 but stopped operations after the company defaulted on its loans in the same year.

Mercator Petroleum Ltd. (MPL) was a wholly-owned subsidiary of Mercator Ltd. MPL is engaged in the business of petroleum exploration, development and production in India and abroad.

# IndianOil acquires Mercator Petroleum Ltd for ₹148 crore

## OUR CORRESPONDENT

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## गेल और बीपीसीएल के बीच समझौता

नई दिल्ली। पेट्रोकेमिकल उत्पादन के लिए फीडस्टॉक की उपलब्धता को



लेकर गेल (इंडिया) लिमिटेड ने भारत पेट्रोलियम कॉर्पोरेशन लिमिटेड के साथ समझौते पर हस्ताक्षर किए। इस समझौते के तहत महाराष्ट्र के उसर में पेट्रोकेमिकल संयंत्र के लिए प्रोपेन की 15 साल तक आपूर्ति की जाएगी। यह समझौता बीपीसीएल के निदेशक (विपणन) सुखमल जैन की

उपस्थिति में किया गया। इस दौरान संजय कुमार, निदेशक (विपणन), गेल से कमलेश शर्मा, कार्यकारी निदेशक (विपणन खुदरा), डी. वी. ममदापुर और बीपीसीएल से कार्यकारी निदेशक (एलपीजी) उपस्थित रहे। 15-वर्षीय आपूर्ति अनुबंध का अनुमानित लागत 63 हजार करोड़ रुपये है।



गेल (इंडिया) ने उसर, महाराष्ट्र में अपने आगामी पेट्रोकेमिकल संयंत्र के लिए प्रोपेन की 15 साल की आपूर्ति के लिए भारत पेट्रोलियम कॉरपोरेशन लिमिटेड के साथ एक समझौते पर हस्ताक्षर किए। इस मौके पर बीपीसीएल के सुखमल जैन और गेल के संजय कुमार समेत अन्य अधिकारी मौजूद रहे।

## गेल ने प्राकृतिक गैस ग्राहकों के साथ की बैठक

नई दिल्ली। सतर्कता जागरूकता सप्ताह 2023 के अवसर पर गेल



(इंडिया) लिमिटेड ने भ्रष्टाचार मुक्त भारत के उद्देश्य को लेकर दिल्ली-एनसीआर में प्राकृतिक गैस ग्राहकों के साथ एक जागरूकता बैठक की। इस मौके पर पीआईडीपीआई पद्धति सहित शिकायत दर्ज करने की प्रक्रिया के बारे में ग्राहकों को जागरूक किया।

बैठक के दौरान गेल के वरिष्ठ अधिकारियों ने ग्राहकों से बातचीत की और उन्हें बताया कि कैसे भ्रष्टाचार को दूर किया जा सकता है।