



Apex court allows GAIL to participate in tender for Ennore-Tuticorin pipeline

Indu Bhan

New Delhi, Dec 22: Allowing GAIL (India) to participate in the tender process for laying the Ennore-Thiruvallur-Bengaluru-Puducherry-Nagapattinam-Madurai-Tuticorin natural gas pipeline, the Supreme Court has asked the Petroleum and Natural Gas Regulatory Board to consider the financial bid of the state-owned firm.

The board had recently disqualified the pipeline firm by holding it guilty of indulging in restrictive trade practices by preventing shippers like Gujarat State Petronet (GSPL) the access of common carrier capacity in

its common carrier pipelines on reasonable endeavour basis.

The regulator body in December 26 last year had also said GAIL was indulging in discrimination and restrictive trade practice and hence liable to civil penalty of Rs 1 lakh under Section 28 of the PNGRB Act, 2006.

However, a bench headed by Justice J Chelameswar stayed

the board's order, which was upheld by Aptel in November. "We deem it appropriate to suspend the operation of the communication dated December 8, 2014, of the first respondent (PNGRB) by which the first respondent rejected the bid submitted by the appellant (GAIL) herein and direct the first respondent to consider the bid of the appellant also and take

an appropriate decision in accordance with law. Goes without saying that the said decision would be subject to the result of the appeal," it said, posting the matter for hearing on January 5.

Stating that PNGRB had dismissed its plea erroneously and in violation of the Act, GAIL said there was no provision whereby a right was conferred upon GSPL to seek access of its pipelines on "reasonable endeavor basis." Besides, GAIL had never stopped or prevented GSPL from booking/blocking any capacity of natural gas in the pipeline. It further said GSPL's contention that it insisted to execute a GTA for minimum 12 months was incorrect.



Gas regulator recently disqualified GAIL by holding it guilty of indulging in restrictive trade practices