

पेट्रोलियम एवं प्राकृतिक गैस राज्य मंत्री
(स्वतंत्र प्रभार)

भारत

MINISTER OF STATE FOR
PETROLEUM & NATURAL GAS
(INDEPENDENT CHARGE)
INDIA

नई दिल्ली 21st April, 95 १६
New Delhi 19

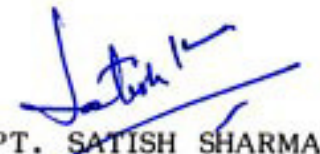
Dear Shri Kamat,

Please refer to your letter dated December 9, 1994 and your several other letters during last 3 years regarding supply of gas in Bombay region. You will be happy to know that GAIL and British Gas have signed the Joint Venture Agreement on December 6, 1994 to implement the Bombay City Gas Distribution Project. The project envisages the distribution of natural gas through a pipeline network to 6.2 lakh households, 4,500 commercial establishments (including hotels) and 146 industrial units in the Greater Bombay area. Natural gas will replace 1,07,000 MT of LPG and 40,000 MT of kerosene as well as FO and LSHS, thus saving precious foreign exchange. Further, natural gas is a cleaner fuel, which can be transported and used with much less pollution compared to liquid petroleum products. As part of the project, natural gas will be used as CNG to replace petrol/diesel in about 20,000 vehicles.

2. It has been decided to start with domestic sector and the CNG project and add on the commercial and the industrial sectors later. The project will be completed in phases in about ten years. Around 50,000 domestic connections are expected in the first year i.e. 1995-96. The city gate station will be at Trombay. The project will cover Bombay city as well as parts of the Eastern and Western suburbs as requested by you.

3. The Joint Venture Company will have an equity of Rs.127 crores. GAIL and British Gas each hold 35% of the equity. Maharashtra Government will hold 10% of the equity and the rest will be offered for public holding.

Yours sincerely,



(CAPT. SATISH SHARMA)

Shri Gurudas Kamat,
Member of Parliament,
22, Willingdon Crescent,
NEW DELHI.