



MAHANAGAR GAS LTD.

(A Joint Venture of GAIL & British Gas plc, U.K.)

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January 5, 1999

Shri Gurudas Kamat,
Hon'ble Member of Parliament & Member Standing Committee of Ministry of
Petroleum, Chemical & Fertilizer
Mumbai

Dear Sir,

This is with reference to your letter dated January 3, '99 on the tragic incident that took place in flat no.26, Nutan Kailash Niwas-1, Ghatkopar (E). The above incident took place on 28th Dec. '98 around 2.45 p.m. and immediately we deputed our team of senior engineers and officials to inspect the site. A detailed check was carried out with the help of natural gas detectors in the above mentioned flat and in the adjoining areas but no natural gas leakage was detected. Also, all the isolating valves located inside the kitchen of flat no.26 were observed to be in closed condition only. The gas meter reading was also indicating the initial factory reading of a fraction of standard cubic meter signifying no contribution from natural gas. We would like to mention for your kind information that at the time of the incident, the cooking stove of that flat was still on LPG and natural gas supply was yet to be given to the kitchen. In fact, our contract workers who fell victim to the explosion had just entered the said flat to carry out pneumatic test of the copper tube works inside the kitchen which is an activity that precedes the conversion of the appliance by another team which consists of changing the stove nozzle tips. The actual commissioning takes place subsequently after the entire system is checked by our site engineer. This was a sheer coincidence that our contractor's workers got caught in the explosion triggered by something else.

In your above mentioned letter, you have also made mention of some incidence in Chembur. We would like to bring to your kind notice that this type of incidence has not occurred in the past although some minor gas leakage fire has been noticed on the main street resulting from physical damage to the gas pipe due to subsequent excavation work by some other utilities. However, no loss of life or property has occurred in the past. We have been pursuing this matter with BMC so that a proper mechanism is evolved to pre-inform us of any excavation work that might interfere with our system.

We would also like to state that MGL puts a lot of stress on the safety of installation and we ensure that persons working for us are duly trained to carry out the job. The safety aspect of our system is monitored from time to time at the level of our Technical Director, a British Gas expert based in Mumbai. With reference to the mention of gas meter in your letter, we would like to mention here that we have scanned through our past complaint history maintained by us but no such

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complaint has been reported so far - even so, we have asked our concerned section to get in touch with customers to ascertain if any such problem is being faced by any customer.

We gratefully acknowledge that this gas distribution project in the city has come about after your personal relentless efforts and we hope to have your patronage and blessings in future also. What is worrying us is that our company's name is being mentioned because our contractor's personnel got caught in this incident. This may definitely scare our valued customers that may upset our projected plan. We would like to assure you that MGL is putting up the safest gas distribution system based on proven concept/technology from British Gas who have decades of experience in this field. We look forward to getting your guidance and encouragement in future also.

With kind regards

Yours Sincerely

R.S. Riat
Managing Director