



20 March 2024

### Press Release

**Gujarat Gas Limited (GGL) offering an Industry first alternate fuel price linked gas pricing for the benefit of the world's largest ceramic cluster.**

- Gujarat Gas Limited (GGL), the largest City Gas Distribution (CGD) Company in India, has always pioneered in providing customer centric solutions over the past 3 decades. Through the innovative solutions, GGL has led from the forefront in making **"Natural Gas a preferred fuel for Industrial use"**
- **GGL has published a first of its kind "Expression of Interest" (EoI) wherein the pricing methodology of natural gas is being linked to alternate fuel viz. Propane. This shall make natural gas more affordable. On the upper side, the natural gas price shall almost be at par with alternate fuel. Proposed Pricing Methodology addresses major risk faced by ceramic industry on account of frequent variations in fuel prices.**
- **Fuel cost has sizable share (approx. 30%) in overall product cost for Ceramic Industry. Certainty in fuel pricing will provide much needed impetus and fuel the growth of ceramic industry.** This initiative shall also enable Ceramic Industry to compete at global level and increase export of ceramic products.
- The proposed pricing mechanism is a mutually beneficial arrangement and create Win-Win situation for the customers as well as GGL. **The direct beneficiary of this pricing methodology shall be the Industries located in one of World's Largest ceramic cluster in the districts of Morbi & Surendranagar as the overall cost of fuel is expected to reduce significantly.** On account of this initiative, GGL expects to increase natural gas supply from 4 mmscmd to 7 mmscmd in ceramic cluster of Gujarat, over a period of time.

- The use of Natural Gas shall also eliminate the hassle of managing the supply logistics associated with alternate fuel. In addition, the reduction in movement of heavy duty trucks used for transport of alternate fuel shall aid in limiting the air pollution.
- Customers need to submit their Expression of Interest latest by April 20, 2024. This initiative once again reaffirms GGL's dedication in providing customer-centric solutions to one of the key industrial clusters in India.

**About Gujarat Gas Limited:**

Gujarat Gas Limited is the largest City Gas Distribution Company in India and operates in 44 districts in 6 states of Gujarat, Maharashtra, Rajasthan, Haryana, Punjab & Madhya Pradesh and 1 Union territory of Dadra & Nagar Haveli. The Company has a successful track record of providing uninterrupted supply of natural gas for over 3 decades through a network of more than 38,000 km of gas pipeline. The Company operates more than 800 CNG stations and has connected more than 20.5 lakh households, over 14,900 commercial customers and more than 4,300 industrial customers.