

**GOVERNMENT OF INDIA  
PETROLEUM AND NATURAL GAS  
LOK SABHA**

UNSTARRED QUESTION NO:1247  
ANSWERED ON:15.07.2004  
LNG TERMINAL IN KERALA  
Surendran Shri Chengara

**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

- (a) whether the proposal for setting up of the LNG Terminal in Kerala is a long pending project; and
- (b) if so, the reasons for delay in the implementation of the project?

**Answer**

MINISTER OF PETROLEUM & NATURAL GAS & PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) & (b): M/s Petronet LNG Limited (PLL), a Joint Venture Company promoted by four Public Sector Oil Companies, viz., GAIL (India) Limited (GAIL), Oil and Natural Gas Corporation Limited (ONGC), Bharat Petroleum Corporation Limited (BPCL) and Indian Oil Corporation Limited (IOC) had proposed to set up a 2.5 Million Metric Tons Per Annum (MMTPA) LNG terminal at Kochi. Terminal at Kochi was conceived, based on proposed expansion of Kayamkulam Power Plant of NTPC. However, NTPC has gone for International Competitive bidding for procurement of Natural Gas/LNG for the proposed expansion of Kayamkulam Power Project from 350 MW to 2300 MW. PLL has participated in the NTPC bid for providing services for regasification and transportation of regasified LNG for the project. As LNG projects have strict 'Take or Pay' Clause, PLL will take steps to execute the project if either their bid is accepted by NTPC or alternative marketing tie-ups for atleast 60% of the proposed terminal capacity is achieved.