GOVERNMENT OF INDIA PETROLEUM AND NATURAL GAS LOK SABHA

UNSTARRED QUESTION NO:370 ANSWERED ON:24.11.2005 IMPORT OF LNG FROM IRAN Adhalrao Patil Shri Shivaji

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

- (a) whether the import of five million tones of liquefied natural gas from Iran is in trouble as reported in 'The Hindu' dated October 26, 2005;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the alternate steps taken by the Government in this regard?

Answer

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

(a) to (c): The newspaper report in "The Hindu" dated the 26th October, 2005 states that Iran may not be in a position to fulfill its commitment of supplying the agreed LNG quantities to India on account of technological constraints emerging from US sanctions on Iran. GAIL (India) Limited (GAIL), Indian Oil Corporation Limited (IOCL) and Bharat Petroleum Corporation Limited (BPCL) have a Sale-Purchase Agreement (SPA) with National Iranian Gas Export Company (NIGEC), concluded on 13 June 2005 in Tehran, for the import of 5 MMTPA of LNG, beginning from the last quarter of 2009. The Iranian authorities have re-affirmed that the agreement with India on LNG supply is valid and will be fully implemented.