GOVERNMENT OF INDIA PETROLEUM AND NATURAL GAS LOK SABHA

UNSTARRED QUESTION NO:839 ANSWERED ON:26.02.2009 IMPORT OF GAS Kalmadi Shri Suresh

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

- (a) whether there is a plan to import more gas from Qatar and to set up a gas based petro-chemical plant by Indian firms;
- (b) if so, the details thereof; and
- (c) the total quantity of gas contracted for long-term import from different sources and efforts made by the Government to secure these sources?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS(SHRI DINSHA PATEL)

(a) to (c): Petronet LNG Limited (PLL) signed a contract with RasGas,Qatar in July 1999 for import of 7.5 million metric tonnes per annum (mmtpa) Liquefied Natural Gas (LNG) for a period of 25 years. As per the contract, supply of 5 mmtpa LNG commenced in 2004 and the supply of balance 2.5 mmtpa LNG is scheduled to commence in the last quarter of 2009.

For import of LNG for expanded capacity in Dahej and for planned Kochi terminal,PLL is in discussion with various suppliers/producers of LNG, including RasGas Qatar.

Indian Companies are interested in setting up a gas-based Petrochemical complex in Qatar. GAIL and Reliance Industries Limited (RIL) have discussed the issue with Qatar Petroleum.

Apart from the above, a Sale-Purchase Agreement (SPA) was signed on June 13, 2005 in Tehran for 5 mmtpa of LNG between the National Iranian Gas Export Company (NIGEC) and the Indian Consortium of GAIL (India) Limited (GAIL), Indian Oil Corporation (IOC) & Bharat Petroleum Corporation Limited (BPCL). The contract period was for 25 years, beginning from the last quarter of 2009. Simultaneously, the parties also signed a side letter to the LNG SPA on June 13,2005, by which NIGEC had to obtain the approval of their parent company, National Iranian Oil Company (NIOC), for the SPA to become effective. NIGEC has not conveyed the approval of NIOC's Board till now. The matter is being pursued with Iranian authorities.

GAIL has been in discussion with various suppliers/producers to source LNG for Ratnagiri Gas and Power Private Limited (RGPPL).