

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

UNSTARRED QUESTION NO:2632
ANSWERED ON:26.08.2013
MOU OF SCI WITH GAIL
Sugumar Shri K.

Will the Minister of SHIPPING be pleased to state:

- (a) whether the Shipping Corporation of India (SCI) and Gas Authority of India Limited (GAIL) have signed an MoU to cooperate for the transportation of Liquefied Natural Gas (LNG) sourced by GAIL from the United States of America;
- (b) if so, the details thereof;
- (c) whether under the MoU, SCI will assist GAIL in the charter hiring of LNG and GAIL will assign steps in rights to SCI in the ownership of LNG ships;
- (d) if so, the details thereof; and
- (e) the extent to which the said MoU would be beneficial for SCI?

Answer

MINISTER OF SHIPPING (SHRI G.K. VASAN)

- (a) & (b): Yes, Madam. The Shipping Corporation of India Ltd. (SCI) and Gas Authority of India Limited (GAIL) have signed an MoU to work together for GAIL's requirement of LNG shipping for import of LNG from Sabine Pass (3.5 MMTPA), USA and Cove Point LNG liquefaction project (2.3 MMTPA) at Lusby in the state of Maryland to India.
- (c) & (d): Yes, Madam. GAIL will assign equity participation to SCI to the extent of 26% in the ownership of the LNG tankers through its step-in rights with the ship-owners to whom the time charter is awarded.
- (e): The MoU with GAIL will help SCI to strengthen its services in the LNG transportation segment and provide long term secured returns to Company.