

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

UNSTARRED QUESTION NO:3725  
ANSWERED ON:21.08.2003  
NEW LNG  
UTTAMRAO NATHUJI DHIKALE

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

- (a) whether the Union Government propose to introduce new cheap Liquefied Natural Gas in future; and  
(b) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRIMATI SUMITRA MAHAJAN)

(a)&(b) In order to bridge large gap between demand and supply of natural gas one of the options is import of Natural Gas in the form of Liquefied Natural Gas (LNG).LNG has been placed under Open General Licence (OGL) list and with permission for 100% Foreign Direct Investment (FDI).The price of LNG will be market determined and would be higher than the price of domestically produced natural gas.

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 (ONGCL), Bharat Petroleum Corporation Limited (BPCL) and Indian Oil Corporation Limited (IOCL) is setting up 5 Million Tonnes Per Annum (MMTPA) capacity LNG terminal at Dahej. The commercial production may commence in the 1st quarter of 2004.