

AP, IOC sign MoU for LNG project

Business Times Bureau

HYDERABAD: The state government and the Kakinada Indian Oil LNG Consortium formally signed an MoU to set up a Rs 19,400 crore LNG project in Kakinada. This was the first agreement signed in India using a videoconference link. The Centre is committed to completing the project in two phases before the committed time of 48 months, P Shankar, Secretary, Ministry of Oil and Natural Gas said.

Speaking from New Delhi on videoconferencing link, he said the LNG project will meet the energy requirements of the south and the east. It's also the second such project after the Dahej LNG project built in partnership with Indian Oil Corporation. The Centre will monitor its progress and ensure that it's completed in time, meeting the expectations of Chief Minister N Chandrababu Naidu.

Having received the letter of support from the government on Aug. 3, the IOC-led consortium completed signing the MoU in less than six months, M A Pathan, chairman and managing director of IOC, said.

He also assured Naidu of completing the first milestone for the detailed project report (DPR) before time. The LNG project will fuel industrialisation around Kakinada and IOC is committed to completing the project at the earliest, Pathan said.