

Government Boosts LNG Use with 100% FDI, New Stations, and Policy Reforms

Posted On: 07 AUG 2025 5:20PM by PIB Delhi

Demand of Natural Gas in the country is met through domestic production of Natural gas as well as import of Liquefied Natural Gas (LNG). Government have taken various steps to support growth of a gas-based economy which includes augmenting the availability of LNG for various sectors. This, inter-alia, includes permitting 100% Foreign Direct Investment (FDI) under 100% automatic route for establishment of LNG infrastructure including LNG terminals, Open General Licensing (OGL) category for LNG imports, etc. As on date, eight (8) LNG regasification terminals are operational with capacity of about **52.7** million Metric Tonnes Per Annum (MMTPA).

Government have been driving the initiative of setting up of LNG stations across the Golden Quadrilateral (GQ), National Highways, East-West Highway, North-South Highway and major Mining clusters in India. 13 LNG retail stations have so far been commissioned by State owned Oil and Gas Companies. Further, 16 LNG retail stations owned by Private entities are also operational.

The steps taken to boost the usage of LNG as a transport fuel are as follows: LNG has been recognized as Transport Fuel by Government and the emission standards for LNG vehicles have also been notified in this regard.

Government has amended the Static and Mobile Pressure vessels (Unfired) (Amendment) Rules, 2025 to allow LNG fuelled vehicles containing spark ignition engine or compression ignition type internal combustion engine to operate in hazardous areas, LNG mobile dispensing in non-transport sectors such as railways, mining, waterways, testing laboratories etc., among others.

Petroleum and Natural Gas Regulatory Board (PNGRB) has issued a notification in 2020 wherein it has allowed an entity to set up LNG RO (Retail Outlet) irrespective of CGD authorization of PNGRB. (However, this is applicable for the establishment and operation of LNG Stations for dispensing LNG in liquid state only to the transport sector).

This information was given by the MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS SHRI SURESH GOPI, in a written reply in Lok Sabha today.

MONIKA

(Release ID: 2153679)