

₹3,500-cr LNG floating storage unit to come up off TN coast

Kirtilals' unit will soon join hands with Tidco for the project

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A ₹3,500-crore LNG Floating Storage and Re-gasification Unit (FSRU), related port infrastructure and a power plant are to be established in the southern coast of Tamil Nadu.

According to reliable sources, Eurostar Kirtilals, a group company of the jewellery chain Kirtilals, the promoter, will soon enter into an agreement with Ta-

mil Nadu Industrial Development Corporation (Tidco) for a joint venture to set up the project in Nagapattinam.

Cleaner fuel

An FSRU is a ship with facility to store liquefied natural gas, convert it into gas and pipe it ashore to be used as fuel in a wide range of applications, including power generation and diverse industries.

The advantage over a full-fledged, onshore LNG terminal is that this unit can go into operation fast and is less capital-intensive.

LNG is in keen demand by industries in Tamil Nadu as it is relatively cheaper and cleaner than other fossil fuels.

The State Government has estimated that it needs at least two LNG terminals of about 5 million tonnes a year initially.

State-run IndianOil Corp is setting up a 5-million-tonne-a-year LNG import terminal at Ennore, to the north of Chennai.

It has entered into an agreement with the State Government for the ₹4,500-crore project.

This project has provision to double and subsequently triple its capacity in the coming years.

Work on the Ennore LNG terminal is set to start soon.

One more LNG project, the Kochi-Bangalore pipeline project in which a 300-km section is passing through the western districts of Tamil Nadu, is under litigation in the Supreme Court with the State Government objecting to the alignment of the pipeline.