

Indians in Novatek LNG Bid

By [The Moscow Times](#)

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A consortium led by Indian group ONGC has bid for a stake in Novatek's liquefied natural gas project in the Russian Arctic, a Novatek spokesman said Monday.

"We received a bid from a consortium of ONGC, Petronet and GAIL for a stake in Yamal LNG," he said.

The Hindustan Times reported that the consortium was willing to commit as much as \$3.4 billion for a 15 percent stake.

Analysts said participation of Indian companies in the project was a positive development for Novatek, Russia's second-largest natural gas producer, which could get access to the LNG market in India through a deal.

A fifth of the project has already been assigned to French company Total.

"[India] could see LNG demand rise to 50 million tons by 2020 [Wood Mackenzie estimates],

while direct access to the market could allow for the employment of swap schemes with the traditional suppliers of LNG to Asia," Alfa Bank said in a note.

Yamal LNG was slated to start production of up to 16 million tons of frozen gas a year in 2015-17.

Gazprom and a consortium of Japanese companies have firmed plans to invest \$7 billion to build an LNG plant near the Pacific port of Vladivostok, a source in Gazprom said Thursday. The plant will double Gazprom's annual production of LNG to 20 million tons after it becomes operational in 2016.

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