

India looks for longer LNG deals



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India's liquefied natural gas buyers are seeking decades-long supply deals to protect them from price surges, a move that will support the government's plan to boost the fuel's use.

Importers are accelerating efforts to lock in fuel, according to traders and executives.

Buyers including Petronet LNG Ltd, GAIL India Ltd and Indian Oil Corp are in talks with suppliers in the US, Qatar and the UAE for deals that last for 20 years.

The trend is a reversal for the nation, which hasn't signed a long-term deal since 2021, according to contract data from *Bloomberg NEF*.

That should help reduce their exposure to the volatile spot market—where prices surged to a record last year and made the fuel too costly for many buyers. It also increases the prospect of imports rebounding in a boost for Prime Minister Narendra Modi's strategy to more than double the share of gas in the country's energy mix by the end of the decade to help reduce pollution.

"The lesson learned by the consumers is that they can't run the business based on spot," Akshay Kumar Singh, chief executive officer of Petronet LNG, said earlier this month.

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