

# 3 oil marketing cos team up to develop port-based refinery

New crude distillation unit at BPCL refinery commissioned

OUR BUREAU

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A new port-based oil refinery with a 20-million-tonne capacity is being planned on Maharashtra's coast. The refinery would be jointly developed by three national oil marketing companies, said Minister of State for Petroleum Dharmendra Pradhan on Monday.

He was addressing the media after commissioning a new crude distillation unit at Bharat Petroleum Corporation Ltd (BPCL) refinery. The CDU project cost is estimated at ₹1,419 crore and is expected to save ₹128 crore annually due to efficient operations. The new facility was dedicated to the nation.

Pradhan said that BPCL along with Hindustan Petroleum Corporation Ltd (HPCL) and Indian Oil Corporation (IOC) will jointly



(From right) Dharmendra Pradhan, Minister of State for Petroleum and Natural Gas; Devendra Fadnavis, Chief Minister, Maharashtra; S Varadarajan, CMD, BPCL; Gopal Shetty, Member of Parliament, and Kapil Dev Tripathi, Secretary Ministry of Petroleum & Natural Gas, at the new crude distillation unit at BPCL refinery in Mumbai on Monday SHASHI ASHINWAL

develop the refinery. Soon all the three companies will chalk out a feasibility study and a perspective plan until 2050.

Pradhan did not reveal the location of the refinery in Maharashtra nor the equity structure. But merely said that he has given the mandate to the three companies to come up with a plan, which would be facilitated by the Maharashtra government. The ground-breaking for the re-

finery will happen by 2017, he added.

The HPCL for the last five years has been trying to set up a refinery on Maharashtra's coast. However, the process of land acquisition has been futile due to opposition from the local residents. On one occasion the villagers had prevented land surveyors working on behalf of HPCL from surveying the probable sites. Police cases were also

registered against the surveyors.

Pradhan pointed that recently the International Energy Agency had predicted that there would be a three-fold growth in Indian energy sector by 2040. Based on these numbers, the Petroleum Ministry along with Niti Ayog made an analysis and realised that in the next 25 years there would be a huge demand for hydrocarbon-based fuels. Therefore, a refinery needs to be set up on the Western coast, which will serve the Western and Southern markets.

Along with regular petroleum projects, the refinery will also produce petroleum by-products, which would be used by aircraft such as Boeing. It will be a petrochemical hub with an eye on the world market, he said.

## BS standard fuels

He said that by April 2017 BS IV standard fuel would be available across the country and by 2020 BS VI would be available for which the PSU refineries are getting ready with all the technical requirements.