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## Chennai Petro to put up single point mooring off Ennore

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Mr Sarthak Behuria chairman of CPCL said that as there was an abnormal delay in obtaining the right of way for a new crude oil pipeline from Chennai Port to its Manali Refinery, Chennai Petroleum Corporation Ltd has decided to put up a single point mooring for receiving crude oil at Ennore.

According to him, the proposed SPM is estimated to cost INR 850 crore and will be erected off the Ennore coast along with crude oil terminal and associated facilities. The proposed facilities would ensure that very large crude carrier can be handled and it would result in savings on the freight cost of crude oil transportation for the Manali unit.

Addressing the company's 43rd annual general meeting said that overall, the company has earmarked INR 1,000 crore for capital expenditure, and in the next five years it will spend INR 7,000 crore to INR 8,000 crore on CAPEX.

He said in 2008-09, Manali Refinery processed five new crude imports from Arab Medium, Mellitah, NKossa, Rabi Light and Sarir which are now added to the crude procurement basket, comprising 47 crudes. The company also processed a trial cargo of new indigenous crude from KG Basin in April this year.

Mr Behuria who is chairman of India Oil Corporation said that in terms of under-recoveries, IOC was losing INR 75crore to INR 78 crore a day. Going by that trend, the industry would lose INR 42,000 crore this year. During the April to August 2009 period, the price of the Indian crude oil basket increased from USD 50 a barrel to USD 72 a barrel.

(Sourced from Business Line)

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