
BPCL in deal to lift Haldia output of Cals

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The Telegraph reported that Bharat Petroleum Corporation will pick up petrol and diesel from Cals refineries proposed 10 million tonne refinery in Haldia. Cals plans to commission a 5 million tonne refinery by July 2011 and another similar plant within a year.

However, BPCL will buy only 50% of the petrol and diesel produced in the first phase. In the second phase, it will go for the entire produce.

Cals had earlier entered into an agreement with British Petroleum under which the global giant would pick up half of the produce in the first phase and export from Haldia.

Mr Manabendra Guha Roy CEO of Cals said “With the BPCL agreement, we have been able to secure a customer for all products from the upcoming Haldia refinery.”

The BayernOil plant at Ingolstadt is being dismantled and will be shipped to Haldia. The consignment will start arriving from October. In the second phase, a Petro Canada refinery from Oakville will be brought to Haldia. Some of the components will be brought from a Caltex refinery in the Philippines.

Mr Roy said the ground work for the initial phase, including the construction of the boundary wall and land filling work, was on.

Cals has found a way to bring crude oil to its plant at Haldia despite the poor navigability of the Hooghly River. It has signed a deal with Dhamra Port in Orissa where an oil jetty will be built.

In the first phase, Cals plans to bring crude in large ships to Dhamra and from there bring the consignments in small ships to Haldia. In the second phase, there is a plan to lay a pipeline from Dhamra to Haldia. The deep water port at Dhamra is being built by TATA Steel and L&T. IOC has a similar arrangement with Paradip for its Haldia refinery.

(Sourced from The Telegraph)

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