

Chennai company scouting locations for petrochemical project

City-based petroleum company [Chennai](#) Petroleum Corporation Limited (CPCL) is looking for locations on the southern coast for its proposed refinery-cum-petrochemical complex in Tamil Nadu, a company official said here Thursday.

The company initially planned to set up the 15 million tonne per annum (TPA) facility at Ennore near Chennai and feasibility studies were done by Engineers India Limited, which identified around 3,300 acres for the project.

'We are in the process of identifying the land. Further, we have to take into account the other refinery projects coming up in the country before committing around Rs.600 billion for this project. It will take some time for a decision to be taken,' Sarthak Behuria, chairman of the company, told reporters here.

Announcing the company's results for the 2008 fiscal year, managing director K.K. Acharya said the turnover and net profit increased respectively to Rs.328.89 billion and Rs.11.23 billion as against Rs.293.49 billion and Rs.5.65 billion posted in 2007.

During the year under review, the company's gross refinery margin was \$8.47 per barrel net of under recoveries as against \$5 per barrel in the previous financial year.

The board has recommended a final dividend of 120 percent taking the total dividend for the year to 170 percent.

CPCL achieved a crude throughput of 10.26 million tonnes (Manali refinery 9.802 million tonnes, Cauvery Basin Refinery (CBR) 461,000 tonnes) last fiscal as against 10.40 million tonnes (Manali 9.783 million tonnes, CBR 618,000 tonnes) during 2007.

Meanwhile in order to increase the through put of CBR, CPCL is considering setting up secondary process facilities and also shift some plants from its Chennai plant there.

According to him the setting up of secondary processing facility would enable CBR to process different kinds of crude instead of just being able to process local crude.

He said the company will be increasing the processing of high sulphur crude at its Manali refinery to 68-70 percent this fiscal up from 67.2 percent in FY08.

Speaking about the new projects Acharya said, CPCL is taking up a resid upgradation project at an outlay of Rs.32 billion.

(© IANS / India eNews)