

Signing of MOU for Rajasthan Refinery Project (14th March, 2013)

A Memorandum of Understanding (MoU) signed between Government of Rajasthan (GoR) and Hindustan Petroleum Corporation (HPCL) for setting up a State of the Art 9 MMTPA Refinery cum Petrochemical Complex in Barmer District.

The Project will be set up in partnership of HPCL and Government of Rajasthan. The proposed refinery will be setup with an estimated Capital Investment of Rs 37,230 crore. The project is expected to take about 4 years for going on stream after getting approval from the Government of India. The proposed refinery will process the locally available Rajasthan Crude as well as other crudes.

The Refinery cum Petrochemical Complex shall be designed to produce motor fuels with latest environmental specifications and wide range of Petrochemicals which will have a substantial impact on the economy of the State of Rajasthan.

The signing ceremony was held in the distinguished presence of Hon'ble Minister of Petroleum & Natural Gas Dr. Veerappa Moily and Hon'ble Chief Minister Rajasthan Sh. Ashok Gehlot and was attended by Smt Panabaka Lakshmi, Ministry of State for Petroleum & Natural Gas and Ministers of the Government of Rajasthan. Senior officials of Ministry of Petroleum & Natural Gas, Government of Rajasthan and HPCL, etc was also present on the occasion.

Sh. Sudhansh Pant, Secretary Mines & Petroleum, GoR and Sh. K. Murali, Director Refineries, HPCL were signatories to the MoU on behalf of Government of Rajasthan and HPCL respectively.

Speaking on the occasion Minister of P&NG appreciated the untiring efforts of Chief Minister of Rajasthan and expressed his pleasure on Rajasthan realizing a long cherished dream of having a refinery in the State. He stated that the huge investment associated with the project is expected to usher in economic growth of the State and will be a boom to Rajasthan. He remarked that the signing of the MoU is the beginning of a new era of development and growth for Rajasthan. He also stated that the proposed refinery has the potential to become an anchor industry for developing downstream end for other services sectors industries in and around the region. He also appreciated HPCL for taking the initiative in developing this project and for adopting innovative approach in achieving the best utilization of the indigenous crude, maximizing the value from the project through the production of Petrochemicals for improving viability.

Chief Minister while thanking Ministry of Petroleum & Natural Gas termed the occasion to be historic one for the State of Rajasthan which will mark the beginning of a transformation for the State in terms of industrial and economic growth and congratulated the people of Rajasthan on this momentous occasion. Highlighting the significant features of crude production in Rajasthan oil fields, he justified the need for a refinery in Rajasthan for economic opportunities.

Main Features of Refinery MoU-2013

9 MMTP A Refinery cum Petrochemical Complex in District Barmer	
Capital Cost	Rs 37,229 cr
Equity of HPCL	74%
Equity of GoR	26%
Paid up Capital	Rs 100 cr
Project IRR	15%
Interest Free Loan	3736 cr per annum for 15 years
Crude	4.5 MMT RJ crude + 4.5 MMT Arab Mix