

Bunkerworld

HPCL launches 'largest bunkering terminal' at Indian port

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Indian oil refiner Hindustan Petroleum Corporation Limited (HPCL) has launched the country's biggest bunkering terminal at the eastern Indian port of Visakhapatnam (Vizag).

"The bunkering terminal has officially commenced operations on Monday," a source from HPCL told Bunkerworld.

According to the source, the 36-acre terminal has 94,000 kilolitres of storage capacity to store all grades of marine fuel, including intermediate fuel oil (IFO) 380 centistokes (cSt) and 180 cSt, marine diesel oil (MDO) and marine gas oil (MGO).

The refiner is currently able to supply bunkers via truck or barge at berth.

"We have launched the first phase of operations and will now begin installing pipelines to connect the Vizag refinery to the terminal," the source added.

"It will take six more months to complete the remaining phases of the project."

A source from Indian supplier Chemoil-Adani, which supplies bunker fuel at the port, said that HPCL has plans to turn Vizag into a bunkering hub by reducing the value-added tax on bunker fuels.

"They [HPCL] are also talking with the Indian state government to restructure the local taxes to make the bunker price internationally competitive," the company source told Bunkerworld.

The source added that the presence of fully automated blending facilities at the Vizag terminal, believed to be the country's first, will provide the terminal with a competitive advantage.

"The fully automated blending facilities at the terminal will enhance the current bunkering infrastructure at Vizag terminal and make it more competitive in the international market," he said.

"There's potential for bunkers from the new HPCL terminal to be competitively-priced compared with Singapore, Chennai and Colombo markets."

The price of Vizag's 380 cSt grade was pegged at \$560 per metric tonne (pmt) on Tuesday, compared to \$442.50 pmt in Singapore, \$485 pmt in Chennai and \$495 pmt in Colombo, according to Bunkerworld price data.