

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

STARRED QUESTION NO:129

ANSWERED ON:22.03.2012

OIL REFINERIES

Meghwal Shri Bharat Ram;Singh Shri Radha Mohan

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) the number of oil refineries both in the Government and private sectors in the country along with their locations, company-wise and capacity-wise;
- (b) the mechanism in place to monitor the refining capacity of the private refineries in the country;
- (c) whether the Government proposes to set up more refineries in the country during the coming years and if so, the State/UT-wise details thereof;
- (d) the assistance likely to be granted to the States for setting up of refineries including the Barmer refinery; and
- (e) the status of setting up of Paradeep refinery in Odisha along with the reasons for the delay in completion of the project, if any, and the likely time frame stipulated for its completion?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH)

(a) to (e) A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO.129 BY SHRI RADHA MOHAN SINGH AND SHRI BHARAT RAM MEGHWAL TO BE ANSWERED ON 22ND MARCH, 2012 REGARDING OIL REFINERIES

(a) The details are given as under:

(Capacity in MTPA)

| Sl.No. | Name of the company Refinery | Capacity | Location of the Present |
|--------|------------------------------|----------|-------------------------|
|--------|------------------------------|----------|-------------------------|

(A) Public Sector

| | | | |
|----|---------------------------------------|----------|-------|
| 1. | Indian Oil Corporation Limited (IOCL) | Guwahati | 1.00 |
| 2. | IOCL | Barauni | 6.00 |
| 3. | IOCL | Koyali | 13.70 |
| 4. | IOCL | Haldia | 7.50 |
| 5. | IOCL | Mathura | 8.00 |
| 6. | IOCL | Digboi | 0.65 |
| 7. | IOCL | Panipat | 15.00 |

8. IOCL Bongaigaon 2.35
9. Hindustan Petroleum Corporation Limited Mumbai 6.50
10. Hindustan Petroleum Corporation Limited Visakhapatnam 8.30
11. Bharat Petroleum Corporation Limited Mumbai 12.00
12. Bharat Petroleum Corporation Limited Kochi 9.50
13. Chennai Petroleum Corporation Limited Manali 10.50
14. Chennai Petroleum Corporation Limited Nagapattinam 1.00
15. Numaligarh Refinery Ltd Numaligarh 3.00
16. Mangalore Refinery & Petrochemicals Limited Mangalore 11.82
17. Tatipaka Refinery (ONGC) Andhra Pradesh 0.066

TOTAL (A) 116.886

(B) Joint Venture

18. Bharat Petroleum Corporation Limited & Bina 6.00
Oman Oil Company, a joint venture

TOTAL (B) 6.00

(C) Private Sector

19. Reliance Industries Ltd. (Domestic) Mothikhavdi, 33.00
Jamnagar
20. Reliance Petroleum Ltd. (SEZ) Jamnagar 27.00
21. Essar Oil Limited Vadinar 10.50

TOTAL (C) 70.50

GRAND TOTAL (A+B+C) 193.386

(b) Consequent to de-licensing of the refinery sector since June, 1998 the Government does not monitor private sector refineries.

(c) Consequent to de-licensing of refinery sector since June, 1998, a refinery can be set up anywhere in India by a private or public sector company depending on its techno-commercial viability. A Joint Venture of Hindustan Petroleum Corporation Limited and Mittal

Energy Investments Pte. Ltd. is setting up a 9 MMTPA refinery at Bathinda, Punjab and Indian Oil Corporation Limited is setting up a 15 MMTPA refinery at Paradip, Odisha.

(d) The Central Government does not give direct assistance to the States for setting up refineries.

(e) As per IOCL, on 29.02.2012, approximately ` 13,743 crore expenditure has been incurred and total financial commitment of approximately ` 28,943 crore made for the Paradip Refinery Project. Overall progress of 76.6% has been achieved by IOCL. The anticipated commissioning of the project is delayed to September, 2013 due to the following reasons:-

(i) Delay in Engineering and procurement activities by consultants. Subsequent to the investment approval in February, 2009 Joint Venture (JV) with Tata Power (for feeding dedicated power to PDRP) did not materialise due to uncertainties related to land acquisition, environment clearance and coal linkage. Subsequently, it was decided to have a Captive Power Plant (CPP) constructed through Bharat Heavy Electricals Limited (BHEL) on a Lump Sum Turn Key contract (LSTK) basis, which was awarded one year after the commencement of the project.

(ii) Law and Order issues resulting in shortage of skilled man power at site.

(iii) Since July, 2011 High Court of Odisha had imposed an interim stay on construction at Hadia Patha Area on Mahanadi River, affecting construction activities of Raw water intake facility. Only recently, the Court has granted conditional vacation.

(iv) Non availability of timely clearance for the Right of Way for laying raw water lines from Mahanadi River at Cuttuck to Paradip site.

(v) Delay in start of work on South Jetty due to backing out of Paradip Port Trust (PPT) to build South Jetty.

(vi) Encroachment at Sandhkuda Basti affecting transportation of Over Dimensional Consignment (ODC) from Paradip Port to refinery site, laying of pipelines from South Jetty to refinery and transportation of Pet Coke during refinery operation.