

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

UNSTARRED QUESTION NO:1335  
ANSWERED ON:01.12.2005  
REFINERY BY BPCL  
Scindia Shri Jyotiraditya Madhavrao

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

- (a) whether the Bharat Petroleum Corporation Limited proposes to set up a refinery in Central India particularly in Madhya Pradesh;
- (b) if so, the details of the project alongwith its location and cost thereof;
- (c) whether any joint venture has been struct for the projected refinery;
- (d) if so, the details thereof; and
- (e) the progress made so far in this regard?

**Answer**

MINISTER OF PETROLEUM & NATURAL GAS AND PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) & (b):- Bharat Petroleum Corporation Limited (BPCL) have plans to set up a 6 million metric tonnes per annum refinery at Bina (Madhya Pradesh) with crude oil import facilities at Vadinar (Gujarat) and a cross-country crude oil pipeline from Vadinar to Bina. The approved revised cost of the project is Rs.6,354 crore (as of September, 2001 prices).

(c) & (d):- BPCL and Oman Oil Company Limited (OOC) had formed a Joint Venture named Bharat Oman Refineries Limited (BORL) on 23.12.1993 to set up this refinery project. According to the Joint Venture Agreement, the final contribution by BPCL and OOC in the equity capital of BORL was to be 26% each. Later on, OOC desired to limit its contribution to the amount already contributed by them. Accordingly, a supplemental agreement was signed on 9.9.2004 limiting OOC's contribution to the tune of Rs.75.5 crore and revising their rights accordingly.

(e) Land for the refinery block at Bina and for the crude oil terminal at Vadinar has been acquired. Acquisition of right of user / right of way along the route of the crude oil pipeline has been completed. All major statutory and environmental approvals for the project have been received. As of October, 2005 the total cumulative commitment for the project was Rs.243.28 crore and the cumulative expenditure was Rs.165.93 crore. Physical progress of the project is 5.3%.