

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

UNSTARRED QUESTION NO:2464  
ANSWERED ON:17.08.2006  
SETTING UP OF OIL REFINERIES  
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**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

- (a) whether the Oil and Natural Gas Corporation Ltd. (ONGC) earlier had taken a decision to set up oil refineries in Kakinada in Andhra Pradesh and Barmer in Rajasthan;
- (b) if so, whether the Government has now decided to reconsider the setting up of these proposed refineries; and
- (c) if so, the reasons therefor?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) : Consequent on de-licensing of refinery sector since June, 1998, a refinery is to be set up anywhere in India by a Private or Public Sector Enterprise depending on the promoter's assessment of its viability.

Oil and Natural Gas Corporation Ltd. (ONGC)/Mangalore Refinery and Petrochemical Ltd. (MRPL), a subsidiary of ONGC, is examining the feasibility of setting up an export oriented refinery at Kakinada in Andhra Pradesh, within a proposed SEZ by setting up a joint venture company (JV). ONGC has also reported that it is exploring the techno-economic feasibility/viability of setting up of a well-head refinery for processing the crude oil discovered by the Joint Venture of Cairn Energy and ONGC in Rajasthan.

(b) : No, Sir.

(c) : Does not arise in view of (a) above.