

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

UNSTARRED QUESTION NO:1417
ANSWERED ON:30.11.2006
NON-VIABLE REFINERIES
Singh Shri Dushyant

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

- (a) the policy with regard to the establishment of oil refineries;
- (b) whether Government has identified some oil refineries as economically non-viable and proposes to close down those refineries;
- (c) if so, the details thereof; and
- (d) the measures taken or proposed to be taken by the Government to make those refineries economically viable?

Answer

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

(a): The refineries sector has been delicensed since June, 1998 and a refinery can be set up anywhere in India by Private or Public Sector Enterprises depending on the promoters' assessment of its viability. It is not the Central Government but Public and Private Sector Enterprises who consider proposals for setting up refineries.

(b) to (d): Government has not identified any Public Sector Oil refinery as economically non-viable and does not propose to close down any refinery.

To enhance the economic performance of refineries, Modernization Programmes, Integrated Gap Reduction Programme etc. have been undertaken in some refineries.