

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
QUESTION NO 30.11.2010
ANSWERED ON

DELAY IN COMPLETION OF BHARAT OMAN REFINERY AT BINA M.P. .

2297

Shri Satyavrat Chaturvedi

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

- (a) whether it is a fact that there has been an escalation of project cost by Rs.1,000 crore due to one year's delay in completion of the work of Bharat-Oman refinery situated in Bina, Madhya Pradesh (M.P.);
- (b) whether it is also a fact that the thermal plant to be built to operate the refinery has not yet been completed;
- (c) the losses incurred to the country everyday due to delay in starting the refinery; and
- (d) the steps being taken by Government so as to start the refinery soon?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS

(SHRI JITIN PRASADA)

(a) Yes Sir, the Bharat Petroleum Corporation Limited (BPCL) has reported that the project cost of Bharat Oman Refineries Limited (BORL)'s Bina Refinery has increased from original approved cost of Rs.10,378 crore to Rs.12,208 crore.

(b) Yes Sir, the thermal power plant of Bina Refinery is not ready yet.

(c) BPCL has informed that while there is no direct loss incurred by the country everyday due to delay in the project, the interest cost of loans taken by BORL will increase and is estimated to be approximately Rs.40 crore per month.

(d) Government has taken several steps to expedite the commissioning of Bina Refinery. Meetings have been held at senior levels between the officers of Ministry of Petroleum & Natural Gas and Ministry of Heavy Industries, BPCL and Bharat Heavy Electricals Limited (the supplier of thermal power plant) including the recent meeting between Minister of Petroleum & Natural Gas and Minister of Heavy Industries to expedite completion of the thermal power plant project.