

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO-779
ANSWERED ON- 02/12/2024

VISAKHA REFINERY MODERNISATION PROJECT

779. SHRI V. VIJAYASAI REDDY:

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

- (a) whether it is a fact that Visakha Refinery Modernisation Project was approved in 2016 and was to be completed in July, 2020;
- (b) whether it is also a fact that now the project is proposed to be completed in April, 2024;
- (c) if so, details for delay and details of cost overrun of the project;
- (d) the details of expenditure out of the total allocation of ₹ 20,928 crores spent so far;
- (e) whether the modernization was completed in April, 2024; and
- (f) if not, the reasons thereof and by when it is likely to be completed?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS
(SHRI SURESH GOPI)

(a) to (f): Hindustan Petroleum Corporation Limited (HPCL) approved the Visakhapatnam Refinery Modernisation Project (VRMP) in July, 2016 to increase the design capacity of refinery from 8.33 Million Metric Tonnes Per Annum (MMTPA) to 15 MMTPA at an estimated cost of Rs. 20,928 Crores with scheduled completion by July, 2020. Production of petroleum products from VRMP has commenced and VRMP has already achieved crude throughput at the design capacity. A residue upgradation facility is at advanced stage of commissioning. The progress of the project was affected due to imposition of restrictions during COVID-19 pandemic, construction related issues in critical facilities, delay in obtaining approvals from local authorities, etc. The cost of the project has been revised to Rs. 30,609 Crores. As of October, 2024 the expenditure of Rs. 27,360 Crores has been made.
