

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

STARRED QUESTION NO:493

ANSWERED ON:29.04.2010

SUPPLY OF EURO-IV FUEL

Mahto Shri Baidyanath Prasad;Singh Shri Rajiv Ranjan (Lalan)

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

- (a) whether the Oil marketing companies have commenced supply of Euro-IV fuel in the country in a bid to reduce the emission of harmful gases in the country;
- (b) if so, the details thereof;
- (c) whether the additional cost to be incurred on refining of the Euro-IV fuel has been assessed;
- (d) if so, the details thereof; and
- (e) the manner in which the burden of the additional cost is proposed to be borne by the producer, consumer and the Government?

Answer

MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF LOK SABHA STARRED QUESTION NO.493 BY SHRI RAJIV RANJAN SINGH ALIAS LALAN SINGH AND SHRI B.N.PRASAD MAHATO TO BE ANSWERED ON 29-04-2010 REGARDING "SUPPLY OF EURO-IV FUEL".

As per the Auto Fuel Policy approved by the Cabinet on 03-10-2003, the quality of Petrol and Diesel was to be upgraded to Bharat Stage-IV (equivalent to Euro-IV specifications) in 13 identified cities (Delhi/NCR, Mumbai, Kolkata, Chennai, Bangalore, Hyderabad including Secunderabad, Ahmedabad, Pune, Surat, Kanpur, Agra, Solapur and Lucknow) with effect from 01-04-2010. In line with the schedule specified in the Auto Fuel Policy, BS-IV grade Petrol and Diesel have already been made available in 13 specified cities with effect from 01-04-2010.

The BS-IV grade auto fuels are superior fuels, requiring major capital investments in technological upgradation in the refineries, besides, a higher recurring operational cost on account of, inter alia, higher use of Hydrogen and catalysts. Due to the additional investment in quality upgradation, the price differential of Rs.0.50 per litre for Petrol and Rs.0.26 per litre for Diesel (at Delhi) has been passed on to consumer, with corresponding increases in other cities.