

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

STARRED QUESTION NO:52

ANSWERED ON:11.11.2010

UPGRADATION OF AUTO FUEL QUALITY PROGRAMME

Majhi Shri Pradeep Kumar; Sugumar Shri K.

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

- (a) whether various oil companies have completed their upgradation of auto fuel quality programme;
- (b) if so, the details in this regard;
- (c) the details of the schedule fixed by various oil companies for the said programme; and
- (d) the details of the expenditure incurred by various oil companies on such upgradation programme, company-wise; and
- (e) the time by which the road map as prescribed in the National Auto Fuel Policy for introduction of upgraded fuel in the country with be implemented?

Answer

MINISTER OF THE STATE IN THE MINISTRY 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. 52 RAISED BY SHRI PRADEEP MAJHI AND SHRI SUGUMAR K. TO BE ANSWERED ON 11TH NOVEMBER, 2010 REGARDING "UPGRADATION OF AUTO FUEL QUALITY PROGRAMME".

(a) to (e): Yes, Madam. The Auto Fuel Policy, approved by the Cabinet in its meeting held on 3.10.2003, gave a roadmap for upgradation of the quality of auto fuels (Petrol and Diesel) to Bharat Stage (BS) IV in 13 identified cities and BS-III in the rest of the country effective from 1.4.2010. Accordingly, supply of BS-IV Petrol & Diesel was commenced on 1st April, 2010, in the 13 identified cities as per the roadmap laid down in Auto Fuel Policy. However, due to significant increase in the demand for auto fuels and critical logistic issues including movement of products in large quantities, it was decided by the Government to stagger the introduction of BS-III Petrol and Diesel in rest of the country between 1st April, 2010 and 1st October, 2010. Accordingly, BS-III auto fuels have been introduced in the entire country (other than 13 cities), between 1st April, 2010 and 22nd September, 2010.

The details of the schedule fixed for introduction of BS-IV and BS-III Petrol and Diesel and the implementation thereof is at Annexure-I. Compared to the approved schedule, introduction of BS-III Petrol was advanced in 20 states and BS-III Diesel in 23 States.

Refinery upgradation is an on-going process. However, in order to ensure the availability of BS-III/ IV (equivalent to Euro-III/IV) Petrol and Diesel effective 1.4.2010 in line with the Auto Fuel Policy, the public sector oil companies (oil PSUs) undertook several fuel quality upgradation projects and modernization/ capacity expansion projects in their Refineries. The projects involved huge investment of approximately Rs.32,760 crore to facilitate production of BS-IV and BS-III grade of Petrol and Diesel from PSU Refineries. The details of the expenditure incurred by various oil PSUs on such upgradation programme are given company-wise at Annexure-II.