

STANDING COMMITTEE ON PETROLEUM & NATURAL GAS (2015-16)

SIXTEENTH LOK SABHA

MINISTRY OF PETROLEUM & NATURAL GAS

NATIONAL AUTO FUEL POLICY

[Action Taken by the Government on the recommendations contained in the Fifth Report (Sixteenth Lok Sabha) of the Standing Committee on Petroleum and Natural Gas (2014-15)]

NINTH REPORT



LOK SABHA SECRETARIAT NEW DELHI

December, 2015/Agrahayana, 1937 (Saka)

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Presented to Lok Sabha on 16.12.2015

Laid in Rajya Sabha on 16.12.2015



LOK SABHA SECRETARIAT NEW DELHI

December, 2015/Agrahayana, 1937 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON PETROLEUM & NATURAL GAS (2015-16)

SI. No.	Name of Members
	LOK SABHA

Shri Pralhad Joshi - Chairman

<u>2</u> 3	Dr. Ravindra Babu
3	Shri P. K. Biju
4	Shri Kalikesh N. Singh Deo
5	Shrimati Rama Devi
3	Shri Elumalai V.
6 7	Shri Naranbhai Kachhadiya
3	Dr. Thokchom Meinya
9	Shrimati Pratima Mondal
10	Shri Ashok Mahadeorao Nete
11	Shrimati Jayshreeben Patel
12	Shrimati Anupriya Patel
13	Shri Arvind Sawant
14	Shri Raju Shetty
15	Dr. Bhola Singh (Begusarai)
16	Shri Ravneet Singh
17	Shri Kamakhya Prasad Tasa
18	Shri Rajesh Verma
19	Shri Om Prakash Yadav
20	Shri Laxmi Narayan Yadav
-0 21	Shri A.T. Nana Patil
- -	

RAJYA SABHA

22	Shri Mani Shankar Aiyar
23	Shri Ishwarlal Shankarlal Jain
24	Shri Prabhat Jha
25	Shri Bhubaneshwar Kalita
26	Shri Mansukh L. Mandaviya
27	Shri Ahmed Patel
28	Shrimati Gundu Sudharani
29	Chaudhary Munvvar Saleem
30	Shri Sharad Yadav
31	Shri Praful Patel

SECRETARIAT

1.	Shri A.K.Singh	-	Additional Secretary
2.	Dr. Ram Raj Rai	-	Director
3.	Shri H. Ram Prakash	-	Additional Director

INTRODUCTION

I, the Chairperson, Standing Committee on Petroleum & Natural Gas having been authorised by the Committee to submit the Report on their behalf, present this Ninth Report on Action Taken by the Government on the recommendations contained in the Fifth Report (Sixteenth Lok Sabha) of the Committee on the subject 'National Auto Fuel Policy'.

- 2. The Fifth Report of the Standing Committee on Petroleum & Natural Gas was presented to Lok Sabha on 07.05.2015. The Action Taken Replies of the Government to all the recommendations contained in the Fifth Report were received on 07.08.2015 and 14.08.2015.
- 3. The Standing Committee on Petroleum & Natural Gas (2015-16) considered and adopted the Report at their sitting held on 08.12.2015.
- 4. An analysis of the action taken by the Government on the recommendations contained in the Fifth Report (Sixteenth Lok Sabha) of the Standing Committee on Petroleum & Natural Gas is given in Annexure-II.
- 5. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in the body of the Report.
- 6. The Committee place on record their appreciation for the valuable assistance rendered to them by the officers of the Lok Sabha Secretariat attached to the Committee.

New Delhi; <u>December, 2015</u> Agrahayana, 1937 (Saka) PRALHAD JOSHI, Chairperson, Standing Committee on Petroleum & Natural Gas.

REPORT

CHAPTER I

This Report of the Standing Committee on Petroleum and Natural Gas deals with the action taken by the Government on the Recommendations contained in the Fifth Report (Sixteenth Lok Sabha) of the Standing Committee on Petroleum and Natural Gas (2014-15) on 'National Auto Fuel Policy', which was presented to Lok Sabha on 07.05.2015 and laid in Rajya Sabha on 07.05.2015.

- 2. Action Taken Notes have been received from the Ministry in respect of all the 12 Recommendations/Observations contained in the Report. These have been categorized as per the following:-
 - (i) Recommendations/Observations that have been accepted by the Government:- Reco. Nos. 1, 3, 4, 5, 6, 7, 8 and 12 (Total 8)

 (Chapter- II)
 - (ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies:- Reco. Nos. NIL (Chapter-III)
 - (iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee:- Reco. Nos. NIL (Chapter-IV)
 - (iv) Recommendations/Observations in respect of which final replies of the Government are still awaited:- Reco. Nos. 2, 9, 10 and 11 (Total 4) (Chapter-V)
- 3. The Committee desire that the Action Taken Notes on the Recommendations/Observations contained in Chapter-I of this Report and Final Replies in respect of the recommendations for which interim replies have been furnished by the Government (included in Chapter-V), should be furnished expeditiously.
- 4. The Committee will now deal with the action taken by the Government on some of their recommendations.

Recommendation No. 2

Setting up of Inter-Ministerial Mechanism at the Highest level

5. The Committee had recommended as under:-

"The Committee observe that implementation of Auto Fuel Vision and Policy 2025 requires concerted efforts on the part of several stake holders i.e. Ministry of Petroleum & Natural Gas, Ministry of Road Transport and Highways, Ministry of Heavy Industries, Ministry of Environment & Forests, Ministry of Urban Development, Automobile Industry and State Governments. In this regard, the Committee have been informed that Ministry of Road Transport & Highways (MoRT&H) has constituted Standing Committee on Emissions under the chairmanship of Joint Secretary (Transport) which is an Inter-Ministerial Committee with the representatives from Ministry of Petroleum and Natural Gas (MoP&NG), Ministry of Environment & Forests (MoEF), Central Pollution Control Board (CPCB) and Department of Heavy Industry (DHI) to deal with various pollution reducing measures. The Committee consider that the above Standing Committee on Emissions headed by JS (Transport) appears to be a low level Committee dealing only with the emission issue and as such it may not be effective in dealing with larger and complex issues on important aspects which require active involvement and coordination with other Ministries at the highest level.

The Committee feel that the implementation of Auto Fuel Policy requires multisectoral approach due to the involvement of multiple agencies. The Committee, therefore expect the Ministry of Petroleum & Natural Gas to be proactive to play a leading role in coordinating the implementation of various measures initiated by different stakeholders. Therefore, the Committee, recommend that being the Nodal Ministry for Auto Fuel Vision and Policy 2025, the Ministry of Petroleum & Natural Gas should work out modalities at the earliest for constituting an inter-ministerial committee comprising of Secretaries of the Ministries concerned to deal with various policy issues relating to transport, environment and heavy industry sectors. The Committee further, desire that a study may be conducted to assess the benefits that arise out of the implementation of Auto Fuel Vision and Policy 2025 vis-a-vis the expenditure that would be incurred to implement the entire gamut of issues dealt in the policy".

6. The Ministry of Petroleum and Natural Gas has submitted the following reply in this reply in the regard:

"On the suggestion of the Committee i.e.

(i) Multi-sectoral approach for implementation of Auto Fuel Policy,

- (ii) Constitution of an inter-ministerial committee comprising of Secretaries of concerned Ministries to deal with various policy issues relating to transport, environment and heavy industry sectors, and Petroleum & Natural Gas,
- (iii) Study to assess to benefits that arise out of the implementation of Auto Fuel Vision and Policy 2025 vis-a-vis the expenditure that would be incurred to implement the entire gamut of issues dealt in the policy.

MoP&NG will firm up views and respond. There is also a need to carry out environmental impact, health impact and toxicology related periodic source apportionment studies in various cities and regions after implementation of BS IV norms in the entire country as recommended by the Expert Committee".

7. The Committee had observed in their recommendation that the implementation of Auto Fuel Policy required a multi sectoral approach given the involvement of multiple agencies and the Ministry of P&NG was expected to play a proactive role in its implementation. Further, the Committee had desired the Ministry of P&NG to work out the modalities for constituting an inter-ministerial committee comprising of Secretaries of Ministries concerned to deal with various policy issues relating to transport, environment and heavy industry sectors and to conduct a study to assess benefits arising out of the implementation of Auto Fuel Vision and Policy 2025 vis-a-vis the expenditure that would be incurred to implement the entire gamut of issues dealt in the policy.

The Committee, however, observe that though it has been more than six months since the presentation of the report on the subject, the Ministry has not even firmed up its views on these recommendations of the Committee. Moreover, it has neither spelt out the steps taken by it to set up an inter-ministerial mechanism to deal with various policy issues nor any action on the issue of conducting a study to assess benefits arising out of the implementation of Auto Fuel Vision and Policy 2025. The Committee, therefore, reiterate their recommendation and expect the Ministry to act expeditiously and initiate steps on all these issues without any further delay.

Recommendation No. 9 & 10

Pollution under Control System

8. The Committee had recommended as under:-

"The Committee note that one of the policy objectives of Auto Fuel Policy, 2003 was reduction of pollution in in-use vehicles. The Policy envisaged that the existing PUC system should be replaced and upgraded to a more reliable computerized system by 1st April, 2005 for all categories of vehicles for ensuring better compliance, help to identify polluting vehicles and transfer data to a centralized location for further analysis and interpretation.

In this regard, the Committee have been informed that computerized PUC system for vehicles along with data collection are being undertaken by some states like Delhi, Karnataka and Andhra Pradesh and in rest of the States, it has not taken off well so far. The Committee have also learnt that the State Governments have been facing manpower and resource constraints for the maintenance of computerized emission control checking systems.

In view of the above, the Committee would like to emphasize that an efficient mechanism for checking pollution from in-use vehicles is vital to bring down pollution levels due to vehicular emissions. With the alarming rise of pollution levels becoming a major public health hazard in Indian cities, the Committee recommend that PUC centres should be set up in all the States of the country. Further, centralized national data centre should also be established at the earliest for collecting information from all PUC centres regarding polluting vehicles. The Committee also desire that if required, a Plan Scheme may be formulated and specific funds may be allocated for the purpose. In this regard, the Committee expect Ministry of P&NG to play proactive role to coordinate with Ministry of Road Transport & Highways and the State Governments so as to ensure an ambient air quality in the country".

Recommendation No. 10

Inspection and Maintenance System

9. The Committee had recommended as under:-

"The Committee observe that robust vehicle inspection and certification system would enhance overall safety and emission performance of vehicles plying on the roads and also would ensure better fuel efficiency of vehicles. The Committee observe that as per Auto Fuel Policy, 2003 inspection and maintenance system was initially scheduled to be introduced in 11 major cities on an urgent basis and subsequently throughout the country. Further, the Policy required Inspection and Maintenance (I&M) system for all categories of vehicles to be put in place by 1st April, 2005 in National Capital Territory of Delhi, by 1st April, 2006 in other 10 major cities and by 1st April, 2010 in the entire country.

The Committee, however, have learnt that there has been an inordinate delay in setting up of I&M system in the country. The Committee have been informed that Ministry of Road Transport & Highways (MORTH) has sanctioned 10 model automated inspection and certification (I&C) centres one each in 10 States during the 11th Five Year Plan on pilot basis. Further, the MORTH has decided to sanction 10 more I&C Centres during the 12th Plan for which proposals are being sought from State Governments.

The Committee are constrained to note that one of the important objectives of Auto Fuel Policy like the Inspection and Maintenance system has not taken off at all. The Committee have learnt that proper maintenance of existing vehicles would contribute towards reduction of exhaust emission as well as improvement in fuel economy. The Committee, therefore, recommend the MoP&NG to impress upon Ministry of Road Transport & Highways to set up I&C centres in all important cities and towns so as to facilitate for the successful implementation of Auto Fuel Policy.

The Committee also note that under the existing provisions of Motor Vehicles Act, 1988 mandatory checks are presently required for commercial vehicles only. Private vehicles are required to undergo fitness test after 15 years before the validity of registration certificate is renewed. Further, the Committee observe that Sundar Committee which was set up in 2009 by the Ministry of Road, Transport and Highways to review Motor Vehicles Act has recommended for reduction of periodicity of inspection and certification of private vehicles from the existing 15 years, however, there is no such proposal as yet in this regard. The Committee have also learnt that the report of Sundar Committee has been circulated to all States to elicit feedback for further coordination on this matter.

The Committee, therefore, expect the Central Government to prevail upon State Governments to provide feedback on Sundar Committee report at the earliest. Further, in order to ensure strict fitness regime the Sundar Committee's recommendation to reduce the periodicity of inspection and maintenance and certification of private vehicles from the existing 15 years must be accorded top priority.

While acknowledging the importance of Auto Fuel Policy document and its recommendation in regard to the mandatory operationalization of Inspection and Maintenance System by 1st April, 2010 in the entire country, the Committee observe that the MORTH has displayed lackadaisical attitude in implementing the same by sanctioning only 10 centres each in 11th and 12th Five Year Plans respectively, thereby frittering away the objectives of the Policy. The Committee, therefore, would expect MORTH to seriously review its role in initiating important measures to achieve the policy objectives of Auto Fuel Policy".

10. The Ministry of Petroleum and Natural Gas has submitted a combined reply for recommendation Nos. 9&10 as under:

"Ministry of Road Transport & Highways (MoRT&H) has informed that the fitness tests of motor vehicles, being carried out presently are visual and subjective evaluation by the inspecting officer. In order to have an effective system for inspection and certification of motor vehicles from safety and emission angles, MoRT&H decided to put in place a scheme for setting up suitably designed model automated Inspection and Maintenance (I&C)) centres for rigorous and objective inspection of in use motor vehicles.

During 11th Plan, the Government sanctioned 10 I&C Centre to be set up, one each in the States of Andhra Pradesh, Karnataka, Gujarat, Maharashtra, Rajasthan, Himachal Pradesh, Madhya Pradesh, U.P and Delhi. However, I&C Centre sanctioned to Himachal Pradesh could not take off because of not providing of suitable land by the State Government. I&C Centre Nasik (Maharashtra) has already been inaugurated and will be functional within a month. The equipments are being installed at five centres i.e Delhi, Haryana, Rajasthan, Railmagra and Karnataka and it is expected that these centres will be operational in next two months. The work relating to remaining three centres is in progress and it is expected that these centres will be operational within this financial year.

During 12th Five Year Plan, the Government has decided to set up 10 more I&C Centres, one each in the states where I&C Centre was not sanctioned during 11th Five Year Plan. So far, MoRT&H has sanctioned four I&C Centres, one each in the States of West Bengal, Odisha, Chhatisgarh and Kerala.

However, one centre in a State cannot cater to the requirement of used vehicle population. As such the States would need to replicate the model centres in other parts of the States/UTs. MoRT&H has drafted a Road Transport & Safety Bill to enable construction of such Centres in the Private Sector garages, work-shops, ensuring compliance of standards by National and State Authorities".

11. The Committee take a serious note of casual approach on the part of Ministry by furnishing a combined reply on two distinctively separate recommendations of the Committee relating to implementation of Auto Fuel Policy. One recommendation related to Pollution under Control System and another about Inspection & Maintenance System. The Committee in their recommendation regarding PUC centres had recommended that these centres should be set up in all the states and a centralized national data centre should also be established at the earliest for collecting information from all PUC centres regarding polluting vehicles. The Committee, had further recommended that if needed, a plan scheme might be formulated with an allocation of specific funds for that purpose. The Committee had also expected the Ministry of P&NG to be

proactive to coordinate with the Ministry of Road Transport & Highways and State Governments to realize that objective. The Committee, however, are appalled to note that the Ministry have not even cared to mention a word regarding Pollution under Control System in its combined reply. Further, it also reflects that the Ministry of P&NG has not coordinated well with the Ministry of Road Transport & Highways even for eliciting information on pollution and its control system. The Committee are concerned to note that the Ministry of P&NG appears to have shunned its responsibility to play a leading role in the implementation of Auto Fuel Policy. In view of this fact, the Committee reiterate that the Ministry of P&NG must coordinate sincerely with the Ministry of Road Transport & Highways for the implementation of Pollution under Control System(PUC) and come out with results as desired by the Committee.

The Committee had also expected the Ministry of P&NG to request State Governments to provide feedback on Sunder Committee at the earliest which had recommended to reduce the periodicity of inspection and maintenance and certification of private vehicles from the existing 15 years. The reply of MoRT&H is silent in this regard. The committee expect MoRT&H to reply on the steps taken by it in this regard.

While submitting the status regarding Inspection and Maintenance System, the Ministry of Road, Transport and Highways has informed that out of the 10 I&C centres proposed to be set up during 11th Five Year Plan, the work has started only in six centres and out of 10 centres proposed for 12th plan period, only four have been sanctioned till date. But no timeframe has been prepared for completion of these centres. The Committee, therefore, reiterate their recommendation in this regard and expect that Ministry of P&NG and Ministry of RT&H would expedite the process and complete the work on all 20 I&C Centres proposed to be set up during 11th and 12th Five Year Plans within the shortest possible time and also replicate such model centres in remaining parts of the country after the presentation and passing of the Road Transport and Safety Bill on priority basis.

Recommendation No. 11

Vehicular Retirement Policy

12. The Committee had recommended as under:-

"The Committee have learnt that under section 59 of the Motor Vehicles Act of 1988, the Central Government is entrusted with powers to fix the age limit for retirement of the motor vehicles. However, no age limit has been prescribed till date for retirement of motor vehicles by the Central Government given the socio economic conditions of the country. The Committee observe that in the absence of retirement policy, it may not be possible to derive the intended benefits of air quality improvement. Further, phasing out of old vehicles is an important requirement as the pollution levels from such vehicles is high in spite of using improved quality fuels. The Committee feel that the formulation of vehicle retirement policy will certainly go a long way in ensuring ambient air quality in the The Committee, therefore, recommend the Ministry to invoke the powers under Motor Vehicles Act of 1988 to fix an age limit for retirement of vehicles without any delay by taking into consideration various parameters like mileage clock, emission levels, age of vehicles or other suitable criteria as may be decided by the Government".

13. The Ministry of Petroleum and Natural Gas has submitted the following reply in this regard:

"Ministry of Road Transport & Highways (MoRT&H) has informed that they are working along with Ministry of Heavy Industry in the matter of Vehicular Retirement Policy".

14. While emphasizing an urgent need of formulation of vehicular retirement policy, the Committee had recommended the Ministry to invoke the powers under Motor Vehicles Act of 1988 to fix an age limit for retirement of vehicles without any delay by taking into consideration various parameters like mileage clock, emission levels, age of vehicles or other suitable criteria.

In the reply received from the Ministry of Road Transport & Highways (MoRT&H), it has been informed that on the issue of Vehicular Retirement Policy, the Ministry is working along with the Ministry of Heavy Industry. The Committee feel that ageing vehicular population contributes to growing air pollution in the country and fixing an age limit for old vehicles can certainly bring about perceptible changes in air quality. This is also essential as the Auto Fuel Vision and Policy 2025 envisages number of steps for different stakeholders and as

such, the timely policy action from the Government will go a long way in achieving the desired objectives. The Committee, therefore, reiterate that the Ministry of P&NG should coordinate effectively with Ministries of Road Transport & Highways and Heavy industry for an early finalization of Vehicular Retirement Policy and accordingly, apprise the Committee about the outcome.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation No. 1:

Implementation of Expert Committee Report on Auto Fuel Vision & Policy, 2025

The Committee note that the Government constituted an Expert Committee on 13th September 2001 under the Chairmanship of Shri R.A. Mashelkar to recommend an Auto Fuel Policy (AFP) for the country and also devise a roadmap for its implementation. The Expert Committee submitted their report in August, 2002 to the Government and based on the recommendations, Ministry of Petroleum and Natural Gas formulated an Auto Fuel Policy in October 2003 which covered various issues like vehicular emissions, automobile technologies, auto fuel quality and air quality data etc. Further, the Policy while laying the roadmap for fuel standards and emission norms, progressively envisaged introduction of upgraded auto fuels in various cities to make a decisive impact on ambient air quality in the country. It also recommended periodic revisions in the policy framework to allow adjustments that become inevitable in the light of technological and other changes.

The Committee observed that as a follow up to the Auto Fuel Policy, 2003, the Government constituted another Expert Committee in December 2012 under the Chairmanship of Shri Saumitra Chaudhury, the then Member of Planning Commission, to prepare a draft Auto Fuel Vision & Policy of 2025. Accordingly, the Expert Committee drafted 'Auto Fuel Vision & Policy, 2025' and submitted the same in May 2014. The Committee note that the Expert Committee have recommended a detailed roadmap for auto fuel quality till 2025 for the country. The Committee appreciate the comprehensive coverage of various issues by the Expert Committee in its Report such as fuel quality, demand and supply of fuel, infrastructure and logistics of fuel quality related projects, promotion of alternate fuels, vehicular technologies, emission norms, health issues, ambient air quality, reduction of pollution from in-use vehicles and fiscal measures for funding requisite up-gradation of oil refineries.

In view of the above, the Committee consider that the Auto Fuel Policy of 2003 and the Expert Committee Report on Auto Fuel Vision and Policy, 2025 are vital public policy instruments at the disposal of the Government to address growing vehicular pollution in the country. The Committee, therefore, recommend the Ministry to chalk out an action plan for the implementation of Expert Committee recommendations as per the timeline suggested or wherever possible earlier and adhere to the policy in letter and spirit. The Committee would also expect the Ministry to review the implementation of the policy with the organizations concerned under its charge at regular intervals.

Reply

In line with the Auto Fuel Vision & Policy 2025 Report recommendations, MOP&NG vide letter No. R-29011/23/2012-OR.I dated 19th January 2015 has issued a communication to all concerned stake holders including Oil Marketing Companies for implementation and expansion of supply of BS-IV auto fuels in phases covering the entire country by 1st April 2017. MOP&NG has also requested Ministry of Road Transport & Highways to issue notification in this regard. Supplies of Bharat Stage-IV fuels to identified regions in phase-I has already started w.e.f. 1st April 2015.

F.No.R-27011/2/2015-OR-I

dated 07-08-2015

Recommendation No. 3:

One Country – One Fuel Norm

The Committee note that National Auto Fuel Policy envisages phase-wise introduction of upgraded quality of fuels to reduce vehicular emissions in the country. According to Auto Fuel Policy 2003, it is observed that BS-III quality of fuels i.e. Motor Spirit (MS) and High Speed Diesel (HSD) were proposed to be extended to entire country by 1st April, 2010 and BS-IV quality fuels to 11 major cities by 1st April 2010. Subsequently, the Government has taken decision to extend BS-IV quality fuel to 50 additional cities by March 2015. However, BS-IV quality fuels have so far been introduced only in 26 highly polluted cities and remaining 24 cities are in the process of being covered by the aforementioned deadline. The Committee feel that given the successful implementation of BS-IV quality fuels for four wheelers in 50 cities by the end of March, 2015, a roadmap now needs to be drawn and notified for implementation of BS-IV for not just in 50 cities but across the country so as to achieve 'One Country – One Fuel Norm' in the shortest possible time. Further, the Committee observe that various existing logistical constraints for meeting the requirements of upgraded quality of fuels may be taken into consideration to realize this objective.

In this regard, the Committee note the recommendation contained in the Auto Fuel Vision and Policy 2025 on the implementation of BS-IV fuel in the entire country by April 2017 in phases. The Committee, further note that the Expert Committee have also recommended for further introduction of BS-V fuel by 2020 and BS-VI fuel by 2024. The Committee have been informed that there is no change between BS-V and BS-VI fuel quality as both envisage sulphur content at less than 10 ppm. The Government have informed the committee that it would like to introduce BS-VI quality fuel in the entire country by 2020. In regard to the implementation of uniform quality of fuels, the Committee observe that the presence of dual quality of fuel hampers the effective implementation of mandatory fuel efficiency norms in the country. Further, it may also create confusion as there is low awareness among public about the availability and usage of right quality of fuel in the market.

In view of the above, as the required infrastructure for production of BS-IV and BS-V/VI fuels are being developed in oil refineries, the Committee recommend the Ministry to

strictly adhere to the implementation schedule of BS-IV quality of fuel for the entire country by April 2017 and further BS-VI by 2020 so that 'One Country – One Fuel Norm' will become a reality.

Reply

- A roadmap for BS-IV fuel supplies in the entire country has been finalised by MOP&NG in line with the Auto Fuel Vision & Policy 2025 Report. Accordingly, MOP&NG vide letter No. R-29011/23/2012-OR.I dated 19th January 2015 has issued a communication to all concerned stake holders including Oil Marketing Companies for implementation and expansion of supply of BS-IV auto fuels in phases covering the entire country by 1st April 2017. MOP&NG has also requested Ministry of Road Transport & Highways to issue notification in this regard. Supplies of Bharat Stage-IV fuels to identified regions in phase-I has already started w.e.f. 1st April 2015.
- 2. The Committee recommendation to adhere to the schedule of BS-IV quality of fuel for the entire country by April 2017 and further BS-VI by 2020 is noted.

F.No.R-27011/2/2015-OR-I

dated - 07-08-2015

Recommendation No. 4:

Up-gradation of Oil Refineries

The Committee observe that the up-gradation of infrastructure by OMCs is indispensable for the implementation of uniform fuel quality in the country. The Committee have been informed that in order to meet the required fuel quality in line with the Auto Fuel Policy, 2003, the oil refineries have till now invested over Rs.35,000 crore for production and supply of BS-III and BS-IV gasoline and diesel fuel by upgrading their existing technologies. The Committee note that expansion of BS-IV quality of auto fuels throughout the country requires massive logistics exercise on the part of oil refineries. The Committee have also been informed that the Ministry is considering a proposal to switch over directly to BS-VI auto fuel from BS-IV by 2020 instead of step wise switching from BS-IV to BS-V by 2020 and then BS-V to BS-VI by April 2024 as there is not change in fuel quality from BS-V to BS-VI.

The Committee note that at present some of the refineries in the public sector do not produce BS-IV quality fuel. For achieving the key objective of One Country – One Fuel', it is imperative that all oil refineries in the country should be upgraded in phasewise manner for production of BS-IV quality of fuel in a time bound manner in tune with the rollout plan in the country by 2017.

In this regard, the Committee feel that the acceleration of upgradation process of fuels by refineries at the earliest would certainly pave way for the realization of 'One Country – One Fuel Norm' in the country. The Committee, therefore, recommend the Ministry to monitor the projects of oil refineries to upgrade the fuel quality from their potential to the next higher level for meeting the production requirements of higher

quality fuel and also ensure the rolling out of BS-VI quality fuel by all refineries in the country by 2020.

Reply

The refineries have worked out upgradation plan and investments for introduction of BS IV in the entire country by 1st April 2017. Further, firming up facilities and investments for implementation of BS-VI by 1st April, 2020.MOP&NG is monitoring the progress of oil refineries to upgrade the fuel quality so that both BS-IV and BS-V/ VI fuel quality is implemented in the entire country as per the schedule.

F.No.R-27011/2/2015-OR-I

date- 07-08-2015

Recommendation No.5

Mobilization of Funds for Up-gradation of Oil Refineries

The Committee observe that up-gradation of oil refineries for the production of BS-IV & BS-V/VI quality of auto fuels is one of the key components of the implementation of Auto Fuel Vision and Policy 2025. The Committee have been given to understand that to meet the BS-IV quality of fuel, sulphur content in the fuel is to be brought down from 150 ppm to 50 ppm in Motor Sprit and 350 ppm to 50 ppm in High Speed Diesel (HSD). The Committee have also been informed that to meet this requirement, new process units for sulphur reduction, hydrogen generation and sulphur recovery units as well as revamp / expansion of existing units are required to be installed in the refineries. Further, the Committee have learnt that up-gradation of refineries for the production of BS-IV & BS-V/VI quality of auto fuels requires huge capital expenditure to the tune of Rs.80,000 crore. In this regard, mobilization of funds has been projected as a matter of concern for oil refineries.

The Committee observe that due to the declining trend in the prices of international crude oil and the minimal under recoveries, the mobilization of the projected capital expenditure of Rs.80,000crore for up-gradation of refineries may not be an insurmountable task for OMCs/Government. Further, the Committee also note that the Ministry has not decided about levying of High Sulphur Cess of 75 paise per litre on BS-III fuel to raise Rs.10,000 crore and special fuel upgradation cess of 75 paise per litre on all gasoline and diesel sold in India to mobilize approx.. Rs.64000 crore to fund fuel upgradation projects of refineries as envisaged in the Auto Fuel Vision and Policy 2025. The Committee, therefore, recommend the Ministry to take a decision at the earliest on the levying of cess for ensuring required funds for fuel up-gradation projects of OMCs.

Reply

As both diesel and petrol are deregulated products, the OMCs can pass on the additional costs to consumers & imposition of cess is no longer necessary.

F.No.R-27011/2/2015-OR-I

dated -07-08-2015.

Recommendation No.6

Promotion of Alternate Fuels

The Committee note that the Auto Fuel Policy, 2003 has envisaged the promotion of Research and Development (R&D) technologies for producing various alternative fuels like ethanol and bio-fuels from different energy sources. In this regard, the Committee are aware of the efforts initiated by the Government to promote various alternate fuels. Further, the Committee note that as per the Auto Fuel Vision and Policy 2025 the Ministry of New and Renewable Energy (MNRE) has devised National Hydrogen Energy Road Map with the objectives to identify the paths leading to gradual introduction of hydrogen energy, accelerating commercialization efforts and facilitating creation of hydrogen energy infrastructure in the country.

The Committee further observe that given the depleting pool of hydrocarbon reserves, it is imperative on the part of the Government to explore the commercial viability of various non-conventional fuel like bio-fuels and hydrogen fuel. The Committee also feel that the use of alternate fuels should be promoted for the sake of energy security and the reduction of vehicular emissions.

The Committee urge the Government to earnestly monitor the progress of 5% mandatory blending of ethanol with petrol in the entire country and also ensure its availability. The Committee also expect the Government to make sincere efforts to expedite the commercial viability of non-conventional fuels like bio-diesel fuel. Further, Research and Development (R&D) activities must be stepped up to explore the commercial viability of hydrogen fuel. The Committee also recommend the Ministry of P&NG to coordinate with the Ministry of New and Renewable Energy for exploring the feasibility of vehicles run with solar powered batteries for overall energy security of the country. The Ministry is also urged to explore various other forms of non-conventional fuels being used in advanced countries.

Reply

- **1.** MOPNG is regularly monitoring the EBP programme.
- 2. Research on bio-diesel development is being done by several R&D Centres in India including IOC (R&D). Biofuel production from other sources are being explored
- **3.** IOC (R&D) is also working on hydrogen development as fuel in combination with Natural gas.
- 4. The recommendation for coordination with the Ministry of New and Renewable Energy for exploring the feasibility of vehicles run with solar powered batteries for overall energy security of the country as well as to explore various other forms of non-conventional fuels used in advanced countries is noted.

Ministry of New & Renewable Energy has stated that they have stepped up its efforts in supporting Research and Development projects relating to hydrogen

production through renewable energy methods, storage of hydrogen and application of hydrogen in internal combustion engines and fuel cells for motive power and decentralised power generation after the National Hydrogen Energy Roadmap was formulated in 2006. R&D efforts are underway for production of hydrogen through biological route, gasification of biomass, splitting of water using solar and wind energy, etc.

F.No.R-27011/2/2015-OR-I

dated -07-08-2015

Recommendation No. 7

Promotion of CNG

The Committee observe that the Auto Fuel Vision and Policy 2025 has also laid emphasis on the use of Compressed Natural Gas (CNG) as viable fuel and it needs to be developed as a national mission. CNG being sulphur free is an efficient and safe alternative fuel and vehicles running on it produce very less pollution and particulate matter (PM) in comparison to petrol and diesel vehicles. Moreover, CNG is much cheaper and India has also more natural gas reserves than petroleum reserves. However, the Committee are displeased to find that though CNG has been in use in India as an alternative auto fuel for more than a decade, its share is low. It is being supplied as an automotive fuel only in 44 geographical Area (Gas)/Districts in 13 States in addition to 47 locations in Gujarat comprising total 969 CNG stations in the whole country. The Committee further observe that only 2.26 million vehicles are served by these CNG stations throughout the country which is a meagre number in comparison to approximate 15 crore total vehicles registered in the country.

The Committee note that in pursuance to its recommendation, the Petroleum and Natural Gas Regulatory Board (PNGRB) has begun the process of inviting bids for the Fourth, Fifth and Sixth rouns of City Gas Distribution network covering about 85 Geographical Areas/Districts in different States. The Committee while considering the environmental and economic benefits, express its dissatisfaction over the slow pace of expansion of CNG use in vehicles, particularly in metropolitan and semi-metropolitan cities including Delhi where air pollution has reached alarming levels. The Committee, therefore, recommend that the Ministry must give high priority for covering more and more areas under CNG so that ambient air quality could be ensured in the country.

Reply

Government has put Compressed Natural Gas (CNG)-Transporton top priority in domestic gas allocation. This domestic gas is being supplied to all City Gas Distribution (CGD) entities for meeting their 100% requirement of CNG (transport) based on last six monthly consumption data at uniform base price. Further, MoP&NG has allowed GAIL to supply 10% additional domestic gas in order to meet the daily fluctuation of CNG demand.

At present, CNG stations are being developed by the CGD entities in their respective Geographical Areas (GAs). Currently, there are total 1003 CNG Stations in

the country(Annexure-A). Under the Petroleum and Natural Gas Regulatory Board (PNGRB) Act,2006, PNGRB grants the authorization to the entities for developing a CGD network in a specified GA of the country. PNGRB identifies the GAs for inclusion in CGD bidding rounds depending on the natural gas pipeline connectivity/natural gas availability. PNGRB has, so far, held 5 round of bidding for awarding authorization to develop CGD networks. With these bidding rounds, there are now 55 Geographical Areas which have been covered under CGD network in 15 States and UTs. In its last bidding round, PNGRB has invited bids for development of CGD networks in 20 new Geographical Areas (Annexure-B). PNGRB has identified 26 more GAs/Districts, which also have natural gas pipeline connectivity for inclusion in 6th round CGD bidding (Annexure-C). Another 106 GAs/Districts that could have natural gas pipeline connectivity in future and could be considered for inclusion in future bidding rounds, have also been identified (Annexure-D). On successful completion of these bidding rounds, CNG will be available across the country. With regard to Metropolitan cities, Mumbai, Delhi, Pune and Hyderabad have 180, 280, 30 and 20 CNG Stations respectively in order to meet the demand of CNG consumers. Recently, PNGRB has awarded the work to lay CGD network in the Bengaluru and it is expected that CNG supplies will start in Bengaluru in near future.

In addition, MoP&NG has formulated a draft guideline for allowing multiple gas marketing entities for faster roll-out of CNG stations along highways and in cities/towns across the country in tandem with evolution of National Gas Grid and more CGD networks. The public consultation on the draft guidelines has been completed. On finalization of the draft guidelines, multiple gas marketing entities will be able to develop their respective CNG retail network based on their techno-commercial feasibility.

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dated 07-08-2015

Recommendation No. 8

Fuel Economy Standards

The Committee note that one of the policy objectives of Auto Fuel Policy was the mandatory declaration of fuel economy standards by the automobile manufacturers. In this regard, a sub-committee of the Standing Committee on Implementation of Emission Legislation (SCOE) constituted by the Ministry of Road Transport & Highways had submitted its report on 'Proposal for Fuel Efficiency Standards for New Passenger Vehicle' (M1 Category, two wheelers and three wheelers in India). Accordingly, Ministry of Road Transport & Highways has initiated action to mandate fuel efficiency norms for M1 category vehicles of unladed weight equal to or less than 3500 kg and labelling of vehicle on fuel economy standards under CMVRs in consultation with Ministry of Energy.

Further, the Committee note that the Bureau of Energy Efficiency (BEE) in cooperation with the Petroleum Conservation and Research Association (PCRA) has also taken up the task of developing methodology for fuel economy standards and labelling programme for passenger cars i.e. Star Rating System. Further, it has been noted that this programme provided consumers with comparative information about the

division of fuel economy range of cars in the market into five categories i.e. one star to five stars.

The Committee note that declaration of fuel economy standards of new vehicles by automobile manufacturers will go a long way in helping consumers to know about the fuel efficiency of their vehicles. In this regard, the Committee expect the Ministry of Heavy Industries to accord equal priority to vehicular emission norms aloong with the declaration of fuel economy standards of vehicles. Further, the Committee hope that given the rising cost of fuel, the star rating of fuel economy for new vehicles will not only help consumers in their decision making but also spur competitiveness among automobile manufactures to produce more fuel efficient vehicles. The Committee, therefore, recommend the Ministry of Petroleum and Natural Gas to coordinate the efforts of PCRA with BEE of the Ministry of Power for expeditious implementation of labelling programme.

Reply

Bureau of Energy Efficiency(BEE) initiated development of labelling programme for passenger cars and formulated technical committee for the development. Technical committee comprises of representatives from Ministry of Raod, Transport & Highways, Department of Heavy Industry, PCRA, Laboratories (ARAI, ICAT and VRDE), SIAM, TERI and manufacturers.

1st meeting of this technical committee was held on 31st July, 2014. In the meeting, small core committee was constituted for the development of technical parameters for the labelling programme. Two meetings of the core committee were held on 5th March, 2015 and 16th May, 2015 where technical parameters were discussed and proposal for technical committee was developed.

Now, 2nd technical committee meeting is planned for August, 2015, where these technical parameters will be discussed with all the members of technical committee. Based on the recommendations of technical committee, Bureau of Energy Efficiency will send proposal to Ministry of Power for the launch of labelling programme for passenger cars.

Recommendation No.12

Road Engineering and Mass Transport Systems

The Committee note that one of the objectives of the Auto Fuel Vision and Policy 2025 is to bring down emission reduction by making improvement in the quality of auto fuel as well as by upgradation for refineries by substantial improvement of automobile technologies.

While noting that the Policy has important objectives, the Committee would like to highlight some issues which need to be factored in by all Ministries concerned to enhance the benefits of the Policy. The Committee would also like to point out that application of road engineering in design and condition of road gradient, etc. can play

very significant role in improving the fuel efficiency as well as emission levels of motor vehicles and can also reduce vehicle operation costs.

The Committee are also concerned with the growing use of personal vehicles, particularly automobiles for travel and transportation purposes in many parts of the country, especially in metropolitan cities which indicates the failure of public transport to cater to the needs of common man. This could also be partly attributed to inadequacy of public transport, lack of comfort, proper connectivity, etc. The Committee believe that a planned mass public transport system can bring a lot of benefits like lower pollution levels, decongestion of roads, less consumption of fossil fuels, lower accidents, etc. Hence, the Committee feel that the Government should seriously review the urban transportation systems and adopt a holistic approach for ensuring last mile connectivity so that there will be enthusiasm and willingness among general public to use public transport systems. There will be additional incentive to use mass public transport systems as these are cheaper than personal vehicles.

The Committee, therefore, desire that Ministry of Petroleum & Natural Gas should bring these issues to the notice of Ministries concerned like the Ministry of Road Transport & Highways and Ministry of Urban Development to take appropriate measures and action with regard to road engineering and mass public transport systems in the country so as to derive maximum benefits from the Auto Fuel Vision and Policy 2025.

Reply

The issues raised by the Committee are noted for follow-up with other concerned Ministries.

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dated 07-08-2015

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES

-NIL-

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

-NIL-

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED

Recommendation No. 2:

Setting up of Inter-Ministerial Mechanism at the Highest Level

The Committee observe that implementation of Auto Fuel Vision and Policy, 2025 requires concerted efforts on the part of several stake holders i.e. Ministry of Petroleum & Natural Gas, Ministry of Road Transport and Highways, Ministry of Heavy Industries, Ministry of Environment & Forests, Ministry of Urban Development, Automobile Industry and State Governments. In this regard, the Committee have been informed that Ministry of Road Transport and Highways (MORT&H) has constituted Standing Committee on emissions under the Chairmanship of Joint Secretary (Transport) which is an-inter-Ministerial Committee with the representatives from Ministry of Petroleum & Natural Gas (MoP&NG), Ministry of Environment& Forests (MoEF), Central Pollution Control Board (CPCB) and Department of Heavy Industry (DHI) to deal with various pollution reducing measures. The Committee consider that the above Standing Committee on Emissions headed by JS (Transport) appears to be a low level Committee dealing only with the emission issue and as such it may not be effective in dealing with larger and complex issues on important aspects which require active involvement and coordination with other Ministries at the highest level.

The Committee feel that the implementation of Auto Fuel Policy requires multisectoral approach due to the involvement of multiple agencies. The Committee, therefore, expect the Ministry of Petroleum & Natural Gas to be proactive to play a leading role in coordinating the implementation of various measures initiated by different stakeholders. Therefore, the Committee recommend that being Nodal Ministry for Auto Fuel Vision and Policy 2025, the Ministry of Petroleum & Natural Gas should work out modalities at the earliest for constituting an inter-ministerial committee comprising of Secretaries of the Ministries concerned to deal with various policy issues relating to transport, environment and heavy industry sectors. The Committee further, desire that a study may be conducted to assess the benefits that arise out of the implementation of Auto Fuel Vision and Policy 2025 vis-à-vis the expenditure that would be incurred to implement the entire gamut of issues dealt in the policy.

Reply

On the suggestion of the Committee i.e.

- i. multi-sectoral approach for implementation of Auto Fuel Policy,
- ii. constitution of an inter-ministerial committee comprising of Secretaries of concerned Ministries to deal with various policy issues relating to transport, environment and heavy industry sectors, and Petroleum & Natural Gas

iii. study to assess the benefits that arise out of the implementation of Auto Fuel Vision and Policy 2025 vis-à-vis the expenditure that would be incurred to implement the entire gamut of issues dealt in the policy

MOP&NG will firm up views and respond. There is also a need to carry out Environmental impact, health impact and toxicology related periodic source apportionment studies in various cities and regions after implementation of BS IV norms in the entire country as recommended by the Expert Committee.

F.No.R-27011/2/2015-OR-I

dated 07-08-2015

Comments of the Committee (Please see Para No. 7 of Chapter-I)

Recommendation No. 9 & 10

Pollution under Check System:

The Committee note that one of the policy objectives of Auto Fuel Policy, 2003 was reduction of pollution in in-use vehicles. The Policy envisaged that the existing PUC system should be replaced and upgraded to a more reliable computerized system by 1st April, 2005 for all categories of vehicles for ensuring better compliance, help to identify polluting vehicles and transfer data to a centralized location for further analysis and interpretation.

In this regard, the Committee have been informed that computerized PUC system for vehicles along with data collection are being undertaken by some states like Delhi, Karnataka and Andhra Pradesh and in rest of the States, it has not taken off well so far. The Committee have also learnt that the State Governments have been facing manpower and resource constraints for the maintenance of computerized emission control checking systems.

In view of the above, the Committee would like to emphasize that an efficient mechanism for checking pollution from in-use vehicles is vital to bring down pollution levels due to vehicular emissions. With the alarming rise of pollution levels becoming a major public health hazard in Indian cities, the Committee recommend that PUC centres should be set up in all the States of the country. Further, centralized national data centre should also be established at the earliest for collecting information from all PUC centres regarding polluting vehicles. The Committee also desire that if required, a Plan Scheme may be formulated and specific funds may be allocated for the purpose. In this regard, the Committee expect Ministry of P&NG to play proactive role to coordinate with Ministry of Road Transport & Highways and the State Governments so as to ensure an ambient air quality in the country.

Recommendation No. 10

Inspection and Maintenance System:

The Committee observe that robust vehicle inspection and certification system would enhance overall safety and emission performance of vehicles plying on the roads and also would ensure better fuel efficiency of vehicles. The Committee observe that as per Auto Fuel Policy, 2003 inspection and maintenance system was initially scheduled to be introduced in 11 major cities on an urgent basis and subsequently throughout the country. Further, the Policy required Inspection and Maintenance (I&M) system for all categories of vehicles to be put in place by 1st April, 2005 in National Capital Territory of Delhi, by 1st April, 2006 in other 10 major cities and by 1st April, 2010 in the entire country.

The Committee, however, have learnt that there has been an inordinate delay in setting up of I&M system in the country. The Committee have been informed that Ministry of Road Transport & Highways (MORTH) has sanctioned 10 model automated inspection and certification (I&C) centres one each in 10 States during the 11th Five Year Plan on pilot basis. Further, the MORTH has decided to sanction 10 more I&C Centres during the 12th Plan for which proposals are being sought from State Governments.

The Committee are constrained to note that one of the important objectives of Auto Fuel Policy like the Inspection and Maintenance system has not taken off at all. The Committee have learnt that proper maintenance of existing vehicles would contribute towards reduction of exhaust emission as well as improvement in fuel economy. The Committee, therefore, recommend the MoP&NG to impress upon Ministry of Road Transport & Highways to set up I&C centres in all important cities and towns so as to facilitate for the successful implementation of Auto Fuel Policy.

The Committee also note that under the existing provisions of Motor Vehicles Act, 1988 mandatory checks are presently required for commercial vehicles only. Private vehicles are required to undergo fitness test after 15 years before the validity of registration certificate is renewed. Further, the Committee observe that Sundar Committee which was set up in 2009 by the Ministry of Road, Transport and Highways to review Motor Vehicles Act has recommended for reduction of periodicity of inspection and certification of private vehicles from the existing 15 years, however, there is no such proposal as yet in this regard. The Committee have also learnt that the report of Sundar Committee has been circulated to all States to elicit feedback for further coordination on this matter.

The Committee, therefore, expect the Central Government to prevail upon State Governments to provide feedback on Sundar Committee report at the earliest. Further, in order to ensure strict fitness regime the Sundar Committee's recommendation to reduce the periodicity of inspection and maintenance and certification of private vehicles from the existing 15 years must be accorded top priority.

While acknowledging the importance of Auto Fuel Policy document and its recommendation in regard to the mandatory operationalization of Inspection and Maintenance System by 1st April, 2010 in the entire country, the Committee observe that the MORTH has displayed lackadaisical attitude in implementing the same by sanctioning only 10 centres each in 11th and 12th Five Year Plans respectively, thereby frittering away the objectives of the Policy. The Committee, therefore, would expect MORTH to seriously review its role in initiating important measures to achieve the policy objectives of Auto Fuel Policy.

Reply

Ministry of Road Transport & Highways (MoRT&H) has informed that the fitness tests of motor vehicles, being carried out presently are visual and subjective evaluation by the inspecting officer. In order to have an effective system for inspection and certification of motor vehicles from safety and emission angles, MoRT&H decided to put in place a scheme for setting up suitably designed model automated Inspection and Maintenance (I&C)) centres for rigorous and objective inspection of in use motor vehicles.

During 11th Plan, the Government sanctioned 10 I&C Centre to be set up, one each in the States of Andhra Pradesh, Karnataka, Gujarat, Maharashtra, Rajasthan, Himachal Pradesh, Madhya Pradesh, U.P and Delhi. However, I&C Centre sanctioned to Himachal Pradesh could not take off because of not providing of suitable land by the State Government. I&C Centre Nasik (Maharashtra) has already been inaugurated and will be functional within a month. The equipments are being installed at five centres i.e Delhi, Haryana, Rajasthan, Railmagra and Karnataka and it is expected that these centres will be operational in next two months. The work relating to remaining three centres is in progress and it is expected that these centres will be operational within this financial year.

During 12th Five Year Plan, the Government has decided to set up 10 more I&C Centre one each in the states where I&C Centre was not sanctioned during 11th Five Year Plan. So far, MoRT&H has sanctioned four I&C Centre, one each in the States of West Bengal, Odisha, Chhatisgarh and Kerala.

However, one centre in a State cannot cater to the requirement of used vehicle population. As such the States would need to replicate the model centres in other parts of the States/UTs. MoRT&H has drafted a Road Transport & Safety Bill to enable construction of such Centres in the Private Sector garages, work-shops, ensuring compliance of standards by National and State Authorities.

F.No.R-27011/2/2015-OR-I

dated 14-08-2015

Comments of the Committee (Please see Para No. 11 of Chapter-I)

Recommendation No. 11

Vehicular Retirement Policy:

The Committee have learnt that under section 59 of the Motor Vehicles Act of 1988, the Central Government is entrusted with powers to fix the age limit for retirement of the motor vehicles. However, no age limit has been prescribed till date for retirement of motor vehicles by the Central Government given the socio economic conditions of the country. The Committee observe that in the absence of retirement policy, it may not be possible to derive the intended benefits of air quality improvement. Further, phasing out of old vehicles is an important requirement as the pollution levels from such vehicles is high in spite of using improved quality fuels. The Committee feel that the formulation of vehicle retirement policy will certainly go a long way in ensuring ambient air quality in the country. The Committee, therefore, recommend the Ministry to invoke the powers under Motor Vehicles Act of 1988 to fix an age limit for retirement of vehicles without any delay by taking into consideration various parameters like mileage clock, emission levels, age of vehicles or other suitable criteria as may be decided by the Government.

Reply

Ministry of Road Transport & Highways (MoRT&H) has informed that they are working along with Ministry of Heavy Industry in the matter of vehicular retirement policy.

F.No.R-27011/2/2015-OR-L

dated 14 -08-2015

Comments of the Committee (Please see Para No. 14 of Chapter-I)

New Delhi;
<u>9 December, 2015</u>
18 Agrahayana,1937 (Saka)

PRALHAD JOSHI, Chairperson, Standing Committee on Petroleum & Natural Gas.

Annexure II

(Vide Para 4 of the Introduction)

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE FIFTH REPORT (SIXTEENTH LOK SABHA) OF THE STANDING COMMITTEE ON PETROLEUM AND NATURAL GAS (2014-15) ON 'NATIONAL AUTO FUEL POLICY'.

I	Total No. of Recommendations	12
II	Recommendations/Observations which have been accepted by the Government (Vide Recommendations at SI. Nos. 1, 3, 4, 5, 6, 7, 8 and 12)	8
	Percentage to Total	66.66%
Ш	Recommendations/Observations which the Committee do not desire to pursue in view of Government's (NIL)	NIL
	Percentage of Total	0
IV	Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee (Vide Recommendations at SI. No. Nil)	NIL
	Percentage of Total	0
V	Recommendations/Observations in respect of which final replies of the Government are still awaited (Vide Recommendations at SI. Nos. 2, 9, 10 and 11)	4
	Percentage of Total	33.33%