

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

UNSTARRED QUESTION NO:3785
ANSWERED ON:16.08.2001
UPGRADATION OF REFINERIES
RUPCHAND MURMU

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

- (a) whether the Government propose to invest nearly Rs.35,000 crores in upgrading refineries to provide clean diesel across the country;
- (b) if so, whether oil companies would be able to supply diesel with 0.035 percent sulphur in only seven cities by 2005;
- (c) whether the Government propose to alternatively import ULSD from other countries as per the users; and
- (d) if so, the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a) and (b) : Rs. 35,000 crore has been estimated by the refineries to be the cost of upgradation for both petrol & diesel from Bureau of Indian Standards (BIS) 2000 specifications to Euro-III equivalent specifications for the existing and the proposed refineries. Petrol & diesel quality standards for the year 2005 have not been finalized as yet.

(c) and (d): Presently the country is in the process of switching over from Euro-I equivalent vehicle technology to Euro-II equivalent vehicle technology for which 0.05% max. sulphur content diesel is the required specification. Diesel meeting this specification is being produced in the country. Engine technologies that need diesel having lower sulphur content are yet to be developed/tested in the country. Ultra - low sulphur diesel is, therefore, not required at present.