

(PLL)'s existing terminal at Dahej and planned terminal at Kochi, as also Ratnagiri Gas and Power Project Limited (RGPPPL)'s Dabhol terminal, has been considered as a source of gas.

Recommendations of Chaturvedi Committee

414. SHRI B.K. HARIPRASAD: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government intends to reduce the prices of petroleum products in view of the slump in international crude prices;

(b) whether Government has examined the recommendations of the Chaturvedi Committee and if so, whether the recommendations will be implemented selectively or as a package; and

(c) Government's stance on the suggestion of Chaturvedi Committee on differential fuel pricing?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) In spite of the recent fall in the international oil prices, the Public Sector Oil Marketing Companies (OMCs) continue to suffer substantial under-recoveries on marketing of sensitive petroleum products; namely petrol, diesel, PDS kerosene and domestic LPG. The under-recoveries of OMCs based on refinery gate prices applicable as on 01.10.2008 for PDS kerosene and domestic LPG and on 16.10.2008 for petrol and diesel are as under:

PDS Kerosene	Rs./Litre	28.07
Domestic LPG	Rs./Cyl.	322.14
Petrol	Rs./Litre	2.37
Diesel	Rs./Litre	6.45

The prices of crude oil and petroleum products in the international market fluctuate on daily basis. Government is closely monitoring the international oil prices and will continue to protect the interests of consumers.

(b) and (c) The recommendations of the Chaturvedi Committee are under consideration of the Government.

Blending of ethanol in petrol

415. DR. JANARDHAN WAGHMARE: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government has taken a decision to permit mixing of ethanol in petrol in view of the fact that the oil prices have gone beyond control;

(b) if so, what will be its percentage; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (c) Ministry of Petroleum and Natural Gas *vide* its notification

dated 20th September, 2006 has directed the Oil Marketing Companies (OMCs) to sell 5% Ethanol Blended Petrol (EBP) subject to commercial viability as per Bureau of Indian Standards specifications in entire country except North-Eastern States, Jammu and Kashmir, Andaman and Nicobar Islands and Lakshdweep with effect from 1st November, 2006.

Biofuel blending

416. SHRI VIJAY JAWAHARLAL DARDA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether country is producing biofuel *viz.* ethanol from carbohydrates like sugarcane, corn, and wheat etc. and biodiesel from oilseeds like rapeseed, palm oil, jatropha, etc. on commercial scale;

(b) if so, what percentage of biofuel is blended with existing petroleum fuels and the quantity thus blended during 2007; and

(c) whether any changes are required to be made into internal combustion engines so that the blended petroleum fuel can be utilized for propulsion?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) In India, ethanol is mainly produced from molasses a by-product of sugar industry on Commercial scale and bio-diesel from non-edible oil bearing seeds such as Jatropha and Pongamia.

(b) Ministry of Petroleum and Natural Gas *vide* its notification dated 20.09.2006 has directed the Oil Marketing Companies (OMCs) to sell 5% Ethanol Blended Petrol (EBP) subject to commercial viability as per Bureau of Indian Standards specifications in entire country except North-Eastern States, Jammu and Kashmir, Andaman and Nicobar Islands and Lakshdweep with effect from 1.11.2006. The quantity of ethanol blended in petrol during 2007-08 was 2,10,199 KL.

MOP and NG had directed that with effect from 1.1.2006 the public sector oil companies shall purchase bio diesel for blending with High Speed Diesel (HSD) to the extent of 5%. As none of the parties have evinced interest in supply of bio-diesel at the present purchase rate of Rs. 26.50 per KL. As such the programme has not yet taken off.

(c) No changes are required in the internal combustion engines for use of 5% ethanol blended petrol. However, Society of Indian Automobile Manufactures (SIAM) has informed that most of the vehicles particularly two wheelers in use are not compatible to 10% Ethanol blended petrol. Indian Oil Corporation has taken up a pilot Project study to decide the compatibility of the engines for the use of 10% EBP.

As regards bio diesel blending, the report of the Committee on Development of bio-fuel set up by the Planning Commission has stated that 20% bio-diesel blend can be used in the existing internal combustion engine without any modification and reduction in torque output.