

Removal of Ban on Export of Industrial Alcohol

1359. SHRI G. C. BHATTACHARYA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government's attention has been drawn to a news item published in 'Business Standard' of 5th December, 1982 with regard to removal of ban on export of industrial alcohol; and if so, what are the reasons for removal of this ban in the light of shortage of alcohol in the country;

(b) whether it is a fact that 20 per cent alcohol was being admixed with petrol during World War II and reasons for discontinuation of this practice;

(c) what is the cost per litre of industrial alcohol and whether it would be uneconomic to use it in petrol at today's prices and in view of heavy imports of petroleum; and

(d) whether Government propose to continue to follow policies aimed at export of molasses or its being thrown away?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI R. C. RATH): (a) The ban on export of alcohol has not been lifted. For various reasons, alcohol-based industries could not lift alcohol from distilleries. The All India Distillers Association and the Government of Uttar Pradesh had approached the Government of India stating that alcohol tanks in some distilleries were full and there was threat of closure of the distilleries. They requested Government to allow some export of alcohol. After reviewing the position Government allowed only as on *ad-hoc* measure export of fifty lakh litres of alcohol each from Maharashtra and Uttar Pradesh.

(b) and (c) The price of ethyl alcohol, fixed by Government under the Ethyl Alcohol (Price Control) Order, 1971, is as follows with effect from 25th August, 1980:—

- | | |
|---|-----------------------------|
| (i) Absolute alcohol conforming to ISI Standard No. 321—1952 | Rs. 960.70 p. per kilolitre |
| naked, for equivalent volume at 100 per cent v/v strength | |
| (ii) Rectified Spirit conforming to ISI Standard No. 323—1959 | Rs. 837.37 p. per kilolitre |
| naked, for equivalent volume at 100 per cent v/v strength | |
| (iii) Rectified Spirit conforming to ISI Standard No. 323—1959, | Rs. 826.90 p. per kilolitre |
| naked, for equivalent volume at 94.68 per cent v/v strength | |

The above are only base prices and some distilleries will be reimbursed on account of transport charges of molasses, use of furnace oil, salaries of State Government excise staff and octroi etc. charges payable on molasses. In addition, some State Governments levy a number of cesses and duties on industrial alcohol and consequently the consumer prices are higher than the above prices.

During the World War II, absolute alcohol was used as a fuel additive. It was presumably discontinued due to easier availability of gasoline. Prospects of the use of alcohol as an additive petrol were gone into by the Committee of Technical Experts on Alcohol and Alcohol-Based industries, which submitted its report in January, 1980 and their conclusions were as follows:—

(i) Our present methods of producing alcohol from molasses required more energy than it provides when used on automobile fuel in admixture with gasoline.

(ii) Our *per capita* consumption of gasoline is relatively small in relation to the need for heavier petroleum products like kerosene, diesel, and fuel oil. The demand of these heavier petroleum products from past and present indications will grow at a higher rate than that of gasoline. Present availability of oil and gasoline is larger than the demand and some quantities are exported.

(iii) The economic advantage will be higher if alcohol is preferentially used for making higher value added chemical products not only to meet their increasing demand but also for exports. . . .

(iv) The present capacity for producing absolute alcohol is only 800 kl. per year distributed between two units.

(d) According to Government policy, all the molasses available should be gainfully used within the country to the maximum extent possible. Export of molasses are usually allowed only if availability is surplus to requirement.

Manufacture of 'Decis' a Pesticide

1360. SHRI R. R. MORARKA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government have accepted the offer of a French firm for transfer of its technology and know-how free of cost to manufacture "decis" a most potent pesticide;

(b) whether any location has been selected for the same;

(c) if so, it will be established in public or private sector; and

(d) what is the estimated cost quantum of manufacture and the proposed date of commissioning?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI R. C. RATH): (a) to (d) Government have received applications for Industrial Licence from two private sector units for manufacture of Decamethrin (Decis) based on know-how to be supplied by a French Firm. These applications are under the consideration of the Government.

Hire-Purchase Act, 1972

1361. SHRI R. R. MORARKA: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that, the Hire-Purchase Act, 1972 has not come into force so far; and

(b) if so, what are the reasons therefor, and by when it is likely to be brought into force?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI JAGANNATH KAUSHAL): (a) Yes, Sir.

(b) a notification was issued on 30-4-1973 to bring the Act into force on 1-6-1973. Later another notification was issued on 31-5-1973 superseding the notification of 30th April, 1973 and proposing to bring the Act into force on 1-9-1973. Since several representations were received from the public against the bringing of the Act into force, it was decided not to enforce the Act and accordingly a notification rescinding the notification dated 31-5-1973 was issued on 23-8-1973. In its report on Personal Property Security Law (1977), the Banking Law Committee has proposed certain far-reaching amendments to the Act. It is proposed to bring the Act into force only after the recommendations made by the Committee are examined and decision taken to amend the Act suitably.

Help by U.K. in Power Generation/Coal Production and off-Shore Exploration Programmes

1362. SHRI R. R. MORARKA: Will the Minister of ENERGY be pleased to state:

(a) whether U.K. Government has shown any readiness to help in power generation, coal production and off-shore exploration programmes in this country;

(b) if so, whether any agreements have been entered into in this respect; and

(c) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF ENERGY (SHRI CHANDRA SHEKHAR SINGH): (a) Yes, Sir.

(b) and (c) The Government of U.K. has offered a grant to the extent of pound 30 million for the Power Sector and pound 31 million for the Coal Sector, the agreements for which were concluded in February, 1983. U.K. have also agreed to a grant of pound 117 million for Rihand Super Thermal Power Station. In addition, it has offered grant assistance of