

**LPG outlets and petrol pumps in NER**

2787. SHRI DWIJENDRA NATH SHARMAH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether there is any proposal to allot more LPG outlets and petrol pumps in the North Eastern Region;
- (b) if so, the location-wise details thereof; and
- (c) the steps taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) to (c) Public Sector Oil Marketing Companies (OMCs) have reported that, from the previous approved marketing plans, 61 locations for LPG distributorships and 53 locations for Retail Outlet dealerships are pending for commissioning in the North Eastern States. In order to provide commercial freedom to the Government Oil Marketing Companies (OMCs), in the wake of the dismantling of the Administered Pricing Mechanism (APM) with effect from 1.4.2002, the Government have dissolved the Dealer Section Boards (DSBs). The selection of dealers/ distributors will now be undertaken by the OMCs themselves as per the policy to be formulated by them and approved by the Government.

**Policy on Ethanol mixture**

2788. SHRI PRITHVIRAJ CHAVAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether Government have permitted the use of Sugarcane derived Ethanol mixed with petrol to be used as an automobile fuel, without engine modifications;
- (b) whether a long term policy in terms of mix ratios, pricing, taxation and duty structure and conditions of sale has been announced; and
- (c) whether Government have undertaken any research to carry-out engine modification to enable use of higher percentage of ethanol?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) Yes, Sir. The Government have taken a decision to mandatorily supply 5% ethanol



blended petrol, *w.e.f.* 1.1.2003 in nine States of Andhra Pradesh, Goa, Gujarat, Haryana, Karnataka, Maharashtra, Punjab, Tamil Nadu and Uttar Pradesh and four contiguous Union Territories of Chandigarh, Daman & Diu, Dadra & Nagar Haveli and Pondicherry.

(b) No, Sir.

(c) No, Sir. R&D studies carried out by the IOC(R&D) Centre have shown that up to 10% ethanol blended in gasoline can be used without any engine modification.

#### **Modalities for commercial sale of Gasohol**

2789. SHRI VIJAY J. DARDA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have finalized about commercial sale of gasohol, which would be cheaper and also eco-friendly and whether sugar mills in States like Maharashtra, UP, etc. have been technically advised to prepare themselves for production of ethanol; and

(b) if so, what are the guidelines issued and whether the distribution network has been geared up for the same and what phased programme has been made in this regard for the coming five years both from production and distribution angles?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) The Government have taken a decision to mandatorily supply 5% ethanol blended petrol, *w.e.f.* 1.1.2003, in nine States and four contiguous Union Territories. The States are Andhra Pradesh, Goa, Gujarat, Haryana, Karnataka, Maharashtra, Punjab, Tamil Nadu and Uttar Pradesh and the Union Territories are Chandigarh, Daman & Diu, Dadra & Nagar Haveli and Pondicherry.

Whether the blended fuel will be cheaper or not will depend on market forces and particularly the respective prices of ethanol and petrol and on statutory levies.

The Government have not advised industries of any particular State to be prepared for production of ethanol as they are not under the control