

**LOK SABHA
STARRED QUESTION NO.163
TO BE ANSWERED ON 30TH JULY, 2018**

Import of Crude Oil

***163. SHRI ANURAG SINGH THAKUR:**

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) the steps taken to ease country's crude oil import costs;
- (b) the alternate fuels the Government plans to use for the fulfilment of its objective of reducing the import cost of crude oil;
- (c) the manner in which the said measure will help the farmers in the country; and
- (d) the manner and the extent to which it is likely to help in reducing the costs of LPG cylinders to make it affordable to everyone in the country?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्री (श्री धर्मेंद्र प्रधान)

**MINISTER PETROLEUM & NATURAL GAS
(SHRI DHARMENDRA PRADHAN)**

- (a) to (d) A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN THE REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO.163 BY SHRI ANURAG SINGH THAKUR TO BE ANSWERED ON 30.07.2018 REGARDING “IMPORT OF CRUDE OIL ”

(a) The steps taken by the Government to ease country's crude oil import cost include:-

- (i) Increasing domestic production of oil and gas;
- (ii) Promoting energy efficiency and conservation measures;
- (iii) Giving thrust on demand substitution;
- (iv) Capitalizing untapped potential in bio-fuels and other alternate fuels/renewable and;
- (v) Implementing measures for refinery process improvements.

(b) The Government is focussing on Biofuels such as First Generation Ethanol, Second Generation Ethanol, Biodiesel, Bio-CNG etc. for the fulfilment of its objective of import reduction, environmental benefits and increased income to farmers.

(c) With the objective of settling sugarcane farmers dues and achieving higher ethanol blend percentage, the Government has recently fixed the ex-mill price of ethanol derived out of C-heavy molasses and B-heavy molasses as ₹ 43.70 per litre and ₹ 47.49 per litre respectively during ethanol supply period from 1st December, 2018 to 30th November, 2019. These prices are exclusive of GST and Transportation charges. Government has also opened the second generation route for ethanol production which allows procurement of ethanol from cellulosic and lignocellulosic materials like agricultural biomass, crop residues, bamboo etc. This will help in providing additional remuneration to the farmers. Also, the Government has notified the National Policy on Biofuels 2018 on 8.6.2018 which allows damaged food grains for production of ethanol for blending with petrol. There is also a provision to allow surplus food grains for ethanol production during the surplus phase as decided by the National Biofuel Coordination Committee.

(d) The Government continues to modulate the effective price of Domestic LPG supplies to domestic consumers under Direct Benefit Transfer of LPG (DBTL). The domestic price of LPG in the country is based on international price of LPG (i.e. Saudi Contract Price) and is not linked to the cost of crude oil.
