

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

UNSTARRED QUESTION NO:3095

ANSWERED ON:12.08.2010

ETHANOL BLENDED PETROL

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

- (a) the present status of the Ethanol blended programme in the country;
- (b) whether the Government is considering to sell ethanol blended petrol in all States in the country;
- (c) if so, the details thereof : and
- (d) whether this proposal is likely to reduce the oil import bill;
- (e) if so, the details thereof?
- (f) whether the Government proposes to enforce 10 percent mandatory ethanol blending petrol: and
- (g) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI JITIN PRASADA)

(a) Ministry of Petroleum & Natural Gas launched the 5% Ethanol Blended Petrol (EBP) Programme subject to commercial viability with effect from 1st November, 2006 in the entire country except for North Eastern States, J&K & Island Territories.

The programme was adversely affected due to shortfall in supply of ethanol and certain state specific issues. Due to this, the EBP Programme could be implemented only in 14 States and 3 UTs out of 20 States and 4 UTs notified for programme implementation.

In order to remove hurdles in smooth implementation of the EBP Programme on a sustainable basis, a proposal is under consideration of the Government.

(b)&(c) As per notification dated 20th September, 2006, Govt. has decided to sell 5% Ethanol Blended Petrol in 20 States and 4 UTs. North- Eastern States, J&K & Island Territories have been excluded from the notified areas for the implementation of the programme in view of logistical, commercial viability and technical problems.

(d)&(e) India imports about 82% of crude oil. The quantity of ethanol used for blending with petrol will substitute an equivalent quantity of petrol produced from crude oil. Thus by introducing 5% ethanol in petrol, Government will be off-setting the consumption of petrol by 5%.

(f)&(g) 10% mandatory blending of ethanol is subject to successful implementation of the 5% EBP Programme and sufficient quantity of ethanol being available to sustain that level of blending.