

**GOVERNMENT OF INDIA  
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  
LOK SABHA**

UNSTARRED QUESTION NO:102  
ANSWERED ON:22.02.2011  
PRODUCTION OF ETHANOL  
Rathwa Shri Ramsinhbhai Patalbhai

**Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:**

- (a) whether the Government proposes to promote production of ethanol in view of the decision to mix ethanol in petrol in the country;
- (b) if so, the details thereof alongwith the total ethanol production in the country during 2009-10 and 2010-11; and
- (c) the minimum and maximum selling price of ethanol during the said period?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) & (b): The Government has decided to implement the programme of mandatory blending of ethanol with petrol in most States/UTs of the country. The production of alcohol and ethanol is heavily dependent on production of sugar, sugarcane and molasses which fluctuate due to cyclic nature. The Government is taking steps to promote sugarcane production and its crushing through improved irrigation, research, incentive to cultivators to switch over to improve varieties of sugarcane and incentives to sugar industry for setting up ethanol project. The estimated production of ethanol during 2009-10 was 1611 million litres. Figures for 2010-11 are not available as the season is still in progress.

(c): In the year 2006, ethanol price in the range of Rs.17.23 per litre to Rs.21.50 per litre was finalized upto 31.10.2009. A uniform ex-factory rate of Rs.21.50 per litre was approved by the Government in October, 2007 for a period upto October, 2010. On 16.08.2010, the Government decided a price of Rs.27.0 per litre on ad-hoc basis subject to adjustment with reference to the final price based on formula/principle as recommended by the Expert Committee and approved by the competent authority.