

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

UNSTARRED QUESTION NO:2397

ANSWERED ON:10.03.2011

ETHANOL MIXED PETROL PROGRAMME

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

- (a) the present status of the implementation of ethanol blended petrol programme in the country;
- (b) the percentage sale of ethanol mixed petrol, out of the total petrol being sold in the country;
- (c) whether there is any shortage of ethanol supply to oil marketing companies leading to shortage in selling ethanol mixed petrol;
- (d) if so, the steps taken by the Government to overcome the shortage of ethanol;
- (e) whether sale of ethanol mixed petrol has brought down the losses of oil marketing companies; and
- (f) if so, the extent to which the losses of the said companies have come down in the financial year 2010-11?

Answer

MINISTER of STATE for PETROLEUM & NATURAL GAS (SHRI R.P.N. SINGH)

(a) In compliance with the decision of the Government, the Oil Marketing Companies (OMCs) are procuring ethanol for the EBP Programme to the extent of the ethanol made available by the domestic ethanol producers at the ad-hoc ex-factory price decided by the Government. Accordingly, procurement has started and supply of EBP has commenced from November 2010 onwards.

Against OMC's annual ethanol requirement of 105 crore litres in the 20 notified States & 4 Union Territories, approx. 55 Crore litres ethanol has been contracted for 13 States and 3 Union Territories. OMCs have procured 9.61 crore litres of ethanol as on 28.02.2011.

(b) The percentage sale of ethanol mixed petrol out of the total petrol being sold in the country for the month of February, 2011 was approx. 48% by IOC, 52% by BPC & 48% by HPC.

(c)&(d) As per the Government policy, the OMCs are procuring ethanol for the EBP Programme to the extent made available by the domestic ethanol producers at the ad-hoc ex-factory declared price at `27/litre.

(e)&(f) The price at which ethanol is being procured by OMCs is an adhoc price. The losses or gains of the OMCs on ethanol procurement can be computed only after the final price of ethanol is determined.