

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

UNSTARRED QUESTION NO:2647
ANSWERED ON:28.08.2012
ETHANOL PRICING
Danve Shri Raosaheb Patil

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

- (a) whether the Expert Committee on Pricing of Ethanol has submitted its Final Report;
- (b) if so, the details thereof;
- (c) the salient features and recommendations made in the said report;
- (d) the details of the decision taken by the Government thereon; and
- (e) the time by which it is likely to be implemented fully?

Answer

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

(a): Yes, Madam.

(b) & (c): The Expert Committee, chaired by Dr. Saumitra Chaudhuri, Member, Planning Commission, in its report submitted in March, 2011, has, inter alia, recommended a formula for pricing of bio-ethanol which is derived broadly from the price of motor spirit as against adopting the cost-based approach. The formula is based on, among other factors, the price of petrol, tax breaks, energy adjustment price and impact on retail prices of 5% Ethanol Blending Programme (EBP). The formula gives an ex-factory price of ethanol as Rs. 26.67 per litre for the quarters ending December, 2010 and March, 2011.

(d) & (e): The report of the Expert Committee has since been considered by the Biofuel Steering Committee, headed by the Cabinet Secretary and the recommendations approved by the Biofuel Steering Committee are under consideration of the Government.