

**GOVERNMENT OF INDIA
NEW AND RENEWABLE ENERGY
LOK SABHA**

UNSTARRED QUESTION NO:3680
ANSWERED ON:14.12.2012
ETHANOL BLENDED PETROL
Dharmshi Shri Babar Gajanan

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

- (a) whether the Union Government has set up another Group of Minister (GoM) on the issue regarding blending ethanol in petrol;
- (b) if so, whether his Ministry has recommended that blending of ethanol and its procurement price should be left to market forces;
- (c) if so, the details thereof and the reasons therefore;
- (d) whether there are differences between his Ministry and the Ministry of Finance over the issue; and
- (e) if so, the details thereof and the reasons therefore and the steps taken by his Ministry to resolve the issue?

Answer

MINISTER OF NEW AND RENEWABLE ENERGY (DR. FAROOQ ABDULLAH)

(a): A Group of Ministers was set up as per the decision of the Cabinet Committee on Economic Affairs while considering the proposal on 'Pricing Formula for Procurement of Bio-ethanol'.

(b)&(c): The proposals of the Ministry of New and Renewable Energy included that while the procurement price of ethanol may be determined by the market, the recommendation to do away with mandatory fixing of target for Ethanol Blended Petrol Programme may not be accepted. These proposals of the Ministry were accepted by the GOM and approved by CCEA.

(d): No, Madam.

(e): The Question does not arise.