

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

UNSTARRED QUESTION NO:3132
ANSWERED ON:15.03.2013
SUPPLY OF ETHANOL TO OMCS
Jawale Shri Haribhau Madhav

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

- (a) Whether Government proposes to do away with year-to-year contract between Oil Marketing Companies (OMCs) and ethanol manufacturers and introduce a long term contract for stability and if so, the details thereof and the steps taken in this direction;
- (b) the details of ethanol quantity fixed to be supplied to each OMC and the quantity actually supplied during each of the last three years and the current year;
- (c) the reasons for shortage in supply, if any, OMC-wise during the same period; and
- (d) the steps taken/being taken by the Government to ensure sufficient and uninterrupted supply of ethanol to OMCs?

Answer

MINISTER of STATE in the MINISTRY of PETROLEUM & NATURAL GAS (SHRIMATI PANABAAGA LAKSHMI)

(a) The Government has decided on 22.11.2012 that 5% mandatory ethanol blending with petrol should be implemented across the country and procurement price of ethanol will be henceforth decided between Oil Marketing Companies (OMCs) and suppliers of ethanol. In case of any shortfall in domestic supply, the OMCs and Chemical companies would be free to import ethanol.

OMCs have been directed by MoPNG to implement the EBP Programme accordingly. OMCs have floated a tender on 29 December, 2012.

(b) The details of quantity of ethanol finalised by OMCs for procurement and quantity of ethanol procured by OMCs during last three years and the current year are as under:

(in Crore Litres)

Period	Quantity of ethanol by OMCs for procurement	finalised received by OMCs	Quantity of ethanol
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Nov'2009-Sept'2010	27.56		5.60
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Oct'2010-Sept'2011	55.87		36.25
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Oct'2011-Sept'2012	41.22		30.57
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Oct'2012-Sept'2013	0.45		
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Due to the Government decision dated 22.11.2012 as mentioned in reply to part (a) above, a fresh e-tender has been issued by

OMCs on 29.12.2012.

(c) Reasons for shortfall are inadequate domestic availability of ethanol, restrictions imposed by the State Governments on movement of ethanol and limited offers received from ethanol suppliers.

(d) As explained in reply to (a) above.