

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

UNSTARRED QUESTION NO:5261  
ANSWERED ON:26.04.2013  
ETHANOL BLENDING WITH PETROL  
Mani Shri Jose K.

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

- (a) whether the programme of ethanol blending with petrol launched by Oil Marketing Companies (OMCs) has not made much headway due to the sugar industry renegeing on its commitments to make available adequate volumes of ethanol in a phased manner;
- (b) if so, the details thereof;
- (c) whether the issues relate to a long delay in fixing of a remunerative price for ethanol vis-à-vis the assured market of liquor industry;
- (d) if so, the details thereof;
- (e) whether in the face of stiff competition from liquor industry the Government would shore up supplies of ethanol for its fuel blending programme by imposing a levy on sugar industry for supply of ethanol to OMCs; and
- (f) if so, the details thereof;

**Answer**

MINISTER of STATE for PETROLEUM & NATURAL GAS (SHRIMATI PANABAACA LAKSHMI)

(a)to(d) 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.

Accordingly, OMCs have been directed by Ministry of Petroleum & Natural Gas to implement the Ethanol Blended Petrol Programme. OMCs have floated a tender on 29 December, 2012.

(e)&(f) There is no such proposal under consideration of the Government.