

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

UNSTARRED QUESTION NO:3377
ANSWERED ON:30.08.2013
ETHANOL BLENDING PROGRAMME
Vijayan Shri A.K.S.

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

- (a) whether the ethanol blending programme is operational only in thirteen States at present;
- (b) if so, the details thereof and the reasons therefor; (
- (c) whether the Oil Marketing Companies (OMCs) are getting economic gains due to operationalization of ethanol blending programme.
- (d) if so, the details of profit made during the last three years and the current year, company-wise; and
- (e) the steps taken by the Government to implement the programme in all the States/ UTs in the country?

Answer

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

(a) & (b) Presently Ethanol Blending programme is operational in Uttar Pradesh, Uttarakhand, Bihar, Punjab, Haryana, Maharashtra, Gujarat, Andhra Pradesh, Karnataka, Tamil Nadu, Rajasthan, Himachal Pradesh, Delhi, Chandigarh, Dadra & Nagar Haveli, Daman & Diu.

Allocation could not be finalised by the Industry for the states of Kerala, West Bengal & Goa due to very high rates quoted by the bidders. No offers have been received for Madhya Pradesh, Chhattisgarh, Jharkhand, Odisha and UT of Puducherry for the tender.

(c) & (d) The over recovery amount [i.e. difference between the landed cost of MS and Ethanol at Public Sector Oil Marketing Companies (OMCs) locations] on account of Ethanol blending and under recovery/losses incurred due to sale of Petrol by OMCs, company-wise is given below:

Indian Oil Corporation Ltd. (Rs. in crore)		
Year	Financial Over-recoveries on sale of EBP	Total Under-recoveries on sale of Petrol
2010-11	68.02	2067.78
2011-12	298.45	2235.58
2012-13	215.14	485.0

Hindustan Petroleum Corporation Ltd. (Rs. in crore)		
Year	Financial Over Recovery due to EBP on sale of Petrol	Total Under-recoveries
2010-11	33.56	1178.0
2011-12	176.97	1256.0
2012-13	114.18	272.0

Bharat Petroleum Corporation Ltd. (Rs. in crore)		
Year	Financial Over recovery	Total Under-recoveries

Year due to EBP on sale of Petrol

2010-11	58.43	630.65
2011-12	199.14	1355.00
2012-13	139.15	283.36

(e) The Government has inter-alia decided on 3.7.2013 that OMCs will procure ethanol only from domestic sources to achieve the mandatory requirement of blending 5% ethanol with Petrol by October, 2013 in areas/ parts of the country where sufficient quantity of ethanol is available. In other parts of the country, blending of ethanol may be increased progressively, depending upon the availability of ethanol, to reach the mandatory level.