

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

UNSTARRED QUESTION NO:1998

ANSWERED ON:09.03.2015

BLENDING OF ETHANOL

Saraswati Shri Sumedhanand;Suresh Shri Doddaalahalli Kempegowda

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

- (a) whether the Government proposes to make it mandatory blending of ethanol with petrol/diesel in the country;
- (b) if so, the details thereof along with quantity offered by ethanol producers and procured/utilised by the Oil Marketing Companies (OMCs) from farmers/sugar mills during the last three years;
- (c) the success made by the OMC in blending of ethanol across the country during the said period;
- (d) whether the Indian sugar industry has represented to the Government to produce enough ethanol from their molasses to meet the requirement of 10 per cent ethanol blending programme in the country; and
- (e) if so, the details thereof along with the steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (INDEPENDENT CHARGE) (SHRI DHARMENDRA PRADHAN)

(a)to(e): On 2 1.2013, the Government of India notified that the Oil Marketing Companies shall sell Ethanol blended Petrol with percentage of ethanol upto ten per cent and as per the Bureau of Indian Standard (BIS) specification to achieve five per cent ethanol blending across the Country as a whole The quantum of ethanol offered by ethanol producers and procured and utilized by OMCs since 2011-12

(Sugar year wise) is as under :

Period (Sugar year)	Valid offers	Order OMCs placed by (OMCs)	Quantity supplied by vendors
2011-12	412.25	412.25	305.74
2012-13	323	323	Nil
2013-14	782.9	650.12	473.5

LOIs were issued to vendors but none come forward to sign agreement after the CCEA decision in November 2012 which made ethanol procurement market driven through a tender route Sugar year is from October to September next year:

The quantity of ethanol supplied by the ethanol producers has been blended with petrol by the OMCs during the said period.

Moreover, in order to improve the availability of ethanol, the Government, on December 10, 2014, fixed the price of Ethanol in the Range of Rs. 48.50 to Rs- 49,50. depending upon the distance of distillery from the depot/installation of the OMCs. The rates are inclusive of all central and statutory levies, transportation cost etc, which would be borne by the Ethanol suppliers.

Further, ethanol produced from other non-food feedstocks besides molasses, like cellulosic and ligno cellulosic materials including petrochemical route, has also been allowed to be procured subject to meeting the relevant Bureau of Indian Standards (BIS) specifications.