

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

UNSTARRED QUESTION NO:2991
ANSWERED ON:16.03.2015
BLENDING OF ETHANOL IN PETROL
Owaisi Shri Asaduddin

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

:

- (a) whether blending of ethanol in petrol makes petrol cheaper and cleaner;
- (b) if so, the details thereof;
- (c) whether the Government proposes to make more use of ethanol and introduce vehicles that can run by 90 per cent blending of ethanol;
- (d) if so, whether the Government has taken up the matter of prevailing duty structure on ethanol with State Governments and Ministry of Finance and if so, the details thereof: and
- (e) the steps taken by the Government to use more ethanol in vehicles to make the environment cleaner?

Answer

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

(a)&(b): Ethanol Blended Petrol (EBP) is sold at the same price as that of Petrol.

Ethanol has many advantages as an automotive fuel and can be mixed with Petrol to form different blends. Ethanol blended petrol allows the engine to more completely combust the fuel, resulting in fewer emissions. Since ethanol is produced from plants that harness the power of the sun, ethanol is also considered as renewable fuel. EBP has higher octane than petrol and burns slowly and completely, resulting in reduced emissions of some pollutants.

(c): 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.

Moreover, Ministry of Road Transport & Highways (MoRT&H) has issued the draft notification for mass emission standards for flexi-fuel vehicles for promoting flexi-fuel vehicles in India which can run on higher ethanol blends in petrol such as E85 and ED95. MoRT&H has requested Bureau of Indian Standards (BIS) to formulate standards for commercial E85 and ED95.

(d) & (e): In order to improve the availability of ethanol, the Government, on 10th December 2014 has decided that ethanol produced from other non-food feedstocks besides molasses, like cellulosic and ligno cellulosic materials including petrochemical route, may be allowed to be procured subject to meeting the relevant Bureau of Indian Standards (BIS) specifications.

Further, the Government also decided on 10th December 2014 to fix 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.