

Blending Season's Here



A GROUP OF Ministers on ethanol, headed by Sharad Pawar is scheduled to meet on Monday to consider raising ethanol prices

THIS WILL HELP the sugar industry as mills get a lower price for ethanol from oil companies compared with from other buyers. Oil companies will suffer because ethanol is much cheaper than petrol, in which it is blended.



5%

Ethanol blending in petrol carried out by 13 states



Sugar mills are major suppliers

102cr

Litres of ethanol used by sugar mills in 2011-12, including 44 crore from sugar mills

38cr

Litres offered by sugar mills for the new sugar season starting October 1

Sugar Mills that Supply Ethanol Want Higher Price

PER LITRE ↓

Current Petrol Price (pre tax)

₹ 46.5

Current Ethanol Price

₹ 27

Proposed New Ethanol Price

₹ 36

(as per Saumitra Chaudhuri panel's formula)



2,550cr

The estimated annual gain of oil companies a year by replacing 5% of petrol with cheap ethanol

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