

GOVERNMENT OF INDIA  
MINISTRY OF PETROLEUM AND NATURAL GAS  
RAJYA SABHA  
QUESTION NO 594  
ANSWERED ON 10.12.2013

**Operationalisation of ethanol blending programme**

594 SHRI PIYUSH GOYAL

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

(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 operationalisation 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 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, Bihar, Karnataka, Andhra Pradesh, Maharashtra, Gujarat, Rajasthan, Delhi, Punjab, Haryana, Himachal Pradesh, Tamil Nadu, Chandigarh, Daman & Diu and Dadra Nagar Haveli. 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, Uttarakhand 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)

Financial Year 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)

Financial Year Over Recovery due to EBP Total Under-recoveries on sale of Petrol

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)

Financial Year Over recovery due to EBP Total Under-recoveries 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.

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