

LOK SABHA
STARRED QUESTION No. 81
TO BE ANSWERED ON 17th DECEMBER, 2018

Ethanol Blending

***81. SHRI RAVNEET SINGH:**

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) whether the Government is on course to achieve the target of 10 per cent ethanol blending in petrol by 2022, if so, the details thereof along with the achievements made in this regard during the last two years and the current year;
- (b) whether the Government has revised/proposes to revise the price of ethanol to achieve the said target and if so, the details thereof;
- (c) whether the Government is aware of the fact that India is one of the most inefficient producers of ethanol with regard to its water footprint which has a detrimental effect on water availability and if so, the details thereof;
- (d) whether the Government is aware that certain States are charging a tax on sale of ethanol to other States which is in violation of the Industries (Development and Regulation) Amendment Act, 2016; and
- (e) if so, the details thereof along with the action taken by the Government in this regard?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्री
(श्री धर्मेन्द्र प्रधान)

MINISTER OF PETROLEUM & NATURAL GAS
(SHRI DHARMENDRA PRADHAN)

(a) to (e) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO. 81 TO BE ANSWERED ON 17.12.2018 REGARDING ETHANOL BLENDING BY SHRI RAVNEET SINGH.

(a) Government is implementing Ethanol Blended Petrol (EBP) Programme through Oil Marketing Companies (OMCs). At present, Public Sector OMCs are selling upto 10% ethanol blended petrol. The National Policy on Biofuels – 2018 envisages an indicative target of 20 per cent ethanol blending in petrol by 2030. The ethanol blend percentage achieved during the last two ethanol supply years and the current ethanol supply year is tabulated below:

Ethanol Supply Year*	Quantity procured (in crore litres)	Average Blend Percentage
2015-16	111.41	3.51%
2016-17#	66.51	2.07%
2017-18	150.51	4.22%

*Ethanol Supply Year is period from 1st December of the current year to 30th November of the next year

Drop in blend percentage due to drought in Maharashtra and Karnataka leading to lower availability of ethanol

(b) Government has reintroduced administered price mechanism for ethanol procurement under EBP Programme since December 2014. For ethanol supply year 2018-19, the Government has fixed ethanol procurement price based on raw material utilized for ethanol production as follows:

- (i) From C-heavy molasses at Rs. 43.46 per litre.
- (ii) From B heavy molasses / partial sugarcane juice at Rs.52.43 per litre.
- (iii) Price of ethanol for the mills, who will divert 100% sugarcane juice for production of ethanol thereby not producing sugar, has been fixed at Rs.59.19 per litre.

(c) Presently, ethanol for EBP Programme is coming from molasses route, a byproduct of sugar industry. With a view to increase ethanol availability, the National Policy on Biofuels-2018 also provides for ethanol production from sugar containing materials, starch containing materials, cellulosic materials and forestry residues or other renewable resources like industrial waste including petrochemical route.

(d) & (e): Subsequent to amendment in Industries (Development & Regulation) Act, 1951, Central Government has been regularly interacting with the State Governments for implementing the amended provisions. Till date, nine States, viz., Karnataka, Goa, Maharashtra, Gujarat, Bihar, Chhattisgarh, Tamil Nadu, Andhra Pradesh and Punjab have implemented the amended provisions. Other important States/UT, who have not fully implemented the amended provisions of IDR Act, 1951 are Delhi, Uttar Pradesh, Haryana, Rajasthan, West Bengal, Madhya Pradesh, Uttarakhand and Telangana. Ministry of Petroleum and Natural Gas has taken up the matter with concerned States/UTs.
