

WRITTEN ANSWERS TO STARRED QUESTIONS**Blending of Ethanol in Petrol**

*407. SHRI A.U. SINGH DEO: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government proposes to raise the ethanol blending target in petrol from 5 to 10 per cent, if so, the details thereof;

(b) whether oil companies have been able to achieve the prescribed target of 5 per cent ethanol blending;

(c) if not, the reasons for non-compliance; and

(d) whether Government has estimated the likely reduction in gasoline prices due to increased blending target of 10 per cent, if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) The Government had decided on 22.11.2012 that 5% mandatory ethanol blending with petrol should be implemented across the country and it be achieved by 30.06.2013. The procurement price of ethanol was to be decided between Oil Marketing Companies (OMCs) and suppliers of ethanol and in case of any shortfall in domestic supply, the OMCs and Chemical companies were free to import ethanol.

Subsequently, a Gazette Notification was issued by Ministry of Petroleum and Natural Gas (MoP and NG) on 2nd January, 2013, directing OMCs to sell ethanol blended Petrol with percentage of ethanol upto 10% as per BIS specification to achieve 5% ethanol blending across the country as a whole.

Later, the Government also decided on 3.7.2013 that OMCs should procure ethanol only from domestic sources to achieve the mandatory requirement of 5% ethanol blending 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 would be increased progressively depending upon the availability of ethanol to reach the 5% mandatory level.

Accordingly, OMCs are implementing Ethanol Blended Petrol Programme depending on the availability of ethanol.

(b) and (c) In line with the Government decisions, OMCs have floated two Tenders for procurement of ethanol on 29th December 2012 and 22nd July 2013 and one Expression of Interest (EOI) as a sequel of July 2013 tender during January 2014.

However, OMCs have not been able to achieve 5% mandatory Ethanol Blending due to the following reasons :

- (i) Offered Quantity by Ethanol Suppliers for both December 2012 and July 2013 tender is much lower than required quantity for 5% blending.
- (ii) Offers were not received for Ethanol blending Programme for the year 2013-14 in the States of West Bengal, Jharkhand, Odisha, Chhattisgarh and Madhya Pradesh. Further, some suppliers did not come forward to sign supply agreements after issuance of Letters of Intent (LoIs) for the finalized quantity.
- (iii) Time consuming procedures adopted by Excise departments of some States (particularly for inter-state supplies) in issuance of licenses.
- (d) Ethanol Blended Petrol is being sold at the same price as that of normal Petrol.

Export/import of cashew

*408. SHRI K.N. BALAGOPAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government has data about the total volume and value of cashew imported annually for the last three years and the exported cashew nuts for the same period;

(b) whether any import duty is levied on the import, if so, the details thereof; and

(c) the details of benefits given to the exporters of cashew ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) The total volume and value of cashew imported and exported annually for the last three years are as follows:

Year	Import		Export	
	Qty (MTS)	Val (₹ in crore)	Qty (MTS)	Val (₹ in crore)
2011-12	811953.04	5382.51	133419.27	4435.62
2012-13	898540.01	5434.81	105789.34	4127.99
2013-14	776380.69	4669.77	122493.58	5178.35

(b) The import duty levied on import of cashew is as follows:

Sl.No.	Tariff Item	Description	Import Duty
1.	08013100	Cashew nuts, in shell	Nil
2.	08013210	Cashew kernel, broken	₹ 60 per kg or 45%, whichever is higher