

GOVERNMENT OF INDIA  
MINISTRY OF PETROLEUM AND NATURAL GAS

**RAJYA SABHA**  
**UNSTARRED QUESTION No. 3018**  
ANSWERED ON 27.03.2023

**IMPACT ON FOREIGN EXCHANGE DUE TO EBP**

3018. MS. DOLA SEN:

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

- (a) whether it is a fact that the cumulative foreign exchange impact due to Ethanol Blending Programme (EBP) is estimated at over ₹ 53,894 crore during the period from 2017 to November 2022;
- (b) if so, the details thereof, year-wise;
- (c) the list of the cities where Government has rolled out petrol mixed with 20 per cent ethanol; and
- (d) the estimated timeline to roll out petrol mixed with 20 per cent ethanol in the rest of the country and the steps taken by Government to achieve this target?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS

(SHRI RAMESWAR TELI)

(a) & (b): The approximate foreign exchange impact due to Ethanol Blending Programme (EBP) from Ethanol Supply Year (ESY) 2017-18 to ESY 2021-22 is as follows:

ESY (1 <sup>st</sup> December – 30 <sup>th</sup> November)	Approximate foreign exchange impact (in Cr. Rs.)
2017-18	4700
2018-19	5500
2019-20	3500
2020-21	10100
2021-22	22500

(c): The details of locations dispensing E20 are at **Annexure**.

(d): The National Policy on Biofuels – 2018 as amended targets 20% blending of ethanol in petrol by ESY 2025-26. The E-20 (20% ethanol blended petrol) fuel has already been launched in February, 2023.

Government, since 2014, has taken several measures to increase production and utilization of ethanol in the country which includes permitting procurement of ethanol produced from other non-food feedstock besides molasses, like cellulosic and lignocelluloses materials like cotton stalk, wheat straw, rice straw, bagasse, bamboo etc. including petrochemical route, subject to meeting the relevant BIS standards; allowing use of sugarcane and food grains (maize and surplus stocks of rice with Food Corporation of India) for conversion to ethanol; administered price mechanism for procurement of ethanol under the Ethanol Blended Petrol (EBP) Programme including enhanced ex-mill price of ethanol year on year from ethanol supply year 2017-18; lowered GST rate to 5% on ethanol for EBP Programme; amendment in Industries (Development & Regulation) Act for free movement of ethanol across states for blending; interest subvention scheme for enhancement and augmentation of ethanol production capacity in the country.

Oil Marketing Companies (OMCs) had floated an Expression of Interest (EoI) for signing long term offtake / bipartite agreement with upcoming dedicated ethanol plants in ethanol deficit states for supply of denatured anhydrous ethanol in August, 2021 to meet the ethanol requirement for 20% blending.

Through this EoI, OMCs have signed Long Term Offtake Agreements (LTOA) with 131 shortlisted Dedicated Ethanol Plant proponents in various states which is estimated to add a production capacity of approximately 757 crore litre per annum of ethanol in the next few years.

Government has also notified the “Pradhan Mantri JI-VAN (Jaiv Indhan - Vatavaran Anukool fasal awashesh Nivaran) Yojana” for providing financial support for setting up Second Generation (2G) ethanol projects in the country using lignocellulosic biomass and other renewable feedstock.

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## ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PART (c) OF RAJYA SABHA UNSTARRED QUESTION No. 3018 FOR 27.03.2023 REGARDING IMPACT ON FOREIGN EXCHANGE DUE TO EBP.

Details of locations dispensing E20:

Sl. No.	State/UTs	City
1	<b>Bihar</b>	i) Patna
2	<b>Dadra &amp; Nagar Haveli &amp; Daman Diu</b>	i) Vasona, ii) Dadra, iii) Daman, iv) Naroli (Silvassa)
3	<b>Delhi</b>	i) New Delhi
4	<b>Goa</b>	i) Vasco
5	<b>Haryana</b>	i) Ballabhgarh, ii) Faridabad, iii) Gurgaon, iv) Khizrabad, v) Panipat, vi) Radur
6	<b>Himachal Pradesh</b>	i) Shimla
7	<b>Karnataka</b>	i) Bangalore
8	<b>Maharashtra</b>	i) Auranagabad, ii) Mumbai, iii) Nagpur, iv) Pune, v) Thane, vi) Vaizapur, vii) Vashi
9	<b>Punjab</b>	i) Amritsar, ii) Fazilka, iii) Ferozepur Cantt., iv) Ludhiana, v) Mohali
10	<b>Uttar Pradesh</b>	i) Ghaziabad, ii) Greater Noida, iii) Kanpur, iv) Lucknow, v) Sirsaganj, vi) Varanasi
11	<b>Uttarakhand</b>	i) Dehradun

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