

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS

RAJYA SABHA
UNSTARRED QUESTION No. 1571
ANSWERED ON 05.08.2024

Supply of ethanol

1571 # DR. SUMER SINGH SOLANKI:

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

- (a) the type of process received for the first expression of interest (EOI) being formed for the supply of ethanol;
- (b) the efforts being made by Government to set up ethanol plants in ethanol deficient States;
- (c) whether an ethanol plant would be set up in Madhya Pradesh; and
- (d) if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS
(SHRI SURESH GOPI)

(a): Public Sector Oil Marketing Companies (OMCs) make a combined estimate of the total requirement of ethanol for an Ethanol Supply Year (ESY) which is published as an Expression of Interest (EOI). Bidders are required to quote ethanol quantities which can be supplied by them against quarterly requirement of OMCs, location wise / feedstock category wise/ quarter wise in the quantity bid. Allocation of ethanol to the participating bidders is made on the basis of terms and conditions of the EOI. For locations where the requirement is not met, the balance quantity is met through next EOI cycles till the requirement is covered.

(b) to (d): Ethanol production plants are set up by entrepreneurs/companies/co-operative societies etc. depending upon the techno-economic viability of the project as per their investment plans. To meet the requirement of ethanol for blending in petrol, Oil Marketing Companies (OMCs) have signed Long Term Offtake Agreements (LTOAs) with Dedicated Ethanol Plants (DEPs). To encourage entrepreneurs to enhance and add new ethanol distillation capacities throughout the country the Government has, during 2018-22, approved 'in-principle' Interest Subvention Schemes for 77 ethanol projects in Madhya Pradesh, of which 22 have been commissioned for commercial production of ethanol, bring the total number of operational plants in the state to 25.
