

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO- 142
ANSWERED ON- 25/11/2024

STATUS OF ETHANOL BLENDING

142. SHRI RAJEEV SHUKLA

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

- (a) the Status of Ethanol Blending in the country;
- (b) the targets set and the progress made in this respect;
- (c) the total forex saved as a result thereof;
- (d) the environment-related benefits accrued as a result of the same; and
- (e) the proposed measures to be taken in this respect?

ANSWER

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

(SHRI SURESH GOPI)

(a) & (b) The Government has been promoting blending of ethanol in petrol under the Ethanol Blended Petrol (EBP) Programme. The National Policy of Biofuels-2018, as amended in 2022, *inter-alia* advanced the target of 20% blending of ethanol in petrol to Ethanol Supply Year (ESY) 2025-26 from 2030. Public Sector Oil Marketing Companies (OMCs) have achieved the target of 10% ethanol blending in petrol in June, 2022 i.e., five months ahead of the target during ESY 2021-22. Blending of ethanol further increased to 12.06% in ESY 2022-23 and approx. 14.6% during ESY 2023-24.

(c) & (d) Since, ESY 2013-14 to ESY 2023-24 (as on 30.09.2024), ethanol blending in petrol by Public Sector OMCs has resulted in approximate savings of more than Rs. 1,08,655 crore of foreign exchange and net CO₂ reduction of about 557 lakh metric tonnes.

(e) In order to achieve the blending target, the Government has taken several measures which includes expansion of feedstock for production of ethanol, administered price mechanism for procurement of cane based ethanol under the EBP Programme, lowered GST rate to 5% on ethanol for EBP Programme, introduction of various Ethanol Interest Subvention Schemes (EISS), during 2018-22, for ethanol production from molasses as well as grains and Long Term Offtake Agreements (LTOAs) by OMCs with Dedicated Ethanol Plants (DEPs).
