

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO-146
ANSWERED ON - 21/07/2025

TARGET VOLUME FOR ETHANOL BLENDING IN GUJARAT AND MAHARASHTRA

146. SHRI BABUBHAI JESANGBHAI DESAI:

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

- (a) the target volume for ethanol blending in Gujarat and Maharashtra for the financial year 2024-25;
- (b) the progress made in achieving this target; and
- (c) the incentives provided to sugar mills and ethanol producers?

ANSWER

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

(SHRI SURESH GOPI)

(a) & (b): The National Policy on Biofuels – 2018, as amended in 2022, advanced the target of achieving 20% ethanol blending in petrol from 2030 to the Ethanol Supply Year (ESY) 2025–26 for the country as a whole, including Gujarat and Maharashtra. State-wise ethanol blending targets are not set. The Ethanol Blending Programme has shown steady progress in both the states with Gujarat recording 10.47% in ESY 2021–22, 12.11% in ESY 2022–23, 14.33% in ESY 2023–24 and 18.95% during ESY 2024–25, as on 30.06.2025. Similarly, Maharashtra state achieved 10.48%, 12.25%, 14.49% and 18.84% respectively during the aforesaid period.

(c): The Government, since 2014, has taken several steps to increase ethanol production in India, which *inter alia* includes expansion of feedstock for ethanol production, administered price mechanism for ethanol procurement under the Ethanol Blended Petrol (EBP) Programme, lowered GST rate to 5% for ethanol for EBP Programme, introduction of various Ethanol Interest Subvention Schemes (EISS) during 2018-22, a dedicated subvention scheme for Cooperative Sugar Mills to convert existing sugarcane-based distilleries into multi-feedstock plants for ethanol production from molasses as well as grains, Long Term Offtake Agreements (LTOAs) between OMCs and Dedicated Ethanol Plants, multimodal transportation of ethanol to enhance availability of ethanol and increasing ethanol storage capacity along with other allied infrastructure for handling of higher blends of ethanol.
