

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO-1731
ANSWERED ON - 04/08/2025

PROGRESS AND FUTURE TARGETS OF THE ETHANOL BLENDING PROGRAMME

1731. SHRI RANDEEP SINGH SURJEWALA:

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

- (a) whether Government now proposes to revise the ethanol blending target to 30 per cent by 2030, if so, the timeline and roadmap for achieving the revised target;
- (b) the total quantity of ethanol blended with petrol during the last five years and the breakup of ethanol procured from sugar-based and grain-based sources; and
- (c) the steps taken by Government to ensure a steady supply of ethanol considering growing demand and its impact on sugar production/availability?

ANSW ER

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

(SHRI SURESH GOPI)

(a): The National Policy on Biofuels – 2018, as amended in 2022, *inter-alia* advanced the target of 20% blending of Ethanol in petrol from 2030 to Ethanol Supply Year (ESY) 2025-26. So far, no decision has been taken by the Government for increasing ethanol blending with petrol beyond 20%.

(b): The ethanol blended with petrol during the last five years and breakup of ethanol procured from sugar-based and grain-based sources is as under:

Ethanol Supply Year (ESY)	Receipt of Sugar Based Ethanol (Crore Litre)	Receipt of Grain Based Ethanol (Crore Litre)	Total Ethanol Blended (Crore. Litre) with petrol
2019-20 (December-2019 to November-2020)	157.09	15.94	173.00
2020-21 (December-2020 to November-2021)	254.90	40.65	302.30
2021-22 (December-2021 to November-2022)	348.53	70.20	433.60
2022-23 (December-2022 to October-2023)*	369.30	137.12	508.50
2023-24 (November-2023 to October-2024)	272.40	406.61	707.40
2024-25 (November-2024 to October-2025) Till 30.06.2025	381.50	255.93	661.06

*ESY 2022-23 was of 11 months.

(c): In order to ensure a steady supply of ethanol to achieve 20% Ethanol blending target by the Ethanol Supply Year (ESY) 2025-26, the Government has taken several steps to increase ethanol production in India, which *inter alia* includes expansion of feedstock for Ethanol production as per the National Policy on Biofuels, as amended in 2022, approval by Government for allocation of 52 Lakh Metric Tonne (LMT) of surplus Food Corporation of India (FCI) rice for ethanol production, each for the ESY 2024-25 (from 1st November 2024 to 31st October 2025) and ESY 2025-26 up to 30.06.2026, diversion of 40 LMT of sugar for ethanol production allowed for the ESY 2024-25, 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.

Further, the extent of utilization of individual feedstock for ethanol production varies annually, influenced by factors such as availability, costs, economic feasibility, market demand, and policy incentives. Any diversion of sugarcane juice, its by-products, maize etc. for ethanol production is carefully calibrated in consultation with relevant stakeholders.
