

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO - 1732
ANSWERED ON - 03/08/2026

E20 PETROL POLICY

1732. SHRI SANJAY SINGH:

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

- (a) reasons Government has virtually withdrawn regular petrol from retail outlets, denying consumers particularly owners of older vehicles the freedom to choose fuel compatible with their vehicles;
- (b) whether Government has assessed that claimed savings in crude oil imports are being offset by increased fuel consumption resulting from lower mileage, details on net foreign exchange savings;
- (c) whether Government has assessed the additional financial burden on consumers due to reduced mileage following mandatory rollout of E20 petrol, details thereof; and
- (d) who will compensate consumers if their vehicles suffer damage or loss of performance despite assurances by automobile manufacturers regarding safety of E20 petrol?

ANSWER

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

(a) to (d): The Ethanol Blended Petrol (EBP) Programme has been implemented through a phased, scientifically validated and consultative process involving NITI Aayog, automobile manufacturers, Oil Marketing Companies (OMCs), Automotive Research Association of India (ARAI), Society of Indian Automobile Manufacturers (SIAM), Indian Institute of Petroleum (IIP) and other technical institutions.

Having been scientifically validated and accepted by the automobile industry after extensive testing, there is no proposal to revert to E0/E10 petrol. The objective of public policy is to move forward with a superior fuel, not return to an inferior standard.

The transition to E20 has been phased, consultative and scientifically validated, following extensive consultations with automobile manufacturers, ARAI, SIAM, Oil Marketing Companies and other stakeholders. Material compatibility, engine durability, fuel systems, drivability, emissions and performance were comprehensively evaluated before rollout.

Maintaining parallel nationwide supply chains for E0, E10 and E20 petrol across more than one lakh retail outlets would significantly increase logistics complexity, inventory and handling costs. Public policy must balance consumer convenience with energy security, environmental sustainability and farmer welfare.

Once a cleaner and scientifically validated fuel has been adopted, the objective is to move forward with better technology, not revert to an inferior standard.

With regard to mileage, studies by Government agencies and automobile manufacturers indicate that fuel efficiency is influenced by several factors, including driving conditions, driving habits and vehicle maintenance. Any reduction in fuel economy in certain E10-designed vehicles is generally limited to about 3-5%, while E20 offers a higher-octane rating, superior anti-knock characteristics, cleaner combustion and smoother engine performance.

E20 fuel provides better acceleration, improved ride quality and approximately 30% lower carbon emissions compared to E10 fuel. Higher ethanol blends also enable cleaner and more complete combustion, resulting in near-zero particulate matter emissions and improved urban air quality.

E15+ blended petrol has been in widespread use for over three-and-a-half years and E19-E20 fuel for over two-and-a-half years. More than 20 crore two-wheelers and over 3 crore petrol cars have been operating on these blends without any verified evidence of widespread engine failure or vehicle breakdown attributable to ethanol blending. Manufacturer service data shared with OMCs have not indicated any abnormal corrosion, wear or reduction in vehicle life attributable to E20 fuel. Manufacturers continue to honour warranty obligations for vehicles using E20 fuel, providing further confidence in its safety and reliability.

From Ethanol Supply Year (ESY) 2014-15 to ESY 2025-26 (up to June 2026), Ethanol blending by Public Sector OMCs has resulted in foreign exchange savings exceeding Rs.1.97 lakh crore, crude oil substitution of about 316 lakh metric tonnes and a reduction of approximately 952 lakh metric tonnes of CO₂ emissions.
