

**LOK SABHA**  
**UNSTARRED QUESTION No. 1307**  
**TO BE ANSWERED ON 11<sup>th</sup> FEBRUARY, 2019**

**Ethanol Production**

1307. SHRI A.P. JITHENDER REDDY:  
SHRIMATI POONAM MAHAJAN:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) Whether the Government has undertaken any study to ascertain that ethanol production in the country is viable vis-a-vis the country's water footprint and the stress of ethanol on country's water resources and if so, details thereof, if not, reasons therefor;
- (b) Whether the Government has undertaken any study to calculate required increase of net sown area for ethanol-producing crops, to meet the production target and if so, details thereof;
- (c) Whether the Government has undertaken any study to understand the effect required for increase of net sown area of ethanol-producing crops on other crops and on food prices due to reduction of net sown area for food crops given Government's bio-fuels policy that stipulates fuel requirements must not compete with food requirements and if so, the details thereof, if not, the reasons therefor;
- (d) Whether the targets of ethanol blending petrol has been fixed for the next four years and if so, the details thereof along with the annual capacity of bio-refineries in the country since 2014; and
- (e) Whether the Centre for High Technology initiated a project to create renewable crude and liquid hydrocarbon fuels from algae and if so, the details thereof along with the executing agencies involved therein and the current status of the said project including the total cost of the project?

**ANSWER**

पेट्रोलियम और प्राकृतिक गैस मंत्री  
(श्री धर्मेन्द्र प्रधान)

**MINISTER OF PETROLEUM & NATURAL GAS**  
**(SHRI DHARMENDRA PRADHAN)**

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(a) to (c) The Government has notified the National Policy on Biofuels-2018. Para 5.3 of the Policy states that during an agriculture crop year when there is projected over supply of food grains as anticipated by the Ministry of Agriculture & Farmers Welfare, the Policy will allow conversion of these

surplus quantities of food grains to ethanol based on the approval of National Biofuel Coordination Committee (NBCC) proposed under this Policy. Accordingly, NBCC allowed procurement of ethanol from surplus food-grains such as Jowar, Bajra and Maize based on the projections provided by Ministry of Agriculture & Farmers Welfare for 2018-19 after accounting for domestic use of human, poultry and animal feed. Further, Bharat Petroleum Corporation Limited, Industry Coordinator for Ethanol Blended Petrol (EBP) Programme, has engaged a third party consultant to undertake study on ethanol production in the Country.

(d) Ethanol blending in petrol is being undertaken by the Oil Marketing Companies (OMCs) in 21 States and 4 Union Territories wherein, OMCs blend up to 10 % ethanol in petrol under the EBP Programme. The National Policy on Biofuels-2018 indicates a target of 20% blending of ethanol in petrol by 2030. In December, 2014 the Government has allowed Second Generation (2G) route for procurement of ethanol. Oil PSUs have entered into Memorandums of Understanding (MoUs) with State Governments and Technology Providers for setting up 2G ethanol bio-refineries. Foundation stone of the first 2G ethanol bio-refinery to be set up by Hindustan Petroleum Corporation Limited in Bathinda, Punjab, has been laid on 25.12.2016. Groundbreaking ceremony for 2G Ethanol bio-refinery of Bharat Petroleum Corporation Limited in Bargarh, Odisha, has been held on 10.10.2018.

(e) As per the information provided by Center for High Technology, the project on renewable crude and liquid hydrocarbon fuels from algae was undertaken in March, 2017 based on recommendation of Scientific Advisory Committee on Hydrocarbons. Chennai Petroleum Corporation Limited is the executing agency along with International Centre for Genetic Engineering and Biotechnology and M/s ABAN Infrastructure Limited, Chennai. The estimated project cost is Rs.434.52 lakh.