

**GOVERNMENT OF INDIA  
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION**

**LOK SABHA  
UNSTARRED QUESTION NO. 340  
TO BE ANSWERED ON 20<sup>TH</sup> JULY, 2021**

**DIVERSION OF RICE PROCURED FOR FOOD SECURITY FOR ETHANOL  
PRODUCTION**

**340. SHRI V.K.SREEKANDAN:**

**Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:**

- (a) whether the Government has allocated 78,000 tonnes of rice procured for food security purposes to be diverted to ethanol production instead at a subsidised rate of Rs.20 per kg, if so, the details thereof;**
- (b) whether the Government had committed about three lakh tonnes of rice procured by the Food Corporation of India for ethanol production, if so, the details thereof; and**
- (c) whether the Government aims to increase the blending levels to 8.5% in the current year, if so, the details thereof?**

**A N S W E R  
MINISTER OF STATE FOR MINISTRY OF RURAL DEVELOPMENT AND  
CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
(SADHVI NIRANJAN JYOTI)**

**(a) & (b): India imports about 85% of its crude oil requirement. Domestic bio-fuels like ethanol reduce the nation's dependence on imported fossil fuels; in addition its use reduces vehicular pollution, increases farmers' income, brings new investment opportunity in rural areas thereby helping to achieve goal of Atmanirbhar Bharat.**

**Ethanol is being produced mainly from molasses/sugarcane and damaged food-grains; but availability of these feedstocks as well as ethanol production capacity is not sufficient to achieve blending target fixed by the Government. Therefore, with a view to increase production of fuel grade ethanol for blending with petrol, Government is encouraging distilleries to produce ethanol from surplus rice available with FCI; and maize.**

**The FCI rice is sufficient in stock for food security purposes and it will continue to remain robust as procurement of paddy/rice at Minimum Support Price (MSP) continues at expected levels to meet Public Distribution System (PDS) requirement. For the period of December'2020-November'2021, 78844 MT of FCI rice has been allocated to distilleries @ Rs. 20/kg ex-FCI godown for production of ethanol out of which 22716 MT has been lifted by distilleries till 14.7.2021.**

**(c): Yes Sir. During the current Ethanol Supply Year (ESY) 2020-21(Dec-Nov), the Government has targeted to achieve 8.5% blending of ethanol with petrol. Against the requirement of 332 crore litres of ethanol for achieving 8.5% blending with petrol, contracts have been signed for supplying about 335 crore litres of ethanol by distilleries to Oil Marketing Companies (OMCs) for blending of ethanol with petrol; against which about 190 crore litres of ethanol have been supplied to OMCs by distilleries till 12.7.2021 thereby achieving 7.93% blending which is the historically highest figure.**

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