

LOK SABHA
STARRED QUESTION No. *151
TO BE ANSWERED ON 1st August, 2024

AGRICULTURAL WASTE FOR ETHANOL PRODUCTION

†*151. **SHRI DARSHAN SINGH CHOUDHARY:**

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) whether the Government proposes to set up ethanol production plants in Narmadapuram Parliamentary Constituency as sugarcane, paddy, wheat and green gram (moong) are produced there in large quantity;
- (b) if so, whether any action-plan has been formulated for the said purpose and if so, the details thereof;
- (c) whether the Compressed Bio-Gas (CBG) plants are proposed to be set up by the Government and Public Sector Undertakings of petroleum sector to make use of agriculture waste in Madhya Pradesh, particularly in the said Parliamentary Constituency; and
- (d) if so, the details thereof?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्री
(श्री हरदीप सिंह पुरी)

MINISTER OF PETROLEUM & NATURAL GAS
(SHRI HARDEEP SINGH PURI)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. *151 TO BE ANSWERED ON 01.08.2024 REGARDING 'AGRICULTURAL WASTE FOR ETHANOL PRODUCTION'

(a) & (b): The Government has been promoting blending of ethanol in petrol under the Ethanol Blended Petrol (EBP) Programme. Under this Programme, Public Sector Oil Marketing Companies sell petrol blended with ethanol. The Government, since 2014, has taken several measures to meet the ethanol blending targets which includes expansion of feedstock for production of ethanol, administered price mechanism for procurement of ethanol under the EBP Programme, lowered GST rate to 5% on ethanol for EBP Programme, interest subvention scheme for enhancement and augmentation of ethanol production capacity in the country etc. This has resulted in increase of blending of ethanol with petrol from 38 crore litres in ESY 2013-14 to more than 500 crore litres in ESY 2022-23 with corresponding increase in blending percentage from 1.53% to 12.06%. OMCs had achieved the target of 10% ethanol blending in petrol in June, 2022 i.e., five months ahead of the target during Ethanol Supply Year (ESY) 2021-22. During the current ESY 2023-24, the blending percentage has already crossed 13%.

Further, the National Policy on Biofuels – 2018, as amended in 2022, *inter-alia* advanced the target of 20% blending of ethanol in petrol to ESY 2025-26 from 2030 and allowed multiple feedstock for production of ethanol. The Roadmap for Ethanol Blending in India 2020-25, prepared by an inter-Ministerial Committee, estimated ethanol requirement of 1016 crore litres to achieve 20% blending target in ESY 2025-26 against which ethanol production capacity of 1528 crore litres is available across the country. In order to achieve the blending targets set under EBP Programme, OMCs have signed Long Term Offtake Agreements (LTOAs) with Dedicated Ethanol Plants (DEPs). Also, Government has, during 2018-22, introduced various Ethanol Interest Subvention Schemes (EISS) for ethanol production from molasses as well as grains to encourage entrepreneurs/companies/co-operative societies etc., to set up ethanol plant depending upon the techno-economic viability of the project as per their investment plans.

Interest subvention has been approved in principle for five ethanol projects in Narmadapuram Parliamentary Constituency, details of which are as follows:

S.No.	Name of Ethanol Projects
1.	Narmada Sugars Private Limited
2.	Shakti Sugar Mill Private Limited
3.	Vanshika Sugar And Power Industries Limited
4.	Narmada Sugar Private Limited
5.	K P Biofuels Private Limited

(c) & (d): Under Sustainable Alternative towards Affordable Transportation (SATAT) initiative, Compressed Bio Gas (CBG) plants are set up across the country, including Madhya Pradesh, based on the techno-commercial feasibility and feed stock availability. Oil and Gas Marketing Companies (OGMCs) viz. IOCL, HPCL, BPCL, GAIL, and IGL invite expression of interest (EOI) from the entrepreneurs for procurement of CBG for further marketing. At present, 4 CBG plants in Madhya Pradesh have been commissioned and 2 plants are under construction. Currently, no proposal to set up CBG plants in the parliamentary constituency of Narmadapuram is under consideration of Government or the Public Sector Undertakings of Petroleum sector.
