

LOK SABHA
UNSTARRED QUESTION No. 3977
TO BE ANSWERED ON 19th December, 2024

GROWTH OF BIO-ENERGY SECTOR

3977. SHRI MUKESHKUMAR CHANDRAKAANT DALAL:
DR. BHOLA SINGH:
SHRI MANOJ TIWARI:
SHRI BALABHADRA MAJHI:
SHRI MUKESH RAJPUT:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) the policies and incentives provided by the Government to further accelerate the growth of the bio-energy sector, particularly the targets set for 2025 with regard to the ethanol blending;
- (b) the measures taken by the Government to engage and educate farmers and local communities about the benefits of transitioning to bio-energy along with the extent to which such participation would be facilitated in this transformation;
- (c) the aims and objectives of the scheme being formulated by the Government to enact a new legislation in respect of offshore oil exploration;
- (d) the manner in which this new legislation is likely to affect such sectors which were previously designated as no-go zones for oil exploration;
- (e) whether the Government has any strategy to promote second-generation (2G) Bioethanol plants and advanced biofuels and if so, the details thereof; and
- (f) the role of bioenergy in meeting India's climate commitments under the Paris Agreement?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्य मंत्री
(श्री सुरेश गोपी)

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

- (a) Government has notified the National Bioenergy Programme (NBP) with an aim to promote the use of bioenergy and waste-to-energy technologies to support clean energy solutions to enhance energy security and support sustainable development in India. In addition, to accelerate the growth of the biofuels sector and

achieve the enhanced ethanol blending by 2025, the Government, since 2014, has taken several measures which *inter-alia* includes expansion of feedstock for production of ethanol, administered price mechanism for procurement of sugarcane based ethanol under the Ethanol Blended Petrol (EBP) Programme, lowered GST rate to 5% on ethanol for EBP Programme, introduction of various Ethanol Interest Subvention Schemes (EISS), during 2018-22, for ethanol production from molasses as well as grains and Long Term Offtake Agreements (LTOAs) by Oil Marketing Companies (OMCs) with Dedicated Ethanol Plants (DEPs) etc., Notification of the “Pradhan Mantri JI-VAN (Jaiv Indhan - Vatavaran Anukool fasal awashesh Nivaran) Yojana” to provide financial support for integrated bio-ethanol projects for setting up Advanced Biofuels projects in the country using lignocellulosic biomass and other renewable feedstock.

(b): To promote the production of maize as a major feedstock for grain based ethanol supply under Ethanol Blended Petrol Programme, training/awareness/exposure programme have been conducted by Indian Council of Agricultural Research (ICAR)- Indian Institute of Maize Research (IIMR) under its project ‘Enhancement of Maize Production in Catchment Area of Ethanol Industries’ for various stakeholders including farmers across the country for quality maize production towards profitable ethanol production. The management of fall armyworm and aflatoxin was integral part in such programmes conducted under this project along with mechanization and best weed and nutrient management. A total of 788 demonstrations of improved package of practices were conducted during *Kharif* 2024 in 15 clusters across 15 States. In *Rabi* 2024-25, the inputs were distributed to conduct demonstrations of improved practices on 720 acres in the catchment area of ethanol industries. Specialized training for the distillers and seed production organization were also conducted.

(c) & (d): The Government has introduced the Oilfields (Regulation and Development) Amendment Bill, 2024, with the aim of increasing domestic production of oil and gas and thereby reducing the country’s import dependence. The bill targets various objectives, including attracting investments in the Exploration and Production sector to bring in necessary capital and technology for expediting petroleum operations in the country. It seeks to create an investor-friendly environment that promotes ease of doing business, fosters prospects for exploration, development, and production of all types of hydrocarbons, ensures stability, and provides adequate opportunities for risk mitigation.

The initiatives taken by the Government have resulted in a significant reduction in the "No-Go" area, located off the coast of India in the Bay of Bengal, the Indian

Ocean, and the Arabian Sea, from 1,366,708 square kilometers (SKM) to 24,832 SKM, thereby opening up approximately 99% of the previously restricted areas for exploration activities. The enactment of the proposed legislation is expected to unlock valuable mineral oil resources, attract investments, facilitate the development and production of all types of hydrocarbons, and enable exploration of various unapprised and unexplored oilfields in the country, including blocks in the previously designated "No-Go" areas.

(e) The Government had notified the “Pradhan Mantri JI-VAN (Jaiv Indhan - Vatavaran Anukool Fasal Awashesh Nivaran) Yojana” in 2019, amended in 2024, to provide financial support for integrated bio-ethanol projects aimed at setting up advanced biofuel projects in the country using lignocellulosic biomass and other renewable feedstock. Under this scheme, financial assistance of more than ₹908 crore has been approved for Public and Private Sector Oil Marketing Companies (OMCs) for six commercial-scale Second Generation (2G) bio-ethanol projects and four demonstration-scale 2G ethanol projects. Among these, the commercial project in Panipat, Haryana, has been dedicated to the Nation, while three other commercial-scale projects are in advanced stages of construction.

(f) Over the last 10 years, ethanol blending in petrol by Public Sector OMCs has helped reduce approximately 557 lakh metric tonnes of CO₂ emissions.
