

**LOK SABHA**  
**STARRED QUESTION No. \*391**  
TO BE ANSWERED ON 27<sup>th</sup> March, 2025

**ETHANOL BLENDED PETROL PROGRAMME**

†\*391. SMT. KAMLESH JANGDE:  
SHRI MANOJ TIWARI:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) the details of the Ethanol Blended Petrol (EBP) Programme being implemented by the Government;
- (b) the details of increase in ethanol supply during the years 2013-14 to 2024-25, till February 2025;
- (c) the details of the guidelines issued by the Government on ethanol blending;
- (d) the average blending of ethanol targeted by the Government during the upcoming three years, particularly by February-March, 2025 and February-March, 2026; and
- (e) the contribution of EBP Programme with respect to foreign exchange impact and net Carbon dioxide reduction during the last ten years?

**ANSWER**

पेट्रोलियम और प्राकृतिक गैस मंत्री  
(श्री हरदीप सिंह पुरी)

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

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

**STATEMENT REFERRED TO IN REPLY TO PART (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO. \*391 TO BE ANSWERED ON 27.03.2025 REGARDING 'ETHANOL BLENDED PETROL PROGRAMME'.**

(a) to (e): Government have been promoting blending of ethanol in petrol under the Ethanol Blended Petrol (EBP) Programme with multiple objectives. As a green fuel, Ethanol supports the environmental sustainability efforts of the Government. It reduces import dependence on crude oil while saving foreign exchange and promotes domestic agriculture sector.

EBP Programme has resulted in expeditious payment to farmers of more than Rs. 1,04,000 crore from Ethanol Supply Year (ESY) 2014-15 up to January 2025, besides savings of more than Rs. 1,20,000 crore of foreign exchange, net CO<sub>2</sub> reduction of about 626 lakh metric tonnes and substitution of more than 200 lakh metric tonnes of crude oil.

Government issued a Notification dated 02.06.2021 directing Oil Companies to sell ethanol blended petrol with percentage of ethanol up to twenty per cent as per the Bureau of Indian Standards (BIS) specifications with effect from 01.04.2023, which was later advanced to 15.12.2022. 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.

Interventions by the Government have led to increased ethanol blending with petrol from 38 crore litres in ESY 2013-14 to 707 crore litres in ESY 2023-24 with corresponding increase in blending percentage from 1.53% to 14.60%. For the ongoing ESY 2024-25, Public Sector OMCs have targeted 18% ethanol blending in petrol. In February, 2025 ethanol blending of 19.68% has been achieved. So far, no decision has been taken by the Government to increase ethanol blending beyond 20%.

Government have issued various guidelines on ethanol blending which, *inter-alia*, include:

- i. Introduction of administered price mechanism in December, 2014 for ethanol produced under the Ethanol Blended Petrol (EBP) Programme.
- ii. National Policy on Biofuels – 2018, and its amendment in 2022.
- iii. Amending the Industries (Development and Regulation) Act, 1951 to facilitate intrastate and interstate movement of ethanol under EBP Programme.
- iv. Lowering GST rate to 5% on ethanol meant for EBP programme.
- v. Ethanol procurement policy, 2019 for procurement of ethanol on a long-term basis.
- vi. Roadmap for Ethanol blending in India for the period 2020-2025.
- vii. Advancing the target for 20% ethanol blending in petrol to the Ethanol Supply Year (ESY) 2025-26 from 2030.
- viii. Guidelines for setting up Dedicated Ethanol Plants (DEPs) in ethanol deficit states, issued in August 2021 and signing of Long Term Offtake Agreements.
- ix. Ethanol Interest Subvention Schemes, from 2018 to 2022, by Department of Food and Public Distribution (DFPD) for augmentation of ethanol production capacity.
- x. Pradhan Mantri JI-VAN (Jaiv Indhan – Vatavaran Anukool fasal awashesh Nivaran) Yojana 2019, amended in 2024, to provide financial support for setting up Advanced Biofuels projects in the country using lignocellulosic biomass and other renewable feedstock.

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