

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

LOK SABHA
UNSTARRED QUESTION NO.2221
TO BE ANSWERED ON 12TH MARCH, 2025

MIXING OF ETHANOL IN PETROL

2221. SHRI NAVEEN JINDAL:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) the total quantity of Ethanol produced in the country as on date;
- (b) the quantity of Ethanol actually required for meeting the target of mixing 20% Ethanol in petrol;
- (c) whether the Government has any performance evaluation of the vehicles running on Ethanol-petrol mix fuel during the last three years;
- (d) if so, the details and the outcome thereof and if not, the reasons therefor; and
- (e) the measures taken by the Government for setting up multi-dimensional biofuel production facilities across the country particularly in the sugarcane producing areas?

A N S W E R
MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS,
FOOD & PUBLIC DISTRIBUTION
(SHRIMATI NIMUBEN JAYANTIBHAI BAMBHANIYA)

(a): The total quantity of ethanol produced and supplied to Oil Marketing Companies(OMCs) for blending with petrol during Ethanol supply Year(ESY) 2023-24 was about 672 crore litres. In current Ethanol supply Year (ESY) 2024-25, about 261 crore litres has been produced and supplied to OMCs (as on 23.02.2025).

(b): For achieving target of 20% ethanol blending with petrol in ESY 2025-26, about 1016 Crore litres of ethanol will be required.

(c) & (d): Material compatibility with E20 fueled engines has been achieved w.e.f. April, 2023. Under Ethanol Blended Petrol (EBP) Programme, Government has fixed the target of rolling out the vehicles with E20 tuned engines from April, 2025. Vehicles running on E20 experience a slight decrease in fuel efficiency compared to gasoline.

(e): In order to promote setting up of ethanol production plants in the country, the Government has notified various Ethanol Interest Subvention Schemes during 2018-22. A new scheme for Cooperative Sugar Mills has also been notified on 06.03.2025 for conversion of their existing sugarcane based plants into multi-feed based ethanol plants.

Government has also been taking various steps to promote production of ethanol in the country such as fixation of remunerative prices of ethanol produced from different feedstocks for supply to OMCs; reduction in Goods & Service Tax (GST) on ethanol meant for EBP Programme from 18% to 5%; promotion of maize as a major feedstock for ethanol production under Ethanol Blended with Petrol (EBP) Programme; Long Term Offtake Agreements (LTOAs) by OMCs with Dedicated Ethanol Plants (DEPs) etc.

Further, a scheme namely, “ Pradhan Mantri JI-VAN (Jaiv Indhan – Vatavaran Anukool Fasal Awashesh Nivaran) Yojana” 2019, amended in 2024, has been notified to provide financial support for setting up Advanced Biofuels projects in the country.
