

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

LOK SABHA
UNSTARRED QUESTION NO. 515
TO BE ANSWERED ON 3RD DECEMBER, 2025

ETHANOL FROM SUGAR SECTOR

515. SHRI SELVAGANAPATHI T.M.:

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

- (a) whether the Indian Sugar & Bio Energy Manufacturers Association has demanded that the Government must ensure 50 per cent ethanol is sourced from sugar sector and if so, the details thereof;
- (b) whether it is a fact that only 289 crore litre ethanol had been allocated from sugar-based feedstock or 28% of the total need and if so, the details thereof;
- (c) whether it is a fact that the sugar industry invested almost Rs.40,000 crore with a capacity to supply 650 crore litre of ethanol a year and if so, the details thereof;
- (d) whether the sugar industry have also demanded to enhance Minimum Support Price, announce sugar export policy and increase ethanol procurement price; and
- (e) if so, the details thereof alongwith the steps taken by the Government in this regard?

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

(a): Government has received representation from Indian Sugar & Bio Energy Manufacturers Association (ISMA) wherein ISMA has inter-alia requested to reserve at least 50% of total ethanol procurement for sugarcane-based feedstock to ensure parity and economically acceptable utilization of existing capacity.

(b): Out of total allocation of 1050 crore litres for Ethanol Supply Year (ESY) 2025-26, 289 crore litre has been allocated to sugarcane-based feedstock.

(c): Ethanol Production capacity of sugarcane based distilleries is 838 crore litres. More than 42,000 crore rupees have been sanctioned as loan by the banks/ Financial Institutions for setting up of new sugarcane/ grain based distilleries/ Expansion of existing capacity of distilleries upto 31.10.2025.

(d) & (e): Representations have been received from various stakeholders for enhancing Minimum Selling Price, announcing sugar export policy and increase ethanol procurement price. In this regard, Government has allowed export of 15 LMT sugar for current Sugar Season 2025-26 on 14.11.2025.
