

LOK SABHA
UNSTARRED QUESTION No.3300
TO BE ANSWERED ON 12th March, 2026

STATUS OF BPCL ETHANOL BIO-REFINERY PROJECT IN ODISHA

3300. SHRI PRADEEP PUROHIT:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) the current status of the BPCL's integrated ethanol bio-refinery project at Bargarh district in Odisha and whether construction work is complete and commercial operations have commenced;
- (b) if so, the details of the total approved investment or capital cost of the project, the technology used (1G/2G integrated) and the expected annual ethanol production capacity;
- (c) the details of the revised schedule for implementation and commissioning of the project and reasons for delays, if any
- (d) whether any ethanol has already been produced or dispatched from the facility and if so, the details of date and quantity produced;
- (e) the details of the estimates of direct and indirect employment already generated and expected to be generated by this project once operational; and
- (f) the details of the tangible benefits expected from this project in terms of supporting the Ethanol Blended Petrol (EBP) Programme and farmers' income in western Odisha?

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) to (f): Under the Pradhan Mantri JI-VAN (Jaiv Indhan – Vatavaran Anukool fasal awashesh Nivaran) Yojana, Bharat Petroleum Corporation Limited (BPCL) has set up an integrated biorefinery at Bargarh, Odisha comprising First Generation (1G) and Second Generation (2G) ethanol production facilities. M/s Praj Industries Limited is technology provider for the project.

Total approved capital cost of this Bio-Refinery is Rs. 1775 crore including taxes. The designed annual production capacity of 1G Ethanol plant is 3.3 crore litre and that of 2G Ethanol plant is 3 crore litre, which is envisaged to support the EBP Programme.

During the construction of the project, around 15.25 lakh man-days of direct and indirect employment were generated. Employment for about 725 people is estimated to be generated during the full operational phase of the plant. Further, biomass supply chain is expected to generate indirect employment to around 1200 rural individuals and foster entrepreneurship among around 250 local entrepreneurs, farmers and rural women's self-help groups.

The implementation timeline was affected due to factors such as disruptions during the pandemic period, limited availability of specialised technology vendors and extended delivery timelines for certain critical equipment. Further, 2G ethanol technology for commercial-scale production is still at a nascent stage, and project developers worldwide are facing challenges in the biomass conversion process, leading to longer commissioning timelines compared to conventional plants.
