

GOVERNMENT OF INDIA  
MINISTRY OF PETROLEUM AND NATURAL GAS  
LOK SABHA

UNSTARRED QUESTION NO: 3299

ANSWERED ON:09.08.2021

Production and Utilisation of Ethanol

P. C. Mohan

- (a) whether the Government is considering the use of ethanol as an alternative to petrol;
- (b) if so, the details of the ethanol manufactured in the country; and
- (c) the details of the measures taken by the Government to increase production and utilisation of ethanol?

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

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM &  
NATURAL GAS

(SHRI RAMESWAR TELI)

(a) & (b): Currently Public Sector Oil Marketing Companies (OMCs) are selling 10% ethanol blended petrol which contains 90% petrol and 10% ethanol from their retail outlets. Under this Ethanol Blended Petrol (EBP) Programme, ethanol suppliers have contracted to supply 343.16 crore litres of ethanol to Public Sector OMCs for the ongoing Ethanol Supply Year (ESY) 2020-21, against which 209.67 crore litres has been received as on 02.08.2021.

(c): Government, since 2014, has taken several measures to increase production and utilization of ethanol in the country which includes permitting procurement of ethanol produced from other non-food feedstock besides molasses, like cellulosic and lignocelluloses materials like cotton stalk, wheat straw, rice straw, bagasse, bamboo etc. including petrochemical route, subject to meeting the relevant BIS standards; allowing use of sugarcane and food grains (maize and surplus stocks of rice with Food Corporation of India) for conversion to ethanol; administered price mechanism for procurement of ethanol under the Ethanol Blended Petrol (EBP) Programme including enhanced ex-mill price of ethanol year on year from ethanol supply year 2017-18; lowered GST rate to 5% on ethanol for EBP Programme; amendment in Industries (Development & Regulation) Act for free movement of ethanol across states for blending; interest subvention scheme for enhancement and augmentation of ethanol production capacity in the country.

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