

# Plan to build ethanol stock to meet E20 fuel demand

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**THE GOVERNMENT IS** planning to create a carry over stock of ethanol for the next year anticipating a rise in demand for E20 fuel in the country, according to a senior food ministry official.

E20 fuel is a blend of 20% ethanol with petrol. The government aims to achieve the 20% ethanol blending target by 2025.

“Ethanol blending is going well. Oil Marketing Companies (OMCs) have started dispensing E20 fuel in about 100 outlets in 31 cities in the country. We have started E20 fuel, if it goes well then the requirement will be more,” Additional Secretary in the food ministry Subodh Kumar said.

Like sugar, the government “plans to create a carryover stock of ethanol” with OMCs and distilleries for 2023-24 ethanol year (December-November) and more sugar would be diverted for the same, he said.

The government has kept the 12% ethanol blending target in the ongoing 2022-23 ethanol year, while 15% for the next year. “About 120 crore litres has been blended with petrol till February-end. We are continuously blending 12%. The ethanol availability and production capacity is sufficient to meet this year’s target,” the official said.

For the current year, about 5 million tonnes of sugar is estimated to be diverted for ethanol production, higher than 3.6 million tonnes in 2021-22.