

'Govt on course to achieving 12% ethanol blending target this year'

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The Centre is confident of reaching its target of 12% ethanol blending with petrol target by the end of the current ethanol supply year ending October, Union food and public distribution secretary Sanjeev Chopra said on Thursday.

This comes after the government procuring agency Food Corp of India (FCI) temporarily halted the supply of rice for ethanol production in July. While grains account for 20% of ethanol blending with

petrol, sugar has a contribution of 80%.

Highlighting the achievements of the sector, Chopra said, "India's sugar industry has been on a roller-coaster ride for decades, but recent years have energized the sector. Previously, the industry relied on subsidies. However, efforts such as the ethanol blending program have emerged as a game-changer. Starting with a 1.5% ethanol blending capacity in 2015-16 to a blending percentage of about 12% which we are likely to achieve this ethanol supply year."

"In spite of the bounces in

between we are confident to meet the 12% ethanol blending capacity by the end of the current ethanol supply year," the food secretary said.

Ethanol blending with petrol (EHP) had reached 11.76% as of 31 August as against the target of 12% for the entire 2022-23 (December-October) ethanol supply year (ESY).

Indian Sugar Mills Association (ISMA) President Aditya Jhunjhunwala on Wednesday said sugar mills had contracted to supply about 4.5 billion litres of ethanol in the ongoing ESY.

He further said that though India has the potential to pro-



Food and public distribution secretary Sanjeev Chopra.

duce as much as 10 billion litres of ethanol from the current level of sugarcane production against a requirement of 12 billion litres to achieve a

20% EHP target by 2025-26. Sugar mills need to ramp up their capacity from the current 7 billion litres to at least 11 billion litres, which will require an estimated investment of Rs 17,500 crore.

"Sugar mills do not have the capacity and that needs to be raised urgently as only two years are left to meet the 20% ethanol blending target," Jhunjhunwala added.

In the current ethanol supply year, sugar mills supplied around 4.5 billion litres of ethanol to oil marketing companies (OMCs). Another 1 billion litres were supplied to the alcohol and other industries.

The sugar industry has played a pivotal role in the transformation. Currently, cane dues to farmers are at their lowest in years, which is a remarkable achievement.

Around Rs 4,000 crore was approved by the union government for the sugar industry in the current sugar year ending September for cane dues to growers.

There is a lot more to be done, including digitalization of the sugar industry, and the government along with ISMA is committed to supporting the industry, the food secretary said.

"The sugar industry is doing

a lot but there is more required which is intended to do and ISMA is aware of the possibilities. In terms of sugar recovery, we are currently at 11% which is a low-hanging fruit. In the next few years, we aim to achieve a 13% sugar recovery. For this, we need to digitise the entire sugar chain and ISMA is working on it," Chopra said.

"They are planning to use remote-sensing technology to ensure that the harvesting of sugarcane is happening at the appropriate time, even if the difference between the sugarcane arrival and the crushing is minimal so that the recovery could be maximised."