

Kribhco to invest ₹1,100 cr in TS, AP, Gujarat for ethanol units

New Delhi, Sept. 24: Fertiliser cooperative Krishak Bharati Cooperative Ltd (Kribhco) is investing around ₹1,100 cr to set up three ethanol manufacturing plants using maize and broken rice as feedstock.

These three plants are being set up in Gujarat, Telangana and Andhra Pradesh with a capacity of 250 kilo litre per day.

"We are setting up bio ethanol plants as part of our diversification plan," said Kribhco chairman Chandra Pal Singh.

Rajan Chowdhry, managing director, said these plants are expected to be operational by next year.

"We are investing around ₹1,100 crore on setting up these three plants. We will be using grains like maize and broken rice as feedstock," Chowdhry said.

The investment is being met through a combination of internal accruals and debt, he said.

Chowdhry said the cooperative will supply ethanol to oil marketing companies (OMCs) for blending with petrol.

At present, the ethanol blending with petrol is at 12 per cent and the target is to reach 20 per cent by 2025.

Kribhco has formed a 100 per cent owned special

purpose vehicle Kribhco Green Energy Private Limited for setting up three bioethanol projects at Hazira in Gujarat, Nellore in Andhra Pradesh and Jagtial in Telangana.

The SPV has received environment clearance as well as in principle approval from the Department of Food and Public Distribution for interest subvention scheme for all the three projects.

The SPV has awarded the lump sum turn key (LSTK) contracts for all the three bioethanol projects to Excel Engineers and Consultants. — PTI