

# ACCENT REGION

UTTAR PRADESH

## Ethanol pipeline gets ₹16K-cr investment bid

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India's top sugarcane and sugar producer-state has received investment proposals of more than ₹16,000 crore in the growing ethanol sector, Uttar Pradesh Additional Chief Secretary (sugarcane and excise) Sanjay Bhoosreddy has said.

Ethanol is a sugar byproduct and has multiple downstream industrial and chemical sector uses, including blending with fossil fuels, alcohol, medicines, etc.

Uttar Pradesh tops the India chart in ethanol-blended fuel ratio owing to the ready availability and robust logistics supply chain. UP and Maharashtra together account for around 60 per cent of the country's sugarcane and sugar output.

According to the proposals, the companies will set up distilleries, breweries, microbrewery, malt and yeast manufacturing plants, etc.

The Yogi Adityanath government has signed 17 memorandum of understanding (MoUs) for setting up ethanol and alcohol-related production units in the state.

Over the past five years, private distilleries have pumped in ₹7,500 crore to upgrade ethanol capacity.

"The state has now issued letters of intent (LoIs) for private investment of ₹1,400 crore," Bhoosreddy said.

In the run-up to the two-day UP Global Investors Summit (GIS), which will be held in Lucknow from February 10, the state is ramping up its kitty of private investment proposals.

The state plans to attract ₹1.7 trillion worth of private investments at the big-ticket event, which is expected to be inaugurated by Prime Minister Narendra Modi.

While UP's ethanol value chain is esti-



**UP tops India chart in ethanol-blended fuel ratio because of ready availability and robust logistics supply chain** FILE PHOTO

mated at ₹12,000 crore, the state's ethanol capacity is pegged at 2 billion litres per annum, nearly eight times from 240 million litres per annum five years back. The state's ethanol capacity is expected to touch 2.25 billion litres per annum in the next 1-2 years.

The state is integrating sugarcane with ethanol for facilitating remunerative prices to farmers and insulating the sector from the cyclical nature of the sugar market.

In the current sugarcane crushing season, the state's sugarcane area was estimated at 2.85 million hectares, while the sugarcane production was pegged at almost 235 million tonnes.

The 120 sugar mills that are participating in the current sugarcane season include private 93 units, 24 cooperative units, and three from the UP State Sugar Corporation.