

GOVERNMENT OF INDIA  
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION

**RAJYA SABHA**  
UNSTARRED QUESTION NO. 2006  
TO BE ANSWERED ON 12<sup>TH</sup> MARCH, 2021

**PRODUCTION OF ETHANOL**

2006: SHRI IRANNA KADADI:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) the estimated and actual production of Ethanol in the country during last three years;
- (b) whether Government's targets on production of Ethanol-blended-fuel are being met, if so, the details thereof and if not, reasons therefor;
- (c) whether the Ethanol produced from molasses instead of sugarcane is more useful and beneficial, if so, the details thereof;
- (d) whether production of Ethanol directly from sugarcane is permitted in the country, if so, the details thereof along with the names of major mills producing such Ethanol; and
- (e) the measures taken/being taken by Government to increase production of Ethanol and promote its usage in the country?

**A N S W E R**

MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS, FOOD &  
PUBLIC DISTRIBUTION  
(SHRI DANVE RAOSAHEB DADARAO)

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(a): The actual production and supply of ethanol under Ethanol Blended with Petrol (EBP) Programme during last three Ethanol Supply Year (ESY) (December-November) i.e. 2017-2018, 2018-2019 & 2019-2020 was 150.50 cr ltr, 188.56 cr ltr and 173.03 cr ltr against the contracted quantity of 161 cr ltr, 244 cr ltr and 195 cr ltr respectively.

(b): The Government has mandated 10% blending target of ethanol with petrol to be achieved by 2022.

(c): No sir, there is no difference between the ethanol produced from molasses or directly from sugarcane juice.

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(d): The Government has permitted production of fuel grade ethanol directly from sugarcane juice also. As per Industry/Trade sources, the major sugar mills producing ethanol directly from sugarcane juice are M/s Shree Renuka Sugars Ltd.; M/s Godavari Bio-refineries Ltd. (Karnataka); M/s Tatyasaheb Kore Warana Sahakari Sakhar Karkhana Ltd.; M/s Chhatrapati Sahu S.S.K. Ltd., Kagal (Maharashtra); M/s Pravaranagar S.S.K. Ltd., (Maharashtra); M/s Rajarambapu Patil S.S.K. Ltd., Walwa and M/s Jaywant Sugar Mills Ltd. etc.

(e): In order to increase production of ethanol in the country and to promote its supply to OMCs under EBP, the Government has taken various measures from time to time both on supply and demand side which are as under :

(i) Notified Interest subvention schemes for augmentation of ethanol production capacities in the country.

(ii) Enhanced the scope of raw material by allowing production of ethanol from multiple feed stocks like C & B-Hy molasses, sugarcane juice, sugar, sugar syrup, damaged food-grains, maize and rice available with Food Corporation of India.

(iii) Fixed remunerative price of ethanol produced from various feed stocks.

(iv) Allowed procurement of Second Generation (2G) ethanol produced from other non-food feed stocks like cellulosic and ligno-cellulosic materials.

(v) Amended IDR Act, 1951 for free movement of ethanol in the country.

(vi) Reduced GST rate from 18% to 5% on ethanol procured under EBP and formulation of a long term procurement policy for ethanol.

(vii) In addition, Public Sector Oil Marketing Companies (OMCs) have also undertaken multiple steps to simplify the ethanol procurement procedure like one-time vendor registration to avoid multiple document submissions, enhanced transportation slabs and rates, multiple rounds of Expression of Interest (EoI) during Ethanol Supply Year (ESY) etc.

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