

LOK SABHA
UNSTARRED QUESTION No. 626
TO BE ANSWERED ON 25th July, 2024

INVITING BIDS FOR SUPPLY OF ETHANOL

626. SHRI SELVAGANAPATHI T. M. :

पेट्रोलियम और प्राकृतिक गैस मंत्री

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the Oil Marketing Companies (OMCs) have invited bids for the supply of ethanol for the year 2023-24 which ends on October 31, 2024 and if so, the details thereof;
- (b) whether the suppliers from sugar sector can supply any quantity of ethanol they produce and there would be no more restrictions and if so, the details thereof;
- (c) whether it is true that ethanol from sugar sector is more compatible with crude oil and if so, the details thereof; and
- (d) whether the OMCs have any plan to establish units for producing ethanol and if so, the details thereof?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्य मंत्री
(श्री सुरेश गोपी)

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS
(SHRI SURESH GOPI)

(a): For the current Ethanol Supply Year (ESY) 2023-24 i.e., 1st November, 2023 to 31st October, 2024, Oil Marketing Companies (OMCs) have so far floated four bidding cycles for procurement of ethanol during November'2023, January, March, and May'2024.

(b): The Government has been encouraging sugar mills to divert excess sugar for increased ethanol production. However, due to anticipated drop in sugar production in the current Sugar Season 2023-24, and to ensure sufficient availability of sugar for human consumption without major price fluctuation in the domestic market, Government has presently restricted the diversion of sugar for ethanol production to 24.12 LMT in current ESY 2023-24.

(c): Ethanol produced from any feedstock meeting Bureau of Indian Standards (BIS) specification IS 15464:2022 of denatured anhydrous ethanol is compatible for blending with Petrol as per relevant BIS Standards.

(d): Government has notified Pradhan Mantri JI-VAN (Jaiv Indhan-Vatavaran Anukool fasal awashesh Nivaran) Yojana for promoting Second Generation (2G) ethanol production from cellulosic and lignocellulosic biomass including petrochemical route in the country by providing financial support for setting up 2G ethanol bio-refineries.

Under this scheme, commercial Second Generation (2G) bio-ethanol projects has been set up by Indian Oil Corporation Ltd. (IOCL) at Panipat (Haryana) and are being set up by Hindustan Petroleum Corporation Ltd. (HPCL) at Bhatinda (Punjab), Bharat Petroleum Corporation Ltd. (BPCL) at Bargarh (Odisha), Numaligarh Refinery Ltd. at Numaligarh (Assam) and Mangalore Refinery and Petrochemicals Ltd. at Davangere (Karnataka).

The commercial projects at Bathinda, Bargarh and Numaligarh are in advanced stages of construction. IOCL has also set up Third Generation ethanol plant at Panipat, Haryana. HPCL already has two First Generation ethanol plants at Sugauli and Lauriya in Bihar. BPCL is setting up First Generation ethanol plant at Bargarh, Odisha.
