

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

UNSTARRED QUESTION NO:5618
ANSWERED ON:28.04.2015
ETHANOL PRODUCTION BY SUGAR INDUSTRY
Karandlaje Km. Shobha

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

- (a) whether the Government proposes to prevail upon the sugar industry to divert more molasses for ethanol production in view of the surplus sugar production in the country, if so, the details thereof; and
- (b) whether there is any restriction on ethanol production from molasses including B-Heavy molasses, if so, the details thereof and corrective steps taken in this regard?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI RAMVILAS PASWAN)

(a): Keeping in view the problems arising due to surplus sugar production, the Government has smoothened the process for procurement of ethanol under the Ethanol Blending Programme (EBP) and fixed remunerative ex-depot price of ethanol in the range of Rs. 48.50 to Rs. 49.50 per litre to encourage sugar industry to divert more molasses for ethanol production. Besides, the Government has continued incentive scheme for marketing and promotion Services of raw Sugar production targeted for export during current sugar season 2014-15 which inter-alia provides that in case of mills having alcohol production capacities, the incentive would be available if they offer to supply ethanol to OMCs under the EBP up to 25% of their annual production level of alcohol.

(b): There is no restriction on sugar mills for production of ethanol from molasses including B-Heavy molasses.