

GEMA/2025-26/PMO

Date: 22nd July 2025

To,

Shri Narendra Modi Ji

Hon'ble Prime Minister of India

South Block, Raisina Hill

New Delhi – 110011

Subject: *Strategic Roadmap Beyond 20% Ethanol Blending*

Respected Pradhan Mantri ji,

Namaskar.

On behalf of the Grain Ethanol Manufacturers Association (GEMA), we extend our deepest gratitude and heartfelt congratulations for your visionary leadership in achieving 20% ethanol blending in petrol — a historic and globally unparalleled milestone, realized within a remarkably short span of five years.

Your global initiative to launch the Biofuels Alliance during the G20 Summit has already started taking shape and is inspiring international collaboration in sustainable fuel development.

Under your dynamic guidance, India's ethanol production capacity has grown exponentially to nearly **1,800 crore litres per annum**, driving transformative outcomes — from catalysing private investment, empowering farmers, generating rural employment, reducing pollution, to saving valuable foreign exchange.

However, in the absence of a forward-looking roadmap beyond the 20% blending target, this built-up capacity risks remaining underutilized. As against the current annual requirement of **1,000–1,100 crore litres** for 20% blending, the nation now has the capability to produce **1,800 crore litres** per annum.

We respectfully submit the following strategic suggestions to help shape the roadmap beyond 20% blending:

- **Enhance the national blending target** progressively to **25–30%** to serve as base petrol.

- **Promote Flex-Fuel Vehicles (FFVs)**, especially **2- and 3-wheelers**, by offering **tax incentives** to encourage their adoption, enabling higher ethanol consumption beyond the base blend (as followed in **Brazil**, where 27% ethanol base petrol coexists with E-80 and E-100 options, resulting into additional 20-25% replacement of petrol by Ethanol.)
- **Facilitate the retail dispensing of E-80 and E-100** fuels at concessional VAT and duties, making them cost-effective for consumers using FFVs.
- **Explore the use of ethanol in diesel blending** as an emerging clean transport alternative.
- **Expand ethanol storage, handling, and unloading infrastructure** by mandating OMCs to scale up nationwide logistics and supply chain capacities.
- **Ensure equitable ethanol procurement** by allowing plants supported under EBPP, but without Long-Term Offtake Agreements (LTOAs), to also supply ethanol — thus protecting viability and inclusivity within the industry.

Your timely intervention will greatly empower the entire grain ethanol ecosystem — including coarse grain farmers, rural workers, entrepreneurs, and clean energy stakeholders — contributing meaningfully to *Atmanirbhar Bharat*.

We humbly seek an opportunity to present these concerns and suggestions in person, and would be grateful for a personal audience at your convenience.

With utmost respect and sincere regards,

Yours faithfully,



Dr. Chandra Kumar Jain
President

Copy to: 1) Sh. Tarun Kapoor, Advisor to PMO, New Delhi.