

GEMA/2025-26/DFPD/691

Date: 09.09.2025

To,

**Shri Pralhad Joshi Ji**

Hon'ble Minister of Consumer Affairs,

Food & Public Distribution

Krishi Bhawan, New Delhi – 110001

**Subject: Roadmap for Ethanol blending beyond 2025.**

Respected Sir,

We sincerely thank GOI for making the Ethanol Blending Program (EBP) a mega success resulting in huge socio-economic benefits, especially for the rural sector. With conducive policies and concerted efforts of all stakeholders, 20% blending has been achieved five years ahead of the target. There is surplus feedstock, and industry has installed capacity beyond E20 and at present the installed capacity by end of 2025 will be more than 1700 Cr. Ltr Per Annum production, whereas at present consumption at E20 is 1100 Cr. Ltr Per Annum. We are now looking for a clear roadmap beyond E20 that will help realize further benefits for the nation.

The most critical issue is to ensure an ample and sustained demand for Ethanol usage beyond E20. The Two & Three-Wheeler sector is the biggest consumer of Ethanol with more than 75% consumption coming from this sector. Keeping in mind the recent concerns around impact of higher ethanol blend on older 'on road' vehicles, flex fuel vehicles (FFVs) that can use any blend of ethanol flexibly beyond 20% will need to be popularized to sustain and hasten the Ethanol Blending Program beyond E20. This approach is followed globally, wherein Brazil is leading with country's national ethanol blend average at E50 with the base blend at just E27.

As the majority stake-holder in ethanol supply chain, our key suggestion for Roadmap beyond 2025, is to focus on sustaining the rural development and industrial investment which has been achieved due to EBPP. For this we have the following recommendations:

- 1) Blending percentage should be increased to secure the industrial capacity, which has been built-up as per calling by GOI.
- 2) Promote Flexi-Fuel Vehicles by reducing the GST capping to the minimum slab.
- 3) Electrified-FFVs should have further concessional rate of taxation as they are highly efficient in operation but having higher manufacturing cost. So, require the special treatment.
- 4) PLI should be introduced for Flexi Vehicles, **Electrified-FFVs including Two, Three, & Four wheelers.**



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These steps will be able to replace the imported petrol, soonest and will be able to reach to E50 level in 5-7 Years.

Once again, we are obliged for giving us an opportunity to convey our point of view in developing a realistic roadmap for ethanol blending beyond 2025

Thank you & regards,

Dr. C. K. Jain, President