

GEMA/2025-26/DFPD/622

Date: 25th July 2025

To,

Shri Pralhad Joshi Ji

Hon'ble Minister of Consumer Affairs

Food and Public Distribution

Krishi Bhawan, New Delhi

Subject: *Strategic Roadmap Beyond 20% Ethanol Blending*

Respected Sh. Joshi Ji,

Namaskar,

On behalf of the Grain Ethanol Manufacturers Association (GEMA), we wish to convey our sincere appreciation for the critical role played by your Ministry in supporting the successful achievement of 20% ethanol blending in petrol — a transformative national milestone that has been realized in a remarkably short period under the visionary leadership of the Hon'ble Prime Minister.

The Department of Food & Public Distribution (DFPD) has been instrumental in enabling this achievement through its continuous support for ethanol procurement, enabling investments under the Ethanol Blended Petrol Programme (EBPP), and promoting maize and grain-based ethanol production across the country. Your Ministry's efforts have directly contributed to a significant expansion of India's ethanol production capacity, now touching nearly 1,800 crore litres per annum — with wide-ranging benefits including rural employment, farmer welfare, pollution reduction, and energy security.

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 continued guidance and support are vital to sustaining the momentum of India's ethanol revolution, especially in securing market access and equitable procurement policies for grain-based distilleries — many of which are located in underdeveloped regions and source feedstock from smallholder farmers.

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) Secretary, DFPD, Krishi Bhawan, New Delhi.
2) Joint Secretary, DFPD, Krishi Bhawan, New Delhi.