

GEMA/2025-26/633

Date: 29th July 2025

To,

Dr. Suman K. Beri Ji,
Hon'ble Vice Chairman,
Niti Aayog, Government of India,
New Delhi.

Subject: Strategic Roadmap Beyond 20% Ethanol Blending — Request for Policy Support and Consultation.

Respected Dr. Suman K. Bery Ji,

Namaskar.

On behalf of the Grain Ethanol Manufacturers Association (GEMA), we express our sincere appreciation for the proactive role played by NITI Aayog in formulating India's long-term biofuel policy and in supporting the Ethanol Blended Petrol Program (EBPP), which has culminated in the successful achievement of 20% ethanol blending — a transformational milestone achieved under the dynamic leadership of the Hon'ble Prime Minister Sri Narendra Modi ji.

India's ethanol production capacity has now reached approximately 1,800 crore liters per annum, significantly outpacing the current requirement of 1,000–1,100 crore liters to sustain 20% blending. This remarkable capacity expansion — largely driven by private investment in grain-based distilleries — has resulted in substantial socio-economic benefits, including enhanced farmer incomes, rural employment generation, import substitution, and emissions reduction.

However, the absence of a clearly defined policy roadmap beyond 20% blending presents a serious risk of underutilization of national capacity and a potential slowdown in investments. As the country looks ahead, we believe this is the opportune moment for NITI Aayog to spearhead a coordinated vision for the next phase of India's ethanol economy.

We respectfully submit the following strategic suggestions for your kind consideration:

- Elevate the national blending target progressively to 25–30% to serve as the new base petrol blend.
- Promote Flex-Fuel Vehicles (FFVs) — especially in 2- and 3-wheelers - through policy and fiscal incentives, enabling fuel-switching beyond E20 (as seen in Brazil, where E27 base fuel coexists with E80 and E100, enabling up to 45% petrol displacement).

- Enable retail dispensing of E80 and E100 fuels at concessional duties/VAT to make them consumer viable.
- Explore ethanol–diesel blending and its techno-economic feasibility as a clean fuel alternative for commercial and agricultural vehicles.
- Mandate infrastructure upgrades by OMCs for ethanol storage, handling, and dispensing across all states.
- Ensure equitable procurement by allowing all EBPP-supported distilleries — even those without long-term offtake agreements — to participate in ethanol supply, protecting investment viability and inclusivity.

We firmly believe that NITI Aayog’s leadership is critical in shaping an integrated policy roadmap for ethanol that aligns with India’s net zero ambitions, supports rural livelihoods, and unlocks the full potential of private investment in the biofuels sector.

We seek your kind support in convening a stakeholder consultation and would be deeply grateful for an opportunity to present these issues and suggestions in person.

With sincere regards and utmost respect,

Yours faithfully,



Dr. Chandra Kumar Jain
President