

Ref: GEMA/OMC/2025-26/715

Date: 07.11. 2025

To,

OMC Coordination Committee (BPCL, HPCL & IOCL)

- i) Shri Anurag Saragoi, Chief General Manager- BPCL, Mumbai
- ii) Shri B. C. Joshi, Chief General Manager- IOCL, Mumbai
- iii) Shri K.V.J. Rao, Chief General Manager-HPCL, Mumbai

Subject: Suggestion regarding Allocation Criteria for C-2

Respected Sir,

Hope you are doing very well. We are very thankful to the OMC's for timely allocations for supplies of ESY2025-26. We greatly appreciate the 10-day extension provided for completing balance supplies for ESY 2024-25 and many other efforts made at your end to ensure the success of EBPP.

As you are aware, that units in some surplus zones have received concerningly low allocations of Ethanol for the new supply year. This puts some units in position of unviable operations and brings them under tremendous financial pressure.

We humbly request you to kindly help the zones and units, which are seriously pressed for financially viable operations and accommodate them through preferential criteria in future tenders.

As per some working of offer and allocation published data; we can see that units in some zones have received less than 30% allocations against their offers. This means that plants will operate 1 week in a month. Needless to say, units in some zones require help in form of special allocations in the upcoming tender cycle.

% Allocation to Offer to Grain Non-LTOA Units

States	Unit Count	LTOA Units	Non-LTOA Units	% Allocation to Non-LTOA
Madhya Pradesh	27	14	13	22%
Bihar	19	12	7	25%
Himachal Pradesh	3	2	1	25%
West Bengal	8	6	2	29%
Uttarakhand	6	1	5	41%
Punjab	15	4	11	42%
Chhattisgarh	10	2	8	48%
Haryana	11	7	4	48%
Uttar Pradesh	48	48	0	56%
Odisha	9	8	1	68%
Andhra Pradesh	12	4	8	83%

It is noteworthy that allocations have dropped in Top-10 grain producing zones of Bihar & Madhya Pradesh. Thus, raising transportation cost of grain through free-trade or through FCI; also contradictory to the concept of 'Catchment Area' adopted to create an ethanol-ecosystem. At the same time, absorbing up to 100% offers in Deficit-zones continues to create a window of opportunity for new capacities, that too in zones where **grain agriculture is not prevalent**.

On right, are the Top-10 grain (Maize & Rice) producing zones for your ready reference:

Top-10 Grain Producing States in 2024-25		
	Maize	Rice
1	Madhya Pradesh	Uttar Pradesh
2	Karnatak	Telangana
3	Bihar	West Bengal
4	Maharashtra	Punjab
5	Telangana	Odisha
6	West Bengal	Madhya Pradesh
7	Rajasthan	Chhattisgarh
8	Tamil Nadu	Bihar
9	Andhra Pradesh	Andhra Pradesh
10	Uttar Pradesh	Tamil Nadu

*Source: DA&FW

<https://agriwelfare.gov.in/en/AgricultureEstimates>

Upon comparing allocations of C-1, ESY 25-26 vs previous year C-1, ESY 24-25; we can observe that overall allocation has increased by 25% (from 836 to 1048 Crore Liters); however, allocations have reduced up to 26% in some zones.

YoY Comparison (C-1 ESY 2024-25 Vs. C-1 ESY 2025-26)

Cr. Litre States	ESY 2024-25; C-1 Allocations				ESY 2025-26; C-1 Allocations				Diff. in allocations	% change YoY	Producer of	
	Sugar	Grain	TOTAL	OMC Req	Sugar	Grain	TOTAL	OMC Req			RICE	MAIZE
Bihar	2.91	56.24	59.15	26.58	3.68	40.28	43.95	31.56	-15.19	-26%	Top 10	Top 5
Punjab	1.20	61.08	62.28	33.56	1.10	52.14	53.24	41.39	-9.04	-15%	Top 5	
Madhya Pradesh	5.66	59.67	65.33	39.17	4.61	58.28	62.88	44.00	-2.44	-4%	Top 10	Top 5
Kerala	0.00	5.58	5.58	46.17	0.00	4.11	4.11	52.73	-1.47	-26%		
Uttarakhand	3.43	10.26	13.69	6.12	1.94	10.90	12.84	6.81	-0.85	-6%		
Goa				5.57	0.00	0.00	0.00	6.42	0.00			
Himachal Pradesh	0.00	6.78	6.78	6.1	0.00	8.68	8.68	7.22	1.90	28%		
Meghalaya	0.00	2.64	2.64	2.64	0.00	4.65	4.65	4.20	2.01	76%		
Karnataka	93.13	35.08	128.21	73.31	98.04	36.30	134.34	86.49	6.13	5%		Top 5
Jammu & Kashmir				1.74	0.00	6.27	6.27	3.25	6.27			
Delhi	3.20	23.66	26.86	25.58	0.00	33.88	33.88	29.59	7.02	26%		
Haryana	2.35	37.71	40.06	40.88	0.65	48.39	49.04	46.10	8.98	22%		
Chhattisgarh	2.10	17.96	20.06	21.66	0.78	28.51	29.28	24.86	9.22	46%	Top 5	
West Bengal	0.00	38.72	38.72	36.04	0.00	48.91	48.91	40.19	10.19	26%	Top 5	Top 10
Uttar Pradesh	82.89	57.66	140.55	124.69	58.71	92.36	151.08	144.58	10.53	7%	Top 5	Top 10
Tamil Nadu	0.88	5.44	6.32	84.98	1.01	16.50	17.51	91.66	11.20	177%	Top 10	Top 10
Jharkhand	0.00	12.84	12.84	17.2	0.00	29.78	29.78	20.21	16.94	132%		
Assam	0.00	11.80	11.80	27.63	0.00	28.78	28.78	28.78	16.98	144%		
Maharashtra	110.57	15.07	125.64	96.64	115.12	29.38	144.50	114.56	18.86	15%		Top 5
Odisha	1.43	14.80	16.23	27.7	1.91	34.59	36.50	32.33	20.27	125%	Top 10	
Rajasthan				44.09	0.00	20.35	20.35	48.13	20.35			Top 10
Andhra Pradesh	0.95	23.50	24.45	42.15	0.20	47.22	47.42	46.37	22.97	94%	Top 10	Top 10
Gujarat	1.01	11.72	12.73	43.45	0.37	37.45	37.82	50.16	25.09	197%		
Telangana	0.00	16.76	16.76	42.44	0.34	42.05	42.39	48.43	25.63	153%	Top 5	Top 5
Grand Total	311.72	524.95	836.67	916.09	288.45	759.75	1048.20	1050.02	211.53	25%		

Observations YoY Comparison (C-1 ESY 2024-25 Vs. C-1 ESY 2025-26)

- Overall allocations are higher by 25%
- Allocation to Sugar is lower than previous year only on account of lower offers from Sugar in UP in current year
- Allocations have dropped in Bihar, Punjab and Madhya Pradesh, despite an overall increase by 25%
- It is noteworthy that Allocations have dropped in Top-5 grain producing zones of Bihar & Madhya Pradesh, while significantly increased in zones where no grain agriculture is prevalent. Thus, raising transportation cost of grain through free-trade or through FCI.

Further, we are able to gauge that possibly offers of only up to 400 crore liters need to be relieved through allocations in balance 150 crore liters. We assess a possibility that, at every tender cycle; offers of min. 500 crore liters will be received by OMCs, which implies very low allocation percentage against offers.

Calculation of Allocation Tender Condition, C-1 ESY 25-26				Cr. Ltr
Preferential Allocations		Offered	Allocation	Requirement
1	Upto 100% to deficit zones + LTA	154.53	151.70	271.36
2	CSM+LTA+SC in surplus zones	471.50	286.59	
3	UP Grain	106.36	92.36	
4	Grain LTOA in surplus zones	263.26	263.26	
Total preferential		995.65	793.91	1050.00
Invalid Offers (assumed)		120.00		
Balance of non-preferential (1776 - preferential - invalid offer)		660.35	39%	256.09
REMAINING OFFERS FOR FUTURE CYCLES		404.26	37%	150.00

We request you to kindly co-relate the high agriculture states to zones with high capacity to produce ethanol and rescue the units with very low allocations through preferential allocations in C-2.

We are grateful for your empathetic consideration towards the situation and your support.

Thank you & regards,



Dr. C. K. Jain, President