Ministry of Petroleum & Natural Gas

Ethanol Blended Petrol Programme- Q&A

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The Ministry of Petroleum and Natural Gas had already issued a detailed clarification on the Ethanol Blended Petrol Programme through a press release on 23rd June, 2026, addressing the misinformation and providing factual clarifications. Automobile manufacturers also issued clarifications regarding the programme during a press conference held on 4th July, 2026.

Despite these clarifications, certain concerns have continued to be raised regarding the Ethanol Blended Petrol Programme. The following Frequently Asked Questions (FAQs) provide factual and evidence-based responses to these concerns.

Q1: Why did India appear to rush its ethanol blending targets when countries like Brazil took decades?

- The first point that must be understood is that **ethanol is not a new fuel**. We did not invent ethanol. **More than a century ago, Henry Ford** designed the Model T to run on ethanol, and countries across the world, including Brazil and the United States, have used ethanol blends for decades.
- Equally important, **India's ethanol blending programme did not begin under the present government.** The initiative has a long institutional history and milestones (all are available in public domain – some are placed at **Annexure-1**)
- A pilot ethanol blending programme was launched in 2001, formally announced in 2004, and E5 (5% ethanol blending) was rolled out across several States by 2006.
- The policy framework was subsequently notified in the Gazette of India in January 2013 during the UPA government. These are matters of public record.
- India had set a target of achieving 5% ethanol blending across 10 States and Union Territories. Unfortunately, despite that ambition, blending remained stuck at around **1.5% until 2014**.
- Nobody questioned ethanol as a fuel. That had already been settled globally. The real challenge was **how India could produce sufficient quantities of ethanol**.
- At that time, we depended almost entirely on sugarcane, a seasonal crop, with an annual ethanol production capacity of roughly **400 crore litres**. Such production levels were inadequate even for modest blending targets.

- Recognising this constraint, the Government fundamentally changed its approach. With the launch of the National Policy on Biofuels in May 2018, the Government began creating the ecosystem necessary to produce ethanol at scale. This became a genuine whole-of-government mission.
- **The Ministry of Petroleum & Natural Gas, Department of Food & Public Distribution, Ministry of Road Transport & Highways, Ministry of Heavy Industries, Indian Railways and several other ministries worked in close coordination to expand feedstocks, build infrastructure, support technology, align logistics, create demand certainty and encourage investment.**

A landmark step came in **August 2021**, when India's Oil Marketing Companies IOCL, BPCL and HPCL issued Expressions of Interest for establishing **Dedicated Ethanol Plants (DEPs)** in ethanol-deficit regions.

These projects transformed the investment landscape because they offered:

- assured long-term purchase agreements by Oil Marketing Companies;
- tripartite financing arrangements with public sector banks through escrow mechanisms, substantially reducing investment risk;
- mandatory supply of ethanol exclusively for the Ethanol Blended Petrol Programme; and
- These plants naturally required nearly two years to come on stream. Capacity could not appear overnight.
- Another important milestone came in June 2021 when **NITI Aayog** published its comprehensive roadmap on ethanol blending after extensive consultation with automobile manufacturers, oil companies, agricultural experts and other stakeholders.
- The report highlighted not only the environmental and energy security benefits of ethanol but also the transformational impact on rural incomes and the agricultural economy.
- At that stage, India's requirement for **10% blending** was ~**500- 600 crore litres** of ethanol annually. As fresh investments materialised and production capacity expanded, it became evident that the country would soon be capable of producing nearly **1,200 crore litres**. Once the supply side had been secured, it became both logical and responsible to aspire for **20% blending**.
- So, the suggestion that India "rushed" into ethanol blending is simply not borne out by facts.
- This has been a journey spanning over two decades from pilot projects in 2001, policy notification in 2013, institutional reforms after 2018, massive investments beginning in 2021, and then a carefully calibrated, phased increase in blending levels.
- All the stakeholders including automobile manufacturing companies, testing agencies, OMCs, DFPD etc were consulted before rollout.
- The progression has been deliberate:

Ethanol Supply Year	Blending Percentage / Status
ESY 2020-21	~8.1%
ESY 2021-22	10.0%
ESY 2022-23	12.1%
ESY 2023-24	14.60%
ESY 2024-25	19.20%
ESY 2025-26(Nov-June 2026)	20%

- Brazil took decades because it was building the world's first large-scale ethanol ecosystem.
- India had the advantage of learning from global experience, adopting proven technologies, coordinating across ministries and creating a robust investment framework. We compressed the implementation timeline not by compromising science or safety but by improving governance, planning and execution.
- That is the real story behind India's ethanol success is a carefully planned, **staggered, gradual and stepwise transition** and not a hasty or overnight decision.

Q2: Why don't consumers have the choice of buying pure petrol, E10 or E20? And what about older vehicles that are labelled as only E10 compatible?

- When India decided to move towards higher ethanol blends, the automobile industry was involved at every stage. For E10 compatibility, manufacturers were consulted well in advance as early as 2020-21. India achieved its E10 target (10% ethanol blending in petrol) in June 2022, five months ahead of the date in ESY 2020-21.
- For E20, an even more rigorous process was followed. Extensive consultations were held with automobile manufacturers, component suppliers, testing agencies and research institutions. **The roadmap of the IMC had been in the public domain from 2021 and laid out a calibrated path to reaching E-20.**
- Every aspect was examined starting from **material compatibility, engine calibration, fuel systems, drivability, durability, emissions and fuel**

efficiency.

- Before E20 was rolled out, the Government undertook several rounds of detailed consultations with all the stakeholders such as automobile manufacturers, technical experts, testing agencies and other stakeholders to ensure readiness across the ecosystem. **Had automobile manufacturers not been fully satisfied with the results, they would never have stood behind the product or honoured vehicle warranties**. The fact that virtually every manufacturer today is honoring warranty for all vehicles (old or new) is because they have been part of the consultation.
- Further, **Maruti Suzuki serviced 2.84 crore vehicles during FY 2025-26**, including **1.5 crore older, non-E20-certified vehicles**, and reported **no E20-linked corrosion, abnormal wear or component-life damage**. Hero MotoCorp has reported similar field experience. This real-world evidence is far more reliable than isolated anecdotes.
- It is true that in some vehicles there may be a **3-5% reduction in fuel economy**. But mileage is only one parameter.
- E20 offers a significantly higher-octane rating, superior anti-knock characteristics, faster combustion, better pickup, smoother acceleration and cleaner engine operation**.**
- **It produces negligible particulate emissions and substantially reduces lifecycle carbon emissions by around 40%.**
- In short, **it is a cleaner, higher-quality and more efficient fuel than either E10 or pure petrol.**
- So, the real question is this: **if a cleaner, faster and less-polluting fuel is available, why would we deliberately choose an inferior alternative?**
- The suggestion that every petrol pump should stock pure petrol, E10 and E20 simultaneously also ignores the realities of India's fuel distribution network.
- India operates **over one lakh retail outlets**, supported by an extensive network of refineries, terminals, depots and pipelines.
- Maintaining multiple grades of base petrol across this vast supply chain would create an enormous logistical challenge, increase handling costs, complicate inventory management and reduce operational efficiency.
- People often cite premium petrol as an example. That comparison is misplaced. Premium fuels are niche products sold in limited quantities at a significant price premium because specialised performance-enhancing additives are blended into them. They are not separate nationwide base fuel streams. Running parallel nationwide supply chains for pure petrol, E10 and E20 would be an entirely different proposition.
- There is another aspect that cannot be ignored.
- **Over the past several years, public sector banks have financed nearly ₹1 lakh crore/yr of investments in ethanol production and associated infrastructure. Dedicated ethanol plants, distilleries, storage facilities**

and logistics networks have been created to meet India's blending targets.

- If, after creating this capacity, we were to arbitrarily revert to E10, what happens to these investments? What happens to the surplus production capacity? What happens to thousands of crores invested by farmers, cooperatives, entrepreneurs, financial institutions and public sector companies in good faith based on a national policy?
- Public policy must balance consumer interest with energy security, environmental sustainability, farmer welfare and prudent use of national resources.
- Would anyone today ask us to bring back the old blue DTC buses instead of modern public transport? Would anyone argue that we should return to pothole-ridden roads because they were familiar? Would Delhi replace cleaner transport fuels with more polluting alternatives?
- Progress means embracing better technology.
- E20 represents cleaner combustion, lower emissions, reduced crude oil imports, higher incomes for Indian farmers and greater energy security for the nation.
- Once a superior fuel has been scientifically validated, extensively tested and accepted by the automotive industry, the objective should be to move forward with confidence not to retreat to an inferior standard.

Q3: If ethanol is blended with petrol, why isn't E20 cheaper than E10 or pure petrol?

Feed Stock	**Ethanol Supply Year (Price in Rs.)**				
	21-22	**22-23**	**23-24**	**24-25**	**25-26 (Provisional)**
C – Molasses	46.66	49.41	56.28 (Incentive of 6.87)	57.97	57.97
B – Molasses	59.08	60.73	60.73	60.73	60.73
Sugarcane Juice/Sugar/Syrup	63.45	65.61	65.61	65.61	65.61
Damaged Food Grains	52.92	64.0@	64.00	64.00	64.00

FCI Rice	56.87	58.5	58.50	58.50	60.32
Maize	52.92	66.07@	71.86 (Incentive of 5.79)	71.86	71.86

- Today, the Government purchases ethanol at remunerative prices so that Indian farmers are fairly compensated. Take maize-based ethanol. We have progressively increased its procurement price and today it is around **₹71.86 per litre**, even before GST, transportation, storage and depot handling costs.
- Therefore, if international crude oil is trading at around **US$70 per barrel**, **E20 is actually costlier to produce than pure petrol.**
- If crude rises to US$120–130 per barrel, the economics naturally reverse and ethanol becomes even cheaper.
- So, the question should not be, *"Why isn't E20 cheaper?"*
- The real question is, **"How did India manage to protect consumers from the full impact of volatile global crude prices?"**
- The answer is simple.
- Nearly **20% of every litre of petrol sold in India today is domestically produced ethanol.** That ethanol is procured at around **₹71 per litre**, a price that does **not fluctuate every morning with Brent crude, geopolitical conflicts or shipping disruptions.**
- In other words, **one-fifth of your fuel tank is insulated from international oil volatility.** That is one of the principal reasons India witnessed one of the most moderated increases in retail fuel prices despite unprecedented global disruptions.
- Ethanol blending is therefore not about making petrol cheaper on a particular day. It is about **reducing India's exposure to imported crude oil.**
- **As a result, India recorded the lowest fuel price hike among major economies and its neighbouring countries over the past four years**

Petrol (Rs/Ltr)				**Diesel (Rs/Ltr)**		
Country	June-22	June-26	(%)	June-22	June-26	(%)
Pakistan	92.64	129.48	39.77	79.98	130.51	63.18
Sri-Lanka	90.43	123.59	36.66	86.13	115.90	34.57

Nepal	113.99	137.19	20.35	103.22	142.25	37.81
Bangladesh	76.97	109.82	42.69	71.60	90.21	26
Italy	166.85	197.52	18.39	161.38	207.84	28.79
Germany	163.18	194.26	19.05	167.70	184.55	10.04
France	174.18	205.08	17.74	171.06	203.95	19.23
India (Delhi)	96.72	102.12	5.58	89.62	95.20	6.23

India still stands out as the country as compared to other countries with lowest hike in fuel prices since the West Asia crisis started as can be seen through the table.

(Prices in INR)

Petrol (Rs/Ltr)				**Diesel (Rs/Ltr)**		
Country	**March 2026**	**June 2026**	**(%)**	**March 2026**	**June 2026**	**(%)**
Pakistan	86.85	130.61	50.39	91.64	130.27	42.15
Sri-Lanka	86.79	125.81	44.96	83.24	117.98	41.73
Nepal	99.28	136.89	37.88	89.79	141.93	58.07
Bangladesh	87.08	109.62	25.88	75.07	90.04	19.94
India (Delhi)	**94.77**	**102.12**	**7.76**	**87.67**	**95.20**	**8.59**

Source (PPAC)

(Prices in INR)

Petrol (Rs/Ltr)				**Diesel (Rs/Ltr)**		
Country	**March 2026**	**May2026**	**(%)**	**March 2026**	**May 2026**	**(%)**
USA	89.14	113.09	26.87	120.59	141.39	17.25

France	203.42	232.30	14.20	213.91	234.12	9.45
Italy	187.66	212.80	13.40	207.69	224.37	8.03
India	94.77	94.77	-	87.67	87.67	-

Source (PPAC) Data for June shall be available on 11th July,2026

Every litre of ethanol blended means:

- less imported crude,
- less foreign exchange outflow,
- more income for Indian farmers,
- greater price stability for consumers, and
- stronger national energy security.

That is why the Ethanol Blended Petrol Programme (since ESY 14-15) has already:

- saved over **₹1.97 lakh crore** in foreign exchange,
- substituted nearly **316 lakh metric tonnes of crude oil**,
- reduced around **952 lakh metric tonnes of CO_2 emissions**, and
- transferred more than **₹1.66 lakh crore** directly into the hands of Indian farmers.
- Our farmers are no longer merely **Annadatas**; they have become **Urjadaatas**, contributing directly to India's energy security.

Q4: There are concerns that E20 damages rubber components, affects engines in older vehicles, and many vehicle manuals specifically mention "E10 compatible". Should owners of older vehicles be worried?

- Unfortunately, as India's ethanol programme has grown, so has the misinformation surrounding it.
- Ever since India introduced E85, several lobbies with vested interests have attempted to create unnecessary fear. Every few months, a new rumour surfaces: rubber hoses will fail, engines will seize, fuel tanks will corrode. None of these claims stand the test of scientific evidence.
- Let us look at the facts.
- India's transition to E20 was **not an overnight decision.**
- Before the roadmap was finalized, the Government constituted expert committees involving automobile manufacturers, ARAI, SIAM, oil companies and technical institutions.
- In 2021, **NITI Aayog** published a comprehensive roadmap after extensive consultations with all stakeholders. That very roadmap also addressed the transition from E10 to E20 and the preparedness required from the

automobile industry. Vehicle manufacturers were therefore fully aware of the policy direction years in advance.

- If manufacturers had not been involved, they would never have certified E20-compatible vehicles or honoured warranty obligations.
- E15+blends has now been in operation across India for over **3.5 years**
- Before rollout of E20, it underwent extensive scientific testing, followed by extensive field validation covering engine durability, fuel systems, material compatibility, corrosion resistance, drivability, emissions and performance.
- But laboratory testing is only one part of the story.
- The biggest proof comes from the real world.
- **Maruti Suzuki alone serviced nearly 2.5 crore vehicles, including around 1.5 crore older vehicles that were never originally certified as E20-compatible.** If E20 were genuinely damaging rubber components, fuel lines or engines, we would have witnessed lakhs of warranty claims, widespread component failures and an avalanche of complaints across the country.
- That has simply not happened.
- Another concern relates to vehicle manuals carrying the words **"E10 compatible."**
- People must understand what those labels mean.
- A vehicle manual reflects the fuel specification prevailing **at the time the vehicle was homologated and certified. It does not mean the vehicle suddenly becomes unsafe if fuel standards evolve later after extensive scientific testing, engineering validation and regulatory approval. If that logic were applied universally, no country would ever be able to upgrade its fuel standards**.
- The transition from E10 to E20 was therefore based not on assumptions, but on years of testing, manufacturer consultations and field experience.
- India's ethanol supply chain is one of the most tightly regulated fuel supply systems in the country. Ethanol and blended petrol conform to strict BIS specifications and undergo quality checks at every stage from the distillery to the depot to the retail outlet.
- **Any procedural lapse anywhere in the supply chain be dealt with firmly.** Chief Secretaries of the States have been requested to ensure strict enforcement and take an iron hand against any instance of adulteration. There can be **zero tolerance** for lapses that compromise fuel quality.
- E20 is a safe, cleaner, proven and scientifically validated fuel that Indian consumers can use with confidence. Its quality, safety and compatibility have been validated and assured by all responsible stakeholders, including automobile manufacturers, testing and homologation agencies, Oil Marketing Companies, and regulatory authorities.
- Consumers are therefore advised not to be misled by misinformation, scaremongering or unverified content circulating on social media.

Annexure-I

Ethanol Blending in India: Key Milestones (2000–2026)

2000–2010

- The **Ethanol Blended Petrol (EBP) Programme was formally launched** for supply of 5% ethanol-blended petrol in 9 States and 4 Union Territories; ethanol blending also featured for the first time in the Auto Fuel Policy, 2003.

  Source: *PIB PRID 2277210 – confirms EBP "launched in 2003"*

- MoPNG notification extended mandatory **5% EBP to an all-India basis across 20 States and 8 Union Territories** (excluding parts of the North-East and Jammu & Kashmir).

  Source: *Press Information Bureau*

- In a written reply to the Rajya Sabha, the Government stated that the **5% EBP Programme had not yet stabilised** because of inadequate ethanol supplies, inter-State movement restrictions and State taxation issues.

  Source: *Press Information Bureau*

2010–2020: Policy Consolidation & Acceleration

- December 2014 -Re-introduced administered price mechanism for ethanol to be procured under the EBP Programme; opened alternative route for ethanol production, directed Oil PSEs to set up bio-refineries
- 2014-15 –Steps taken towards simplifying the tendering processes
- May 2016–Industries (Development and Regulation) or IDR Act amended on 14th May 2016 to clarify on the roles of Central and State Government for continuous supply of ethanol to be blended with petrol
- June 2018 - Notified forward-looking and updated National Policy on Biofuels, 2018 involving all stakeholders
- July 2018 -Interest Subvention Scheme to improve and increase ethanol production capacity in the Country. GST on Ethanol lowered from18% to 5%
- 2018-19 -Allowed conversion of B heavy molasses, sugarcane juice and damaged food grains to ethanol.
- April 2019 -Extended EBP Programme to the whole of India except the Island UTs of Andaman Nicobar and Lakshadweep
- September 2019 - New sources, sugar and sugar syrup, introduced for ethanol production at fixed remunerative price
- October 2019 - Published "Ethanol Procurement Policy on a long-term basis under EBP Programme"
- August 2020-One time registration of ethanol suppliers for long term, including giving them visibility of ethanol demand for 5 years.

- September 2020 - OMCs started to provide Off-take guarantee letter and consent to sign tripartite agreement with ethanol suppliers and bankers to support the ethanol capacity expansion projects.
- October 2020 - Further ease of tender conditions by OMCs like one time document submission, quarterly bank guarantees, multiple transportation rate slabs and transportation rates being linked to Retail Selling Price (RSP) of diesel, reduction in security deposit and applicable penalty on non-supplied quantity etc.
- November 2020 - Approval of NBCC to utilise maize for ethanol production. Interest subvention scheme for augmentation of ethanol production capacity extended to grain-based distilleries.
- December 2020 - OMCs have increased their ethanol storage capacity from 5.39 Crore litres in November 2017 to 16.9 Crore litres till December 2020, thereby providing ethanol storage cover of over 20 days at their depots.

  Source:*https://www.pib.gov.in/FactsheetDetails.aspx?Id=148564&reg=48&lang=2*

2021

- Prime Minister released the **"Roadmap for Ethanol Blending in India 2020–25"** in June 2021, prepared by an inter-ministerial committee, laying out a detailed pathway to 20% ethanol blending. The roadmap also set an intermediate milestone of **10% blending by November 2022**.

  Source: *PIB PRID 1831289 – "India has achieved the target of 10 percent ethanol blending, 5 months ahead of schedule"*

- Ethanol blending with petrol stood at **302.3 crore litres in ESY 2020–21**, with the blending percentage rising steadily from 1.53% (2013–14) in preceding years.

  Source: *PIB PRID 2043042 – "Increase in Blending of Ethanol" (Lok Sabha reply)*

- Media reports (citing government sources) referenced an **E100 pilot initiative in Pune** around this period as part of efforts to demonstrate higher ethanol-blend fuels.

  Source*: Press Information Bureau*

- **BIS notifies fuel standards for E12 and E15** ***Source*** *(Press Information Bureau)*
- The Government announced that **E20 fuel would be made available from April 2023.** ***Source:*** *Press Information Bureau*

2022

- Public Sector Oil Marketing Companies (OMCs) achieved the target of **10% ethanol blending in petrol in June 2022** — five months ahead of the November 2022 target set under the Roadmap, during ESY 2021–22.

  Source: *Press Information Bureau*

- Minister (PNG) stated ethanol blending had risen from **0.67% in 2013 to 10% in May 2022**, and confirmed that the **20% blending target had been advanced by five years, from 2030 to 2025**, at SIAM's International Conference on Biofuels.

  Source: *PIB PRID 1869250 – "There is a need to massively upscale productio n of flex-fuel engine vehicles in country: Shri Hardeep S. Puri"*

- This achievement, over the preceding 8 years, translated into a forex impact of over **₹41,500 crore**, a reduction of **27 lakh MT in GHG emissions**, and payments of over **₹40,600 crore to farmers**.

  Source: *PIB PRID 1831289*

- Minister (PNG)announced India's ethanol demand was poised to grow to **10.16 billion litres by 2025**, and that the number of petrol pumps selling biofuels had risen threefold from 29,897 (2016–17) to **67,641 (2021–22)**.

  Source: *PIB PRID 1869250*

- Minister (PNG) urged automobile manufacturers to rapidly expand production of flex-fuel engine vehicles to complement the availability of E20 fuel and support India's biofuel transition.

  Source: *Press Information Bureau*

- National Policy on Biofuels, 2018 was amended in 2022 to formally advance the 20% ethanol blending deadline to **Ethanol Supply Year (ESY) 2025–26**, widening eligible feedstocks to include damaged food grains, broken rice, and food grains unfit for human consumption.

  Source: *PIB PRID 2043042 – "Increase in Blending of Ethanol" (Lok Sabha re ply, feedstock list)*

2023

- Minister (PNG) announced that **E20 fuel would be available nationally from April 2023**, confirming India was ready from the supply side to launch the blend.

  Source: *PIB PRID 1869250*

- Hon'ble Prime Minister launched E20 fuel at **84 retail outlets of OMCs across 11 States/UTs on 6 February 2023** at India Energy Week, Bengaluru, in line with the Ethanol Blending Roadmap. Media reports of the PM's remarks

additionally cited a first-phase rollout across **15 cities**, with pan-India expansion targeted by 2025.

Source: *PIB PRID 1896729 – "Prime Minister launches E20 Fuel & flags off Green Mobility Rally in Bengaluru today"*

- India led the launch of the **Global Biofuels Alliance (GBA)** on 9 September 2023 on the sidelines of the G20 Summit in New Delhi, announced by Prime Minister Narendra Modi along with leaders of the USA, Brazil, Italy, Argentina, Singapore, Bangladesh, Mauritius and UAE, to foster international cooperation on sustainable biofuels.

  Source: *PIB PRID 1955836 – "Historic moment in Global Energy Sector: Global Biofuels Alliance (GBA) announced at G20 event"*

- Blending with petrol rose to more than **500 crore litres in ESY 2022–23**, taking the blending percentage to **12.06%**.

  Source: *PIB PRID 2043042 – "Increase In Blending Of Ethanol" (Lok Sabha reply, MoS Suresh Gopi)*

- In a written reply in the Rajya Sabha, the Government informed Parliament that Public Sector OMCs had been selling E20 petrol since **6 February 2023** and that **more than 1,900 retail outlets** across the country were already dispensing E20 fuel ***Source:*** *Press Information Bureau*

2024

- Ethanol blending crossed **13% in ESY 2023–24** (approx. 545.05 crore litres blended as of 31 August 2024), and closed the year at **14.60% for ESY 2023–24**, per Lok Sabha replies by the Ministry of Petroleum & Natural Gas.

  Source: *PIB PRID 153363 (13% datapoint) | PIB PRID 2113234 (14.60% year-end figure)*

- Ethanol production capacity crossed **1,623 crore litres (as of 18 September 2024)**, more than doubling over the preceding four years.

  Source: *PIB PRID 153363*

- In August 2024, the Union Cabinet, chaired by Hon'ble Prime Minister Narendra Modi, approved the **modified Pradhan Mantri JI-VAN Yojana** to keep pace with developments in biofuels and attract greater investment, including in Sustainable Aviation Fuel (SAF) projects.

  Source: *PIB PRID 153363*

- At the 7th G-STIC Delhi Conference, Minister (PNG) highlighted India's ethanol blending progress and stated the Government had begun examining goals **beyond the 20% target**.

  Source: *PIB PRID 153363*

- **E20 petrol available at over 15,600 retail outlets.**

  ***Source**: Press Information Bureau*

- Lok Sabha Unstarred Question No. 2859 (12 December 2024) confirmed blending had reached **12.06% in ESY 2022–23 and approx. 14.6% in ESY 2023–24**.

  ***Source:** Lok Sabha Unstarred Question No. 2859, 12 December 2024*

- **Clarification issued on engine performance with ethanol.**

  ***Source**: Press Information Bureau*

2025

- India **achieved the 20% ethanol blending (E20) target in 2025** — five years ahead of the original 2030 deadline set under the National Policy on Biofuels, 2018.

  ***Source:** PIB PRID 150699 – Ethanol Blending in India (factsheet)*

- Minister Hardeep Singh Puri stated ethanol blending in petrol had risen from **1.5% in 2014 to 20% in 2025**, a nearly 13-fold increase over 11 years, and that ethanol production had grown from **38 crore litres (2014) to 661.1 crore litres by June 2025**.

  ***Source:** PIB PRID 2154355 – "India's Ethanol Journey is Unstoppable"*

- As on 31 July 2025, OMCs had achieved average ethanol blending of **19.05% during ESY 2024–25**, with July 2025 alone recording **19.93% blending**. Government approved allocation of **52 Lakh Metric Tonnes (LMT) of surplus FCI rice** for ethanol production for ESY 2024–25 and ESY 2025–26 (up to 30 June 2026), alongside diversion of **40 LMT of sugar** for ESY 2024–25.

  ***Source:** PIB PRID 2155110 – Government speeds up ethanol blending*

- In a Lok Sabha reply, the Government stated that ethanol blending had increased from **10% (ESY 2021–22)** to **12.06% (ESY 2022–23)**, **14.60% (ESY 2023–24)** and **17.98% up to 28 February 2025 (ESY 2024–25).** The Government highlighted the key policy interventions driving this growth, including expansion of approved feedstocks, administered ethanol pricing, reduction of GST on ethanol for blending to 5%, implementation of the Ethanol Interest Subvention Scheme (EISS), Long-Term Offtake Agreements (LTOAs) for Dedicated Ethanol Plants, and advancement of the E20 blending target from 2030 to ESY 2025–26.

  ***Source:** Press Information Bureau*

- At the Pioneer Biofuels 360 Summit, Minister (PNG) declared "India's ethanol journey is unstoppable," noting **no case of engine failure or breakdown** had

been reported since E20 became the base fuel, and outlined a phased move towards **E25, E27 and E30**.He also emphasized guaranteed ethanol pricing, inclusion of multiple feedstocks, expansion of distillation capacity and coordinated action by OMCs as the key enablers of India's ethanol programme

Source: *PIB PRID 2154355*

- Rajya Sabha was informed (18 December 2025) that more than **1,000 crore litres of ethanol were blended during ESY 2024–25**, achieving average blending of **19.24%**, with October 2025 blending at **19.97%**.

Source: *Rajya Sabha reply, 18 December 2025 (DD News report)*

- Cumulative farmer payments under EBP crossed **₹1.25 lakh crore** and forex savings crossed **₹1.44 lakh crore** (up to July 2025), per a written reply by Minister (PNG) in the Lok Sabha.

Source: *PIB PRID 2113234 – Measures beyond 20% blending*

2026

- From April 2026, all Bharat Stage-VI (BS-VI) vehicles are required to fully meet **E20 emission standards**, and all petrol sold across India is mandated to contain 20% ethanol (E20) meeting a minimum Research Octane Number (RON) of 95.

Source: *PIB PRID 2268671 – "Flex Fuel Vehicles offer India a practical solutio n...: Sh. Hardeep Singh Puri"*

- India's ethanol production capacity was reported to have scaled to nearly **20 billion litres**, well above the approximately 11 billion litres required to sustain the E20 mandate.

Source: *PIB PRID 2277210 – Fact-check on misleading E20 claims*

- On World Environment Day (5 June 2026), Minister (PNG) led the launch event for **E85 flex-fuel** promotion at an IOCL retail outlet, positioning flex-fuel vehicles alongside EVs in India's low-carbon mobility mix.

Source: *PIB PRID 2268671*

- At the launch of **Hero MotoCorp's first flex-fuel motorcycles** (Splendor+ and HF Deluxe Flex Fuel) in New Delhi, Minister (PNG) with Union Minister Nitin Gadkari, described flex-fuel mobility as "a new chapter in India's energy history," citing Brazil's experience with higher ethanol blends and noting Government is examining supportive pricing frameworks for E85 adoption.

Source: *PIB PRID 2268671*

- ARAI Reaffirms Rigorous Validation Standards for E20 Ethanol-Blended Fuel and Vehicle Performance.

Source:*https://www.pib.gov.in/PressReleasePage.aspx?PRID=2281084&reg=48&lang=2*

- In a reply to Lok Sabha Unstarred Question No. 6315 on "Impact of Ethanol Blending on Vehicles and Consumers", the Government stated that the Inter-Ministerial Committee (IMC) constituted on 26 December 2020 under NITI Aayog had comprehensively examined vehicle compatibility and mileage aspects of E20 fuel. The assessment was supported by research conducted by Indian Oil Corporation Ltd. (IOCL), the Automotive Research Association of India (ARAI) and the Society of Indian Automobile Manufacturers (SIAM). The Government informed Parliament that extensive field trials found no compatibility issues or adverse impact on vehicle performance with E20.

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