



UPDA President S K Shukla lighting the inaugural lamp. Others from the left are KP Singh; Manish Agarwal; Reece Cannady; Rajneesh Agarwal; Dharmendra Gor and Sanjay Desai

Uttar Pradesh looking at alternate grains to produce ethanol

- US Grains Council eager to participate in 'Made in India' E20 Ethanol production
- UP distillers making substantial investments in innovative technologies, even as raw material is a challenge

The two-day Uttar Pradesh Distillers Association (UPDA) International Summit in Lucknow, underscored the importance of producing E20 Ethanol using alternate surplus grains, in view of the short supply of subsidised rice from the Food Corporation of India (FCI) and also to adopt innovative technologies, from within the country and outside, to enhance production.

While the President of UPDA, S.K. Shukla mentioned how Uttar Pradesh,

thanks to the vision of the Chief Minister, Yogi Adityanath, had received investment proposals of over ₹16,000 crore in the ethanol sector, the South East Asia Director of US Grains Council, Reece Cannady announced that the US farmers and the Council would be keen to participate in producing 'Made in India' E20 ethanol.

The UPDA President mentioned how UP had become the largest producer of ethanol and in the last six years the ethanol blending programme had increased by

135%, while excise revenue had jumped from ₹17,000 crores in 2016 to ₹41,000 crores as of March 2023. The credit goes to industrialists, entrepreneurs, associations and the government for proactive approach. He also mentioned how UP in general and sector in particular had taken steps towards empowerment of women and women in workforce, while India averaged 40% growth, UP had a remarkable 98% growth.

Shukla talked about the journey of Uttar Pradesh in the regime of Yogi

Adityanath, how the industry was functioning 24/7, thanks to the improved law and order situation and ease of doing business. “UP ranks second in ease of doing business,” he mentioned. Uttar Pradesh with a population of 23 crores had a consumer base of 16% which is among the highest in the country.

Reece Cannady congratulated the UPDA on completing 40 years of service to the industry, while mentioning that 40% growth in distillation year-on-year is another remarkable achievement. Talking about India’s capabilities, he said the vast pool of talent had enormous potential and UP was leading when it comes to ethanol production, the cheapest means of energy. He likened the developments in this sector Texas, US and UP and remarked ‘without Texas, US cannot succeed and without UP, India cannot succeed’.

US and India tie up likely

He was all praise to the distillery sector for its inclusive growth and said US farmers and also the US Grains Council is eager to participate in any joint programme wherein E20 ethanol can be produced in India on bigger scale, from alternate sources.

It may be mentioned here that presently some ethanol distilleries have had to shut down operations as FCI subsidised rice supply has been stopped. Presently, 49 of the total 120 sugar mills in UP are crushing



Abhishek Khaitan, MD, Radico Khaitan Ltd with other dignitaries

sugarcane, while the remaining have closed for the season. The private sector accounts for 93 units, the cooperative 24 units and the UP State Sugar Corporation three units. The ethanol producers are looking at all options to achieve the 20% ethanol blending programme, having invested hugely in this new opportunity.

Sanjay Desai of Regreen Excel EPC India said these were challenging times, even as opportunities existed. The industry had several challenges such as sourcing of raw material, availability of modern machinery, safety issues etc. The seminar is timely as support is required from all

sides, including government. “The demand for ethanol is there, the challenge is only to do with availability of feedstock such as grains, sugarcane, molasses etc.”

K.P. Singh, Director (Operations) of Radico Khaitan and Chairman of the UPDA Events Committee said Uttar Pradesh distillers are not only contributing substantial revenue to the State government, but also adopting innovative technologies. UP distilleries are known for huge capacities and adoption of latest technologies, thus ensuring that the state is the leading producer of alcohol. He commended the sector for expanding



Delegates at the conference

business and for adopting new and advanced methods of fermentation.

Dharmendra Gor of Taylormade Renewables said Uttar Pradesh had gained momentum in the production of ethanol and also alcohols and it is part of the 'Uttar Pradesh growth story'. He attributed the success of the sector to the Yogi Adityanath government and the Central, both of them focussing on enhanced ethanol production to meet the government of India target.

40 years of UPDA

In his welcome address, the Secretary General of UPDA, Rajneesh Agarwal

UTTAR PRADESH, HE MENTIONED, HAD ACHIEVED 100% GROWTH IN MANY AREAS INCLUDING THE POTABLE SEGMENT, EXPORTS, CONTRIBUTION TO THE STATE EXCISE REVENUE, ETHANOL BLENDING PROGRAMME AND OTHERS. NEARLY 90% OF THE 100 MILLION CASES SOLD IS FROM UP. BESIDES CONTRIBUTING TO THE STATE EXCHEQUER, MEMBER DISTILLERIES ARE CONTINUOUSLY EXPANDING THEIR CSR FOOTPRINT



Asees Singh Chadha and Raju Chadha, Chairman, Wave One

talked about the 40 year journey of the Association from humble beginnings to making a mark on the global map. He said since 1983 when the Association was formed it has been in the forefront in engaging with both state and central governments, research institutions and the international community to further the cause of the sector.

Under the dynamic leadership of Yogi Adityanath, the state of Uttar Pradesh had become one of the largest economies in the country, being a

'land of limitless opportunities'. Uttar Pradesh, he mentioned, had achieved 100% growth in many areas including the potable segment, exports, contribution to the state excise revenue, ethanol blending programme and others. Nearly 90% of the 100 million cases sold is from UP. Besides contributing to the state exchequer, member distilleries are continuously expanding their CSR footprint.

The Secretary General also mentioned how UPDA was networking with the



Group photograph of delegates

international community to expand the knowledge base, technology adoption and also open up trade opportunities. The UPDA with strong foundations, is pursuing for a stronger future, incorporating sustainability efforts. He specifically talked about UPDA's association with the US Grains Council and how UP distillers were exploring opportunities in the US and Brazil and also organising international seminars/conferences to expand the knowledge base.

This two-day international summit saw participation of over 300 industry professionals, while the exhibition had about 45 companies showcasing their innovations, products and solutions, for the benefit of the fast growing sector. The five 'Knowledge sessions' saw interesting presentations such as 'New technologies for ethanol production with various feedstock' by Sanjay Desai; 'Fermentation optimization: Shifting the status quo in ethanol production with advanced yeast' by Dr. Vijay Adapa of Novozymes; 'Enhancing ethanol production efficiencies through engineering yeast and enzymes' by Ms. Pauline Teunissen of International Flavors & Fragrances; 'Making grain distilleries 100% zero liquid discharge' by Abhay Chaudhari of Medas Enggdesign... to name a few.



At the exhibition booth



Dancing to the tune of Bollywood songs to celebrate 40 years of UPDA





Cutting the huge cake to celebrate 40 years

The UPDA is all set to release a 'Knowledge Report' which will give an insight into how UP distilleries are growing, the challenges they are facing and what kind of opportunities exist, particularly in the context of changing scenario in ethanol production and the government's drive of E20 ethanol.

'Granary of the Nation'

Uttar Pradesh is known as the 'Granary of the Nation' being the largest sugarcane and wheat producer and the second largest rice producer in the country. In its bid to become one of the top states, the Yogi Adityanath led

BJP government has set itself a target of becoming a one trillion economy by 2027, for which it is laying out the red carpet for different industries, infrastructure project development, agri-produce and more. One of the verticals which is doing well is the alcohol and ethanol production, though the latter of late is facing some challenges.

In 2017-18 there were 60 distilleries in UP with total installed capacity of 161 Cr. litres of alcohol production, which in 2022-23 jumped to 85 distilleries with 346 Cr litres of alcohol production, a growth of 115% in a span of five years. While 20 grain distilleries have

established in just last one year, 20 more distilleries are in the pipeline which will produce another 80 Cr. litres of alcohol.

The decision to allow the production of ethanol from alternative feedstocks was a significant shift from the state's traditional focus on sugarcane and molasses as the primary raw materials for alcohol production. This has helped to reduce the reliance of distilleries on these traditional feedstocks and create new business opportunities for farmers and other stakeholders in the supply chain, but there are sourcing issues.

UP has been primarily producing over 200 Cr. litres of alcohol from molasses and there has been a paradigm shift of producing alcohol from grain too. Over 20 grain distilleries have been established in this short span which are producing around 62 Cr. litres of grain alcohol. Overall, as on date UP has over 85 molasses and grain distilleries producing nearly 350 Cr. litres of alcohol making a massive growth of 150% in less than two years.

UP has been a major contributor in the country's ambitious 'Ethanol Blending Programme' having achieved highest blending of 11.89% with the national average of 11.56% as in March'23. 🍷

- Trilok Desai and R. Chandrakanth



At the exhibition booth displaying the company brochure