

**No. 20(45)/2014-SP-I**  
**Government of India**  
**Ministry of Consumer Affairs, Food & Public Distribution**  
**Department of Food & Public Distribution**

Krishi Bhawan, New Delhi  
Dated: 3<sup>rd</sup> February, 2021

To

The Chief Secretaries/ Administrators  
(All State Governments/ UT Administrations).

Subject: Intervention requested for smooth movement of Ethanol- regarding.

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Madam/ Sir,

As you are aware that the Central Government has amended the Industries (Development & Regulation) Act, 1951 vide notification No. 27 of 2016 dated 14.5.2016 (copy enclosed). As per the amendment the Central and State powers have been clearly demarcated wherein the states can legislate, control and/ or levy taxes and duties on liquor meant for human consumption only. Other than that i.e. denatured ethanol, which is not meant for human consumption, will be controlled/ legislated etc. only by the Central Government. Accordingly, all concerned States/UTs are to consider the implementation of the amendment made by the Union Government in the above said Act, by removing controls, taxes and duties/fee on denatured ethanol.

2. In this regard, states of Karnataka, Maharashtra, Gujarat, Goa, Madhya Pradesh, Chhattisgarh, Bihar, Odisha, Jharkhand, Haryana, Punjab, Telangana, Uttarakhand, and Kerala have de-controlled the movement of ethanol and there is no tax/duty/fee levied on denatured ethanol.

3. However, it has been brought to the notice of this department that permission is required for movement of ethanol in the states of Rajasthan, West Bengal (Online process), Uttar Pradesh (Online process), Andhra Pradesh, Tamil Nadu. Further, states of Goa, Haryana, Rajasthan, Tamil Nadu, Uttar Pradesh, Uttarakhand and West Bengal are imposing export/import (from/to State) duty, Urban Development Cess and Admin Charges on intra/inter-State movement.

4. It is intimated that Government has fixed target of 10% blending of fuel grade ethanol with petrol by 2022 and 20% blending by 2025 under the Ethanol Blended with Petrol (EBP) Programme. To achieve these targets in all parts of the country, unhindered movement of ethanol is a prerequisite. The blending of ethanol with petrol would reduce import dependency on crude oil and it will also enhance income of farmers as additional foodgrains, sugar juice/molasses will be utilised for production of ethanol.


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5. In view of the above and for successful implementation of EBP Programme all the State Governments/ UT Administrations are hereby requested to implement the amendment made by the Union Government in the Industries (Development & Regulation) Act, 1951, by removing the aforesaid duties/fees/cess levied on denatured ethanol and by removing restriction/permission on the movement of denatured ethanol.

Yours faithfully,

Encl: As Above.

  
(Subodh Kumar Singh)

Joint Secretary to the Government of India

Tel:-23382512

Copy to

1. Secretary to the Government of India, Ministry of Petroleum and Natural Gas
2. Principal Secretary/Excise Commissioners, All State Governments/UT Administrations - for information and necessary action please.

  
(Subodh Kumar Singh)

Joint Secretary to the Government of India



# भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं. 31] नई दिल्ली, शनिवार, मई 14, 2016/ वैशाख 24, 1938 (शक)  
No. 31] NEW DELHI, SATURDAY, MAY 14, 2016/VAISAKHA 24, 1938 (SAKA)

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।  
Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE  
(Legislative Department)

*New Delhi, the 14th May, 2016/Vaisakha 24, 1938 (Saka)*

The following Act of Parliament received the assent of the President on the 14th May, 2016, and is hereby published for general information:—

## THE INDUSTRIES (DEVELOPMENT AND REGULATION) AMENDMENT ACT, 2016

No. 27 of 2016

[14th May, 2016.]

An Act further to amend the Industries (Development and Regulation) Act, 1951.

BE it enacted by Parliament in the Sixty-seventh Year of the Republic of India as follows:—

1. This Act may be called the Industries (Development and Regulation) Amendment Act, 2016.

Short title.

65 of 1951

2. In the Industries (Development and Regulation) Act, 1951 (hereinafter referred to as the principal Act), after section 29D, the following section shall be inserted, namely:—

Insertion of new section 29E.

“29E. Notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority, any power exercised, or action taken or done or purported to have been taken or done, by the Central Government or, as the case may be, the State Government, shall be deemed to be, and shall always be deemed to

Validation of.

have been, for all purposes, as validly taken or done or omitted to be done, as if the amendment made to the First Schedule by the Industries (Development and Regulation) Amendment Act, 2016 had been in force at all material times and no suit or claim or other proceedings shall be instituted, maintained or continued in any court, tribunal or other authority as such.”.

Amendment of First Schedule. 3. On and from the date of commencement of the principal Act, in the First Schedule, for the heading “26. FERMENTATION INDUSTRIES”, the heading “26. FERMENTATION INDUSTRIES (OTHER THAN POTABLE ALCOHOL)” shall be substituted.

DR. G. NARAYANA RAJU,  
*Secretary to the Govt. of India.*

**RAM** Digitally signed  
by **RAM DAYAL**  
**DAYAL** Date: 2016.05.19  
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