

**GOVERNMENT OF INDIA
NON-CONVENTIONAL ENERGY SOURCES
LOK SABHA**

UNSTARRED QUESTION NO:3337

ANSWERED ON:12.05.2006

NATIONAL MISSION ON BIO DIESEL .

Ahir Shri Hansraj Gangaram; Saradgi Shri Iqbal Ahmed

Will the Minister of NON-CONVENTIONAL ENERGY SOURCES be pleased to state:

- (a) Whether the National Mission on Bio-diesel has got the nod of Planning Commission;
- (b) If so, the details thereof alongwith the time by which it is likely to be implemented;
- (c) Whether it will be officially authorized to mix bio-diesel with diesel to increase its popularity and consumption;
- (d) If so, whether any exemption in taxes is being demanded on bio-diesel like France, America, Germany and Italy; and
- (e) The steps taken / to be taken by the Government in this regard ?

Answer

MINISTER OF STATE OF THE MINISTRY OF NON-CONVENTIONAL ENERGY SOURCES (INDEPENDENT CHARGE) (SHRI VILAS MUTTEMWAR)

(a) & (b) : The Ministry of Rural Development is the nodal Ministry for the National Mission on Bio-diesel. They have informed that Planning Commission have given in-principle approval in December, 2005 to the proposal on National Mission on Bio-diesel. The National Mission is to be implemented in two phases i.e. Phase-I as Demonstration project and Phase-II, a self-sustaining expansion of Bio-diesel programme. Under the Demonstration phase, promotion of Jatropha cultivation in Forest and Non-forest areas (2 lakh ha. non-forest lands and 2 lakh ha. forest lands) especially in wastelands is proposed to be carried out over a period of 5 years with a total cost of Rs.1286.31 crore. The Ministry of Rural Development have further informed that Rs.49.00 crore was released in March, 2006 in nine States for raising 18 crore Jatropha saplings in nurseries at the district level.

(c), (d) & (e) : According to the Bio-Diesel Purchase Policy announced by the Ministry of Petroleum and Natural Gas, which has come into force w.e.f. 1.1.2006, upto 5% of bio-diesel can be blended in high speed diesel. There is no provision for exemption in taxes on bio-diesel in this Bio-Diesel Purchase Policy.