

**GOVERNMENT OF INDIA
NEW AND RENEWABLE ENERGY
LOK SABHA**

UNSTARRED QUESTION NO:5224

ANSWERED ON:27.08.2010

BIO-DIESEL

Sainuji Shri Kowase Marotrao;Singh Shri Ijyaraj ;Sinh Dr. Sanjay

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

- (a) whether the Government has purchased ethanol and bio-diesel from any company;
- (b) if so, the quantity of ethanol and bio-diesel purchased so far alongwith purchase price;
- (c) whether the Government has made arrangement for the distribution of ethanol and bio-diesel in the country; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF NEW AND RENEWABLE ENERGY(DR. FAROOQ ABDULLAH)

(a)&(b): The Ministry of Petroleum and Natural Gas have informed that the Oil Marketing Companies (OMCs) purchased domestically produced ethanol from indigenous Ethanol Manufacturers and Sugar Mills for 5% blending of ethanol with petrol. During the Year 2006-09, the OMCs procured 58.70 crore litre of ethanol for this purpose. The OMCs contracted for ethanol supplies based on tenders in a range of Rs.17.23/litre to Rs.21.50/litre ex-factory upto 31.10.2009.

Bio-diesel has not been purchased as it was not available at the declared price by the OMCs.

(c) & (d): The Ministry of Petroleum and Natural Gas vide its notification dated 20th September, 2006 has directed the Oil Marketing Companies (OMCs) to sell 5% Bio-ethanol Blended Petrol(EBP) subject to commercial viability as per Bureau of Indian Standards specifications in entire country except North-Eastern States, Jammu & Kashmir, Andaman & Nicobar Islands and Lakshdweep with effect from 1st November, 2006.

As regards bio-diesel, the Ministry of Petroleum and Natural Gas announced a Bio-diesel Purchase Policy effective from 1.1.2006. Under this scheme, Oil Marketing Companies would purchase bio-diesel for blending with High Speed Diesel (HSD) to the extent of 5% at identified 20 purchase centres across the country. The purchase price of bio-diesel was fixed at Rs.24.50 per litre for the period from 01.09.2009 to 31.03.2010.