

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:1394

ANSWERED ON:18.11.2010

UNAUTHORIZED SALE AND POSSESSION OF BIO-DIESEL

Pakirappa Shri S.

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the Government has asked the State Governments to ensure that unauthorized sale and illegal possession of bio-diesel in the market is checked and eliminated.
- (b) if so, the details, thereof;
- (c) whether the lack of clarity on Government policy over bio-diesel has put a number of bio-diesel units in the country in total confusion;
- (d) whether bio-diesel making units wishing to open up fuel dispensing stations are not able to get clearance certificate from Fire Brigade authorities as bio-diesel finds no mention in Fire Brigade fuel storage manual; and
- (e) if so, the action taken / being taken by the Union Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI JITIN PRASADA)

(a) & (b): Yes, Madam. In terms of the Motor Spirit and High Speed Diesel (Regulation of Supply, distribution and Prevention of Malpractices) Order, 2005, all the State Governments/Union Territories have been advised to take suitable action in order to curb unauthorized marketing of bio-diesel for use as a transportation fuel.

(c): No, Madam. There is a National Policy on Bio-fuels approved by the Government already in place. The National Policy on Bio-fuels envisages that bio-fuels will be produced from non food-feedstocks and aims at bringing about accelerated development and promotion of the cultivation, production and use of bio-fuels to increasingly substitute petrol and diesel for transport and be used in stationary and other applications. Further, the Policy envisages plantations of trees bearing non-edible oilseeds on Government/community wastelands, degraded or fallow land in forest and non-forest areas for production of bio-diesel. Availability of feed stocks is crucial for deciding to set up bio-diesel plants.

It is clearly laid out in the policy that the responsibility of storage, distribution and marketing of bio-fuels would rest with the Oil Marketing Companies (OMCs). This Ministry has formulated Bio-diesel Purchase Policy to lend support to the activities for blending of bio-diesel and marketing of such blended fuel. As per Bio-diesel Purchase Policy, w.e.f. 01.01.2006, the OMCs shall purchase bio-diesel (B100), through its selected twenty purchase centres, which meet the fuel quality standard prescribed in the Bureau of Indian Standards (BIS) specification at a price declared by the OMCs periodically.

(d) & (e) Ministry of Petroleum and Natural Gas is not aware about the difficulties being faced by bio-diesel making units in getting clearance certificate from Fire Brigade Authorities.