

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

UNSTARRED QUESTION NO:2160  
ANSWERED ON:12.08.2011  
PRODUCTION OF BIO-DIESEL  
Yadav Shri Om Prakash

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

- (a) whether the Government proposes to promote production of bio-diesel as an alternative to fossil fuels in the country;
- (b) if so, the details thereof;
- (c) the details of production of bio-diesel in the country at present;
- (d) the target fixed and achievements made regarding production of bio-diesel in the country during the Eleventh Five Year Plan;
- (e) whether the Government has formulated any policy for promotion and production of bio-diesel during the Twelfth Five Year Plan; and
- (f) if so, the details thereof?

**Answer**

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

(a)&(b): The National Policy on Bio-fuels has been notified by the Govt. of India in December, 2009, which has "inter-alia," laid down detailed guidelines for promotion of production of bio-diesel for blending with high speed diesel. The Ministry of Petroleum and Natural Gas (MoPNG) had also announced a bio-diesel purchase policy effective from 1.1.2006. As per this policy, the Oil Marketing Companies would buy bio-diesel at a uniform landed price which is reviewed from time to time. The price of bio-diesel effective from June 26, 2010 is Rs 29.50 per litre.

(c)&(d): The Oil Marketing Companies (OMCs) were authorised by the Government to procure Biodiesel at a price declared by them from time to time. Under this scheme, OMCs are to purchase bio-diesel for blending with high speed diesel at 20 identified Purchase Centres across the country. MoPNG has reported that so far procurement has not taken place at the declared price. The present target for biodiesel blending is 5%, however, there was no specific target for the 11th Plan period.

(e)&(f): According to the National Policy on Bio-fuels the indicative target for biodiesel blending by the year 2017, i.e. end of the Twelfth Plan period, is 20%.