

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

UNSTARRED QUESTION NO:841

ANSWERED ON:01.03.2013

BIO FUEL POLICY

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

(a) whether the national policy on bio-fuels envisages promotion and development of bio-fuels:

(b) if so, the salient features of the said policy:

(c) whether any steps have been taken to promote production and use of bio-fuels:

(d) if so, the details thereof: and

(e) the price fixed for purchase of Ethanol and bio-diesel under the said policy along with quantum of Ethanol and bio-diesel purchased so far?

Answer

MINISTER FOR NEW AND RENEWABLE ENERGY (DR. FAROOQ ABDULLAH)

(a) Yes, Madam.

(b) The salient features of the National Policy on Biofuels are:

Bio-diesel production will be taken up from non-edible oil seeds grown in waste, degraded or marginal lands.

Major thrust on research, development and demonstration with focus on plantations, processing and production of biofuels;

20% blending of bio-ethanol with petrol and bio-diesel with diesel is indicated for the year 2017;

Fiscal and financial incentives particularly for second generation biofuels.

(c)&(d) The National Policy on Biofuels has laid down guidelines for promotion of production and utilization of bio-diesel for blending with high speed diesel. Research on development and cultivation of improved varieties of Jatropha for increasing the production of bio-diesel and production of biofuels from ligno-cellulosic feedstock has been taken up under projects funded by the Ministries of Agriculture, New and Renewable Energy and Science & Technology.

(e) The Ministry of Petroleum and Natural Gas has informed that presently the procurement price of ethanol for Ethanol Blended Petrol (EBP) Programme is Rs.27/litre and since the Government decision to implement the EBP Programme in 20 States and 4 LTs in September, 2006, a total of about 131 crore litres ethanol has been procured by the OMCs for blending with petrol. In view of the Government decision dated 22.11.2012 to determine procurement price by market mechanism, fresh offers have been invited for the supply of ethanol for October, 2012 to September, 2013. As regards bio-diesel, the present price fixed by the OMCs for its procurement is Rs.37.50 per litre w.e.f. 19.09.2012. However, no bio-diesel has been offered to any of the OMCs till date.