

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

UNSTARRED QUESTION NO:2701

ANSWERED ON:07.02.2014

PURCHASE OF BIO DIESEL

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

- (a) whether the Oil Marketing Companies (OMCs) have purchased bio-diesel under the bio-diesel purchase policy;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) whether any problem is being faced by the OMCs in purchasing bio-diesel and implementation of bio-diesel purchase policy in the country;
- (d) if so, the details thereof along with the reasons therefor; and
- (e) the corrective measures taken by the Government/ OMCs in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI PANABAAGA LAKSHMI)

(a) to (d): Ministry of Petroleum and Natural Gas had announced a Bio-diesel Purchase Policy in October 2005, which became effective from 1.1.2006. Under this policy, OMCs would purchase bio-diesel, meeting the prescribed BIS standard, at a uniform price, as may be decided by the OMCs from time to time, for blending with High Speed Diesel (HSD) to the extent of 5%, at identified 20 purchase centres across the country. Presently the declared price of Bio-diesel is Rs.42.50 per litre w.e.f. 26.10.2013. However, the Bio-diesel manufacturers have not come forward to sell their Bio-diesel produce to OMCs at this declared price.

(e) Ministry of New and Renewable Energy has constituted a Working Group vide its Office Memorandum dated 28.03.2012 for determining the benchmark price of Jatropha seeds and bio-diesel.