

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

STARRED QUESTION NO:86

ANSWERED ON:02.03.2015

SUPPLY OF BIO DIESEL

Boianapalli Shri Vinod Kumar;Mahendran Shri C.

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

- (a) whether the demand and supply of bio-diesel is on the rise in the country and if so, the details thereof;
- (b) the demand and supply of bio-diesel along with the concrete steps being taken to meet the increasing demand of bio-diesel in the country;
- (c) whether the Government proposes to allow private bio-diesel manufacturers as dealers and give them marketing and distribution rigilts for the limited purpose of supplying bio-diesel to the consumers; and
- (d) if so, the details thereof and its likely impact on the existing suppliers of bio-diesel manufacturers and bulk consumers like Indian Railways?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (INDEPENDENT CHARGE)
(SHRI DHARMENDRA PRADHAN)

(a)to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO.86 ASKED BY SHRI C. MAHENDRAN AND SHRI B. VINOD KUMAR FOR ANSWER ON 2ND MARCH, 2015 REGARDING "SUPPLY OF BIO DIESEL"

(a) to (d): The production of bio-diesel in the country for the last 4 years as furnished by Bio- Diesel Association of India is given below:

Calendar Year	Production of Bio-diesel
2011	37581 MT
2012	2500 MT
2013	73513 MT
2014	49121 MT (till October, 2014)

The production reported during the year 2012 was low due to non-availability of feedstock at economical prices and low demand for exports.

Demand for bio-diesel is mainly for industrial use as well as for OMC\$ and bulk consumers like railways for blending in diesel.

The Government has decided on January 16, 2015 to allow the direct sale of bio-diesel by manufacturers/ suppliers of bio-diesel/their authorised dealers and Joint Ventures (JVs) of Oil Marketing Companies (OMCs) as authorized by Ministry of Petroleum and Natural Gas, to all consumers. The OMCs are already authorized to sell bio-diesel.

The suppliers of bio-diesel will now be free to sell their Bio-diesel (B100) produce directly to consumers without intervention of OMCs. Bulk consumers like Indian Railways may now purchase directly from Bio-diesel manufacturers. The decision is beneficial to manufacturers/suppliers as well as consumers and will encourage production and use of bio-diesel.