

**LOK SABHA**  
**UNSTARRED QUESTION No. 3141**  
**TO BE ANSWERED ON 31<sup>st</sup> DECEMBER, 2018**

**Bio Gas Plants**

3141. SHRI B. VINOD KUMAR:  
SHRIMATI DARSHANA VIKRAM JARDOSH:  
DR. C.GOPALAKRISHNAN:  
SHRI P. NAGARAJAN:  
SHRI JANARDAN SINGH SIGRIWAL:

**पेट्रोलियम और प्राकृतिक गैस मंत्री**

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

- (a) whether the Government has launched SATAT initiative to promote Compressed Bio-Gas as an alternative, green transport fuel for efficient municipal solid waste management and produce bio-fuel for commercialisation for the use of four-wheelers and trucks to minimise the use of petrol/diesel and bring down dependency on crude oil imports and if so, the details thereof;
- (b) the quantum of bio-fuels and bio-diesel produced and available for consumption in the country as on date, State/UT-wise along with steps being taken to increase the production of bio-fuels in the country;
- (c) whether the Government proposes to set up five factories to produce ethanol from the straw/hay of paddy and wheat and sugarcane wastes and if so, the details thereof along with the places identified for the purpose and the time by which the production is likely to start in these plants;
- (d) whether the Government has approached the Ministry of Agriculture and Farmers Welfare to increase cultivation of bio-fuel crops and if so, the details thereof along with the updated status of introduction of bio-fuels and bio-diesel as a suitable alternative to the petroleum products;
- (e) the quantity of ethanol produced in the country during the last three years and the current year along with the projected demand and supply of ethanol by the end of current financial year including its cost of production in the country; and
- (f) whether the Government has received certain complaints against the owners/operators of sugar industries and OMCs relating to the pricing of ethanol blended petrol and if so, the details thereof along with the action taken in this regard and measures taken to augment production and use of ethanol in the country?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्री  
(श्री धर्मेन्द्र प्रधान)

MINISTER OF PETROLEUM & NATURAL GAS  
(SHRI DHARMENDRA PRADHAN)

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(a) Government is promoting the use of Compressed Bio Gas (CBG) as an alternative green transport fuel, which is purified and compressed biogas, produced through a process of anaerobic decomposition from various waste / biomass sources including Municipal solid waste. In this direction, Oil PSUs have launched 'Sustainable Alternative Towards Affordable Transportation' i.e. 'SATAT' initiative. Under this initiative, Public Sector Oil Marketing Companies (OMCs) and GAIL have invited Expression of interest (EOI) to procure CBG from potential entrepreneurs for establishment of 5000 CBG plants across the country with an estimated production of 15 MMT CBG per annum by 2023. OMCs and GAIL have offered Rs 46/- per kg delivered price for procurement of CBG.

(b) State wise ethanol procured by Oil Marketing Companies (OMCs) for EBP Programme during ethanol supply year 2017-18 and biodiesel procurement is given at **Annexure**. To increase indigenous production of ethanol the Government has taken many steps including re-introduction of administered price mechanism, opening of alternate route for ethanol production, Regular Interaction with States, IDR Act Amendment, Interest Subvention scheme namely – "Scheme for augmenting and enhancing ethanol production capacity", National Policy on Biofuels – 2018, Fixation of differential price of ethanol from C heavy molasses, B heavy molasses/partial sugarcane juice and 100% sugarcane juice.

(c) In December, 2014, the Government allowed Second Generation (2G) route for procurement of ethanol. Oil PSUs have planned to establish 2G Ethanol bio-refineries across the country. They have also entered into Memorandums of Understanding (MoUs) with State Governments and Technology Providers for setting up five 2G ethanol bio-refineries. On 25.12.2016, foundation stone of the first 2G ethanol bio-refinery to be set up by Hindustan Petroleum Corporation Limited in Bathinda, Punjab, has been laid. Groundbreaking ceremony for 2G Ethanol bio-refinery of Bharat Petroleum Corporation Limited in Bargarh, Odisha, has been held on 10.10.2018.

(d) The Government has notified National Policy on Biofuels-2018 under which Department of Agriculture, Cooperation & Farmers Welfare under Ministry of Agriculture & Farmers Welfare has been entrusted with the task of production of plant materials through Nurseries and plantations for biofuels in coordination with other Ministries.

(e) The production of ethanol/ alcohol in the country is approximately 310 Cr. Liters per annum. This also varies depending on sugarcane production. Ethanol/Alcohol is mainly used in chemical, potable liquor, pharma sectors and for EBP programme.

The ethanol procured by OMCs under the EBP Programme during the last three ethanol supply years and the current ethanol supply year is tabulated below:

Ethanol Supply Year*	Quantity Procured (in crore liters)
2014-15	67.42
2015-16	111.41
2016-17#	66.51
2017-18	150.51

\*Ethanol Supply Year is period from 1<sup>st</sup> December of the current year to 30<sup>th</sup> November of the next year

# Drop in blend percentage due to drought in Maharashtra and Karnataka leading to lower availability of ethanol

The procurement price of ethanol under the EBP programme excluding applicable GST ranges from Rs. 43.46 per liter to Rs. 59.19 per liter depending upon the feedstock used..

(f) Oil Marketing Companies (OMCs) namely IOCL, HPCL & BPCL have reported that they have not received any complaint related to pricing of ethanol blended petrol. Measures taken to augment production and use of ethanol in the country are given in reply to part (b) above.

## Annexure

ANNEXURE REFERED TO IN REPLY TO PART (b) OF THE LOK SABHA UNSTARRED QUESTION NO. 3141 ASKED BY SHRI B. VINOD KUMAR; SHRIMATI DARSHANA VIKRAM JARDOSH; DR. C.GOPALAKRISHNAN; SHRI P. NAGARAJAN AND SHRI JANARDAN SINGH SIGRIWAL FOR ANSWER ON 31.12.2018

**State wise ethanol procured by Oil Marketing Companies (OMCs) for EBP Programme during ethanol supply year 2017-18**

State	Quantity Procured in Cr Lit
Andhra Pradesh	6.49
Bihar	6.27
Delhi	10.91
Goa	1.18
Gujarat	6.68
Haryana	7.35
Karnataka	17.81
Madhya Pradesh	1.79
Maharashtra	35.99
Punjab	6.56
Rajasthan	0.10
Tamil Nadu	0.99
Telangana	10.90
Uttar Pradesh	34.01
Uttarakhand	2.00
West Bengal	1.47
<b>Grand Total</b>	<b>150.51</b>

**State wise biodiesel procured by Oil Marketing Companies (OMCs) during May 2018 to November 2018**

State	Quantity Procured in Cr Lit
Andhra Pradesh	2.34
Gujarat	0.19
Odisha	1.01
Telangana	1.83
Uttar Pradesh	0.12
West Bengal	2.73
<b>Grand Total</b>	<b>8.22</b>