GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS

RAJYA SABHA
UNSTARRED QUESTION No. 2702
TO BE ANSWERED ON 11th August, 2021

Programme on National Policy on Biofuels, 2018

2702. SHRI RAJMANI PATEL:
SMT. PHULO DEVI NETAM:

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

(a) the progress made towards the target of 20 per cent ethanol blending in petrol by 2030 as stated in the National Policy on Biofuels 2018, including the current percentage of the same;

(b) the current percentage of blending of biodiesel in diesel;

(c) whether Government is adhering to the indicative target of 5 per cent blending of biodiesel in diesel by 2030 as proposed by the National Policy on Biofuels 2018; and

(d) if so, the details of the same including the progress made towards achieving this target and if not, the reasons therefor?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS
(SHRI RAMESWAR TELI)
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(a): The Government has taken various steps towards achieving 20% blending of ethanol in petrol which includes allowing use of sugarcane and food grains (maize and surplus stocks of rice with Food Corporation of India) for conversion to ethanol; administered price mechanism for procurement of ethanol under EBP Programme including enhanced ex-mill price of ethanol year on year from ethanol supply year 2017; lowered GST rate to 5% on ethanol for EBP Programme; amendment in Industries (Development & Regulation) Act for free movement of ethanol; interest subvention scheme for enhancement and augmentation of ethanol production capacity in the country. At present average ethanol blending percentage in petrol for the ongoing Ethanol Supply Year 2020-21 is 8.04% as on 02.08.2021.

(b) to (d): The present percentage of blending of biodiesel in diesel is less than 0.1 percent. The National Policy on Biofuels – 2018 prescribes as indicative target of 5% blending of biodiesel in diesel by 2030.

Availability of biodiesel has been low in the last few years due to increase of price and non availability of feed stock for biodiesel. Some biodiesel is also being marketed by agencies other than Oil Marketing Companies.

Further, to increase the supply of Biodiesel in the country, OMCs are regularly floating Expression of Interest (EoI) to encourage the production of biodiesel from Used Cooking Oil.

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