

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM & NATURAL GAS

RAJYA SABHA
UNSTARRED QUESTION NO. 138
ANSWERED ON 04TH DECEMBER, 2023

PRODUCTION OF BIO-CNG

138 SHRI IRANNA KADADI:

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

- (a) steps taken by Government to promote the production of Bio-CNG from agricultural and municipal waste, and how it is incentivizing farmers and other stakeholders to adopt this technology;
- (b) details of measures being taken to promote the use of Bio-CNG in the transportation sector, including deployment of Bio-CNG bus, trucks and other vehicles;
- (c) details of steps being taken by Government to support research and development of new technologies and processes for production and utilization of Bio-CNG; and
- (d) challenges and opportunities for the growth of the Bio-CNG sector in the country, and measures on which Government is working to address these issues?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS

(SHRI RAMESWAR TELI)

- (a) To (d) Government has taken various measures, including incentivisation and supporting research and development, to promote production of Compressed Bio Gas (CBG) from different feedstock, including agricultural and municipal waste, and its use in transportation sector. These measures, inter-alia, include:
 - (i) Central financial assistance for setting up of plants for generation of Biogas/Bio-CNG from urban, industrial and agricultural waste.
 - (ii) Concession on custom duty for import of machinery and components required for initial setting up of projects for generation of Power and Bio-CNG.
 - (iii) Additional Central Assistance for Municipal Solid Wastes (MSW) based CBG plants under Swachh Bharat Mission Urban 2.0
 - (iv) Remunerative CBG procurement price and indexing the same with CBG Retail Selling Price (RSP).
 - (v) Policy guidelines for co-mingling of CBG with Natural Gas in CGD network for improving offtake.

- (vi) Approval of scheme to provide financial assistance to CBG producers for the procurement of biomass aggregation equipment,
- (vii) Introduction of phase wise mandatory blending of CBG in CNG (Transport) & PNG (Domestic) segments of CGD sector from FY 2025-26.
- (viii) Inclusion of CBG projects under Priority Sector Lending.
- (ix) Inclusion of CBG projects under 'White Category' by CPCB on case to case basis.
- (x) Market Development Assistance @ Rs. 1500/MT on Fermented Organic Manure produced from CBG projects.
- (xi) Support for procurement of biomass aggregation machinery under crop residue management scheme and sub-mission on agricultural mechanisation,
- (xii) Permission for usage of bio-compressed natural gas (bio-CNG) for motor vehicles as an alternate composition of the compressed natural gas (CNG).
- (xiii) Exemption of excise duty on amount of GST-paid on compressed bio gas contained in the blended CNG.
- (xiv) Renewable Energy Research and Technology Development Programme to develop indigenous technologies and manufacturing for widespread applications of new and renewable energy.
- (xv) Capacity building by National Institute of Bio Energy (NIBE), Kapurthala through M. Tech program on Renewable Energy in joint collaboration with NIT Jalandhar.
- (xvi) Eight Biogas Development and Training Centres (BDTCs) set up to provide Technical Assistance, R & D, Testing and Validation of New Biogas Models / Designs, field inspections of biogas plants, and training and skill development.
- (xvii) Finalization of Standard IS 9478: 2023 'Design, Construction, Installation and Operation of Biogas (Biomethane) Plant - Code of Practice' by BIS.
- (xviii) To address the issues related to complete offtake of CBG, financial support for development of pipeline infrastructure to connect CBG projects with the CGD network has been announced in Budget 2023.
