

LOK SABHA
UNSTARRED QUESTION No. 3124
TO BE ANSWERED ON 6th AUGUST, 2018

ETHANOL/BIO-DIESEL PRODUCTION

3124. SHRI SHARAD TRIPATHI:
SHRI DUSHYANT CHAUTALA:
KUNWAR BHARATENDRA:
DR. BANSHILAL MAHATO:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- a) the retail price at which the ethanol blended petrol is sold to the consumers along with criteria adopted/fixed by the Government to ascertain/fix the selling price of gas in the country;
- b) whether any dispute has arisen over fixing of production price of the ethanol and if so, the details thereof along with the reaction of the Government thereto and current status of the said issue;
- c) the details of the Government agency or authority responsible for the implementation of the ethanol blended fuel along with the impact of Section 3 of the industries (Development and Regulation) Amendment Act, 2016 on the taxation of ethanol in various States;
- d) whether the Government has formulated National Policy on Biofuels with the aim to reduce carbon emission by 40% and to increase production of biofuels in the country and if so, the details thereof and any plan to provide financial incentives for increasing production of biofuels;
- e) the details of target set for production of bio-diesel in the country during the last three years and the current year and extent of success achieved in this regard so far; and
- f) whether the Government of Chhattisgarh has prepared a scheme for bio-diesel production with the motto of 'Diesel nahin ab khaadi se – Diesel Banega Baadi se' a few year ago and if so, the details thereof along with the extent of success achieved therein so far and the other efforts being made by the Government in this regard?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्री
(श्री धर्मेन्द्र प्रधान)

MINISTER OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)

(a) The retail selling price of ethanol blended petrol in Delhi on 02.08.2018 is ₹ 76.43 per litre. Government of India has notified “New Domestic Natural Gas Pricing Guidelines 2014” on 25.10.2014. This pricing mechanism is formula based and has been worked out considering the volumes and prices prevailing at major international markets. The prices are revised after every six months in accordance with said guidelines.

(b) Government has fixed the price of ethanol derived from C-heavy molasses at ₹ 43.46 per litre and B-heavy molasses /sugarcane juice at ₹ 47.13 per litre for ethanol supply year 2018-19, based on actual Fair and Remunerative Price (FRP) of sugar for sugar season 2018-19 declared by the Government.

(c) Ministry of Petroleum and Natural Gas, through Oil Marketing Companies (OMCs), is implementing Ethanol Blended Petrol (EBP) Programme under which, OMCs sell ethanol blended petrol with percentage 10% ethanol in petrol. Government of India has amended the Industries (Development and Regulation) Act, 1951, on 14.5.2016. As per the amendment, the State Governments can legislate, control and / or levy taxes and duties on liquor meant for human consumption; and denatured ethanol, which is not meant for human consumption, will be controlled / legislated by the Central Government.

(d) Government has notified the National Policy on Biofuels-2018 on 8.6.2018. The policy categorizes biofuels as “Basic Biofuels”, i.e., such as bio ethanol and biodiesel and “Advanced Biofuels” such as Second Generation (2G) ethanol, bio-CNG, Third Generation Biofuels, etc. to enable extension of appropriate financial and fiscal incentives under each category.

(e) Procurement of Biodiesel by OMCs for blending with Diesel has increased from 1.19 crore litres in 2015-16 to 4.36 crore litres in 2017-18.

(f) As per Chhattisgarh Biofuel Development Authority (CBDA), large scale plantation of non-edible tree borne oilseed crops (e.g. Jatropha) has been taken

up during the period 2005-06 till 2008-09 by Govt. of Chhattisgarh with the slogan "Diesel nahin ab khadi se - Diesel Banega Badi se'. During the said period, an estimated 2774.076 lakhs of Jatropha plants were planted in about 1,10,963 hectare. Till date, CBDA has produced and marketed more than 4,27,324 kg. of semi-finished/finished Biofuel from its demonstration Biofuel Plant at Raipur.