

LOK SABHA
UNSTARRED QUESTION No.784
TO BE ANSWERED ON 04th December, 2025

PROMOTION OF BIODIESEL USAGE

†784. SHRI KAUSHALENDRA KUMAR:
SHRI RAMPRIT MANDAL:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) the steps being taken by the Government to promote the use of biodiesel;
- (b) the benefits farmers are getting from the biodiesel policy in the country;
- (c) the States in which biodiesel is being produced at present; and
- (d) the details of annual revenue of the biodiesel industry in the country, State-wise?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्यमंत्री
(श्री सुरेश गोपी)

**MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS
(SHRI SURESH GOPI)**

(a) & (b) : The National Policy on Biofuels promotes production and adoption of various biofuels, including biodiesel, in the country. Government has taken several measures for promotion of biodiesel production which inter-alia include prescribing indicative target of blending of biodiesel in diesel / direct sale of biodiesel under the National Policy on Biofuels, notifying of "Guidelines for sale of biodiesel for blending with high speed diesel for transportation purposes-2019", reduction of GST rate for procurement of biodiesel for blending programme from 12% to 5%, etc.

The National Policy of Biofuels through the Biodiesel Blending programme creates opportunities for farmers in augmenting indigenous feedstock supplies like Tree-Borne Oils (TBOs) such as Karanja, Neem, Mahua, and Pongamia from underutilized or wasteland plantations, which require minimal inputs and can grow in drought-prone areas. The policy also supports employment and rural economic activity by encouraging plantation, seed collection, and oil extraction operations.

Overall, the biodiesel ecosystem enables value addition to waste and low-value agricultural products, supports farmer diversification, improves rural livelihoods, and reduces reliance on single-crop income sources.

(c) and (d): The State-wise details of gross value of Bio-diesel purchases under Biodiesel Blending Programme by Public Sector OMCs during the Financial Year (FY) 2024-25, is as given below:

State	Gross Value of Bio Diesel Purchase (Rs. In Crores)
Andhra Pradesh	282.74
Bihar	59.85
Delhi	31.23
Gujarat	212.81
Haryana	139.35
Jharkhand	83.91
Karnataka	318.85
Kerala	208.92
Madhya Pradesh	55.93
Maharashtra	84.46
Odisha	289.13
Rajasthan	210.70
Tamil Nadu	168.25
Telangana	472.76
Uttar Pradesh	217.23
Uttarakhand	1.53
West Bengal	399.41
Total	3237.05

(Source: PSU OMCs)
