

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:3304
ANSWERED ON:24.08.2006
BIO- DIESEL PRODUCTION
Sarma Dr. Arun Kumar

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

- (a) the programmes set for bio-diesel production in the country showing the reasons for delay in full commissioning of production;
- (b) the details of collection and processing points and the methodology adopted to associate people to adopt it as a source of income, State-wise;
- (c) the time by which the actual commission is likely to be effected showing the organisational network finalised;
- (d) whether the Brazil model of producing petroleum from sugarcane is being implemented in India; and
- (e) if so, the details thereof?

Answer

Minister of State in the MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) to (c) The Ministry of Rural Development is the Nodal Ministry for the proposed National Mission on Bio-diesel, being set up with a focus on large-scale cultivation of Jatropha. A Detailed Project Report (DPR) on the National Mission on Bio-diesel has been submitted to the Planning Commission, which, inter-alia, envisages a Demonstration Project involving plantation of Jatropha in 4 lakh hectares of degraded forest and non-forest lands for production of bio-diesel. The Planning Commission has given 'in principle' approval to the DPR for the demonstration phase, estimated to cost Rs. 1286 crores over a period of 5 years. The Planning Commission has approved the utilization of Rs 50 crore available in the budget of 2005-06. The Ministry of Rural Development has released Rs. 49 Crores to the specified nine States, namely Andhra Pradesh, Assam, Chattisgarh, Gujarat, Himachal Pradesh, Sikkim, Tripura, Tamil Nadu and Rajasthan for raising Jatropha seedlings in nurseries.

With a view to encourage production of bio-diesel in the country, the Ministry of Petroleum and Natural Gas announced a Bio-diesel Purchase Policy, in October 2005, effective 1.1.2006. The policy has identified 20 purchase centres of the public sector oil marketing companies (OMCs) all over the country where these companies would purchase bio-diesel which meets the standards prescribed by the Bureau of Indian Standards (BIS), from those bio-diesel manufacturers who register with them after satisfying the technical specifications, at a specified delivered price.

(d) to (e) At present, the production of ethanol in India is from Molasses, which is a by product of sugar industry. In Brazil ethanol is produced both from Molasses as well as directly from sugarcane juice. Where as in India, 5% ethanol blended programme is being implemented in certain States, in Brazil vehicles use 22% ethanol blended petrol. They also have flexi fuel vehicles which could run even on 100% ethanol.