

# Business Standard

## Used cooking oil may fuel cars as OMCs look to procure biodiesel

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Shine Jacob New Delhi Last Updated at August 10, 2019 01:55 IST



India is set to bring its next big oil-import savings from the kitchen. On Saturday, as part of World Biofuel Day, IndianOil Corporation, Bharat Petroleum Corporation, and Hindustan Petroleum Corporation are taking initial steps by inviting expressions of interest (EoIs) to procure biodiesel from used cooking oil (UCO) in 100 cities.

After the notification on retail policy for biofuel in May, several food chains — including McDonald's, KFC, Burger King, and Haldiram — have started supplying to bio fuel firms.

According to government sources, the EoIs will ensure collection chains of restaurants, local hotels, and canteens in these cities. This will be a step towards achieving the target of 5 per cent blending of biodiesel in high-speed diesel (HSD) by 2030, to bring down the country's crude oil import bill.

Based on the latest data with the Petroleum Planning and Analysis Cell (PPAC), the country's crude oil import bill in 2018-19 was \$112 billion, up 28 per cent from \$87.8 billion in 2017-18. At present, approximately 8.50 billion litres of diesel, on average, is consumed each month in India.

In order to achieve the 5 per cent blending target by 2030, 5 billion litres of biodiesel is required a year. Based on estimates by oil-marketers, approximately 22.7 million tonnes per annum or 27 billion litres of cooking oil is used. Of that 1.2 million tonnes (1.40 billion litres) UCO can be collected from bulk consumers for conversion, which will give approximately 1.10 billion litres of biodiesel in a year.

At present, only a few retail outlets in the country sell blended diesel. At the same time, the railways uses 5 per cent blending of diesel it consumes.

“Now, each state will have a separate procurement policy for UCO. According to regulations, any vegetable oil with more than 25 per cent of Total Polar Compounds should not be reused,” said Sandeep Chaturvedi, president of the Biodiesel Association of India. The companies involved in the business include BIOD Energy, based out of Haryana, and Rajputana Biofuel in Rajasthan.

“If the industry gets assured procurements from oil-marketers, through the upcoming tender, it will have a huge potential in bringing down the overall import bill,” said Shiva Vig, director of BIOD Energy.

Petroleum Minister Dharmendra Pradhan and Health Minister Harsh Vardhan on Saturday will launch a mobile app to facilitate the collection of UCO by the Food Safety and Standards Authority of India.