

Niti Aayog working on plan to convert unsold BS III stock to run on Methanol-blended fuel



New Delhi: In a bid to promote the use of [Methanol](#) in industry, the government think-tank [NITI Aayog](#) is working on a plan that will allow India to use the alternate fuel for meeting BS VI specifications for automobiles.

The think tank is drafting a business model that includes converting the unsold [BS III](#) stock of automobiles to eventually run on Methanol-blended fuel.

“There are a large number of two wheelers and cars which have become redundant because of the Supreme Court order disallowing BS III vehicles

form April onwards. As a result, we are coming up with a business model to convert those vehicles to work on methanol and make them BS VI compliant,” Niti Aayog Member [V K Saraswat](#) told ETEnergyworld.

BS or Bharat Stage are emission standards instituted by the government to regulate the output of air pollutants from internal combustion engine equipment, including motor vehicles.

The Supreme Court earlier this year banned the sale and registration of BS-III vehicles from April 1, 2017. The National Democratic Alliance (NDA) government recently announced its plans to skip to BS VI norms directly from BS IV emission norms that are now in force, by 2020.

According to the Society of Indian Automobile Manufacturers (SIAM), an apex Industry body representing leading vehicle manufacturers, unsold inventory of BS III stock left with manufacturers amounts to around Rs 5,000 crore. Bulk of the unsold inventory comprises commercial vehicles and two wheelers.

“We are working on how to get a conversion kit for the vehicles. A couple of people from the industry are coming forward evincing interest in getting a kit to convert these cars to work on methanol. It is imperative to create methanol production capability in India to reach that goal,” Saraswat added.

Saraswat, who heads Niti Aayog’s committee on Methanol, in a recent interview to ETEnergyworld had also said the Aayog has set an ambitious target of taking Methanol-blending to 15 per cent over the coming years.

According to R S Sharma, Chairman [FICCI](#) Hydrocarbon Committee; Former CMD, [ONGC](#), efforts made towards exploration of Methanol-blended fuel is a step in the right direction.

“We are already blending Ethanol with fuel but I’m not sure to what extent

Methanol blending can be done. However, any effort made to use non-conventional alternate sources that can supplement conventional fuels is a welcome step given our increasing dependence on imports,” he said.

In a note issued by Niti Aayog last year titled 'India's leapfrog to Methanol economy' the think tank stated that Methanol and Dimethyl ether (DME) can play an important role in order to contain the rising imports and improve the energy security of India.

“Methanol & DME blending with gasoline and diesel respectively can gel very well with the target of 10 per cent import dependence reduction of oil & gas by 2022 of the Government of India,” the note said. According to the note, high methanol blends offer significant vehicle efficiency improvement.