'Clear, stable policy needed to push flex fuel'

Our Bureau
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Honda Motorcycle and Scooter India (HMSI), on Tuesday, said, that a clear and stable policy roadmap will be critical in the implementation of alternative fuel roadmap in the country.

"Policy enablers that can provide reasonable fuel cost and support for localisation would help in maintaining reasonable cost of ownership for successful flex fuel road map implementation in India," Atsushi Ogata, President, Chief Executive Officer and Managing Director, HMSI, said at the International Conference on Biofuels organised by Society of Indian Automobile Manufacturers (SIAM).

SUPPLY AND PRICE

The Japanese two-wheeler subsidiary said that while the company remains aligned to the government's vision, challenges related to fuel supply and price need to be addressed.

"To derive advantages of biofuels, it is important to have a clear, consistent, and stable policy. Stable supply with stable price — that is the challenge we perceive from the original equipment manufacturer (OEM) side. Also, we need to invest additionally for the flex fuel, which also means additional cost for the consumer," he said.

FOREMOST CONCERNS

Elaborating on some challenges regarding flex fuel engines, Ogata listed stable supply of high quality ethanol as one of the foremost concerns for the domestic auto industry. Citing Brazil's case, he noted that the government there gave incentives to promote flex fuel vehicles. Similarly, some incentives in terms of taxation would encourage the alternate fuel strategy to kick off in

Atsushi Ogata, President, CEO and MD, HMSI

India too, Ogata said. India has postponed the target date for achieving 20 per cent ethanol-blending in petrol by five years to 2025.

The government expects the automobile industry to move towards flex-fuel engines after crossing the 20 per cent ethanol-blending milestone.

SAVING BILLIONS

Ethanol extracted from sugarcane and damaged food grains such as wheat and broken rice and agriculture waste is less polluting, and also provides farmers an alternative source of income.

India is the world's third-biggest oil importer, relying on foreign suppliers to meet over 85 per cent of its demand. Achieving E20 blending with petrol by 2025 will help India save foreign exchange by about ₹30,000 crore per annum while also curbing air pollution.

"Through SIAM, I am happy to note that the Indian automotive industry is working with the government as we transition to sustainable transportation through the implementation of stringent emission standards and emphasis on alternate fuels. Biofuels offer a pathway towards a sustainable future which includes clean air and less dependence on imported oil, thereby supporting Aatmanirbhar Bharat," said Vinod Aggarwal, President, SIAM and CEO and MD, Volvo Eicher Commercial Vehicles.