

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO – 3492
ANSWERED ON – 23/03/2026

TARGET SET FOR ETHANOL BLENDING AND CLEAN FUELS POLICY

3492. SHRI RAJINDER GUPTA:

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

- (a) the annual targets fixed for ethanol blending, compressed biogas, bio-CNG, green hydrogen and sustainable aviation fuel and the achievements during the last three years, year-wise;
- (b) whether Government proposes to formulate a comprehensive national policy or legislation on clean fuels and if so, the timeline and key elements thereof;
- (c) whether these initiatives are benefiting farmers and rural communities through biomass procurement and waste-to-energy projects, the details thereof;
- (d) the major challenges in scaling up clean fuel production, including feedstock availability, infrastructure and pricing; and
- (e) the steps being taken and the roadmap to achieve clean fuel targets in the coming years?

ANSWER

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

(a) to (e): Government have taken a number of initiatives to achieve clean energy targets with multiple objectives including reducing import dependence, savings in foreign exchange, providing boost to domestic agriculture sector and for associated environmental benefits. Some of these initiatives, *inter-alia*, include blending of ethanol in petrol under the Ethanol Blended Petrol (EBP) Programme, SATAT (Sustainable Alternative Towards Affordable Transportation) initiative, Sustainable Aviation Fuel (SAF) blending with Aviation Turbine Fuel (ATF), and National Green Hydrogen Mission etc.

Under the EBP Programme, the average ethanol blending achievements made during the last three years (Ethanol Supply Years) were 12.06%, 14.60% and 19.24%, against the targets of 12%, 15%, and 20%, respectively. In the current Ethanol Supply Year (ESY), target of 20% has been achieved in December, 2025. Under the SATAT initiative, a phase-wise mandatory blending of CBG in the CNG (Transport) and PNG (Domestic) segments of the City Gas Distribution (CGD) sector has been fixed at 1%, 3%, and 4% of total CNG/PNG consumption for Financial Year(FY) 2025–26, 2026–27, and 2027–28 respectively, and 5% from FY 2028–29 onwards. For SAF, Government has approved indicative blending targets of 1% by 2027, 2% by 2028, and 5% by 2030 in ATF, initially for international flights.

The Government is also implementing the National Green Hydrogen Mission to position India as a global hub for green hydrogen, targeting 5 MMT annual production by 2030.

The EBP Programme has facilitated payments of over Rs. 1,50,925 crore to farmers from ESY 2014-15 up to February 2026. Further, the SATAT initiative has supported augmentation of farmers' income through generation of direct and indirect employment and additional earning from the sale of agriculture residues and cattle dung.

Advanced biofuel technology for commercial scale production is still at a nascent stage, and project developers worldwide are facing challenges in the biomass conversion. These projects are also facing several other challenges such as limited availability of specialized technology vendors, unavailability of certain critical equipment, land availability, irregular feedstock supply, technological issues, poor market demand for by-products, and local community resistance.
