

Public Consultation Documents

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Government of India

Ministry of Petroleum and Natural Gas

Kartavya Bhawan-03, New Delhi

Dated: 24th November, 2025.

PUBLIC NOTICE

Sub: Public Consultation on Concept Note on National Integrated CBG Promotion Scheme (NICPS) For Promotion and Scaling-Up of Compressed Bio Gas (CBG) Production.

It is to inform that this Ministry intends to introduce National Integrated CBG Promotion Scheme (NICPS) for Promotion and Scaling-Up of Compressed Bio Gas (CBG) Production. The NICPS seeks to integrate the following schemes under the overall coordination of MoPNG, which has already been designated as the nodal Ministry for CBG projects under the GOBARdhan initiative:

- a. Central Financial Assistance (CFA) – Ministry of New and Renewable Energy (MNRE)
 - b. Market Development Assistance (MDA) – Department of Fertilizers (DoF)
 - c. Development of Pipeline Infrastructure (DPI) – Ministry of Petroleum and Natural Gas (MoPNG)
 - d. Biomass Aggregation Machinery (BAM) – Ministry of Petroleum and Natural Gas (MoPNG)
- ii. The integration of these schemes under the NICPS will enable a unified approach for CBG production, marketing, and infrastructure development. Financial and administrative liabilities of ongoing CFA and MDA schemes will continue to be managed by MNRE and DoF respectively, while MoPNG will oversee scheme operation, monitoring, and inter-ministerial coordination.
2. Accordingly, a concept note on NICPS has been prepared and copy of the same is attached herewith.
3. In this regard, all the stakeholders are requested to furnish comments, if any, within 15 days of issue of this communication on sogp2.png@nic.in.

Concept Note on National Integrated CBG Promotion Scheme (NICPS) For Promotion and Scaling-Up of Compressed Bio Gas (CBG) Production

1. Background

- i. India's economic growth demands a secure, affordable, and sustainable energy ecosystem. However, the country remains significantly dependent on imports of crude oil and natural gas to meet its energy requirements. To address this, the Hon'ble Prime Minister has articulated four key pillars of India's energy future — Energy Access, Energy Efficiency, Energy Sustainability, and Energy Security.
- ii. Aligned with this vision, the National Policy on Biofuels, 2018 was notified to promote the use of biofuels across the energy and transportation sectors. The policy emphasizes Compressed Bio Gas (CBG) as a cleaner alternative fuel, encouraging financial and infrastructural support for its development. Pursuant to this, the Ministry of Petroleum and Natural Gas (MoPNG) launched the Sustainable Alternative Towards Affordable Transportation (SATAT) initiative on 1st October 2018, to promote CBG production and its integration into the existing natural gas supply chain.
- iii. Over the years, several enabling schemes have been introduced by different Ministries and Departments to support CBG production, manure marketing, and infrastructure development. At the global level, India, through its COP 26 commitments, has pledged to meet 50% of its energy requirements from renewable sources by 2030 and achieve Net Zero emissions by 2070.
- iv. In this context, the National Integrated CBG Promotion Scheme (NICPS) has been conceptualized to consolidate, strengthen, and scale up ongoing initiatives under a unified structure, ensuring streamlined implementation, improved coordination, and efficient utilization of resources.

2. Integration of Existing Schemes

- i. Currently, multiple Ministries operate separate schemes targeting different components of the CBG value chain. The NICPS seeks to integrate the following schemes under the overall coordination of MoPNG, which has already been designated as the nodal Ministry for CBG projects under the GOBARdhan initiative:
 - a. Central Financial Assistance (CFA) – Ministry of New and Renewable Energy (MNRE)
 - b. Market Development Assistance (MDA) – Department of Fertilizers (DoF)
 - c. Development of Pipeline Infrastructure (DPI) – Ministry of Petroleum and Natural Gas (MoPNG)
 - d. Biomass Aggregation Machinery (BAM) – Ministry of Petroleum and Natural Gas (MoPNG)
- ii. The integration of these schemes under the NICPS will enable a unified approach for CBG production, marketing, and infrastructure development. Financial and administrative liabilities of ongoing CFA and MDA schemes will continue to be managed by MNRE and DoF respectively, while MoPNG will oversee scheme operation, monitoring, and inter-ministerial coordination.

3. Problem Statement

- i. The financial and operational viability of CBG plants depends on several factors, including:
 - a. Availability and allocation of land
 - b. Assured pricing and offtake arrangements for CBG and FOM/LFOM
 - c. Reliable feedstock supply chains
 - d. Access to affordable financing and credit
 - e. Pipeline connectivity and logistics infrastructure
- ii. The NICPS seeks to address these challenges by integrating policy, financial, and infrastructure frameworks under a single platform. The scheme will provide end-to-end support — from project development to marketing — thereby reducing project risk, lowering logistics costs, improving returns, and accelerating the creation of a circular bio-economy in the country.

4. Aim and Objectives

- i. The aim of NICPS is to establish an integrated and enabling ecosystem for the production, supply, and utilization of CBG, thereby facilitating the achievement of the following objectives:
 - a. Increase domestic CBG production and supply.
 - b. Enhance connectivity and assured offtake of CBG through integrated infrastructure and financial support.
 - c. Facilitate financial closure and attract private investments.
 - d. Generate employment in rural and urban areas.
 - e. Support scientific waste management and manure utilization.
 - f. Promote LNG import substitution and save foreign exchange.
 - g. Reduce GHG emissions and contribute to India's Net Zero goals.

5. Strategy

- i. The NICPS intends to integrate ongoing schemes — CFA, MDA, DPI, and BAM — under a unified framework managed by MoPNG. This integration ensures synergy, eliminates overlaps, and accelerates project implementation.
- ii. To avail scheme benefits, registration on the GOBARdhan portal will be mandatory for all CBG plants. The portal will serve as a centralized data and monitoring platform for production, offtake, and incentive disbursal.

6. Conclusion

- i. The National Integrated CBG Promotion Scheme (NICPS) offers a comprehensive and coordinated approach to strengthen India's CBG sector. By integrating multiple financial and infrastructure schemes under one framework, it aims to ensure efficient implementation, greater investor confidence, and accelerated growth of the CBG ecosystem.
- ii. NICPS will not only contribute to India's energy transition and climate goals but will also enhance farmer income, rural employment, waste management, and environmental sustainability, thereby supporting the vision of Atmanirbhar Bharat and a cleaner, greener future.