

GEMA/2025-26/701

Date: 15.10.2025

To,

Sh. V. Umashankar, Secretary (R&TH)

Ministry of Road Transport and Highways

Transport Bhawan, 1, Parliament Street, New Delhi-110001

Subject: Inputs/Suggestions for the revised CAFÉ-3 notification.

Dear Sir,

Greetings from GEMA!!

The Grain Ethanol Manufacturers Association (GEMA), the apex body representing 145+ India's grain-based ethanol units, extends its warmest wishes to you and your family on the auspicious occasion of Diwali.

This is in reference to the revised draft CAFÉ-3 notification for Passenger Cars published by BEE dated 25th Sep 2025 for seeking inputs / suggestions from stakeholders, we would like to submit our inputs as follows:

1. At the outset, we wish to sincerely thank Ministry of Power (MoP) & Bureau of Energy Efficiency (BEE) in drafting a forward looking and progressive regulation which would encourage higher usage of biofuels as a key enabler of sustainable mobility and energy self-reliance. Most importantly it would directly boost farmers' prosperity, in the country.
2. With an estimated 2400~2500 crore litres of ethanol projected to be available in the upcoming ESY, and only around 1050 crore litres is required for E20 blending, there is dire need to create a sustainable and lasting demand for ethanol usage beyond current limits. We strongly believe that Flex Fuel Vehicles (FFVs) and particularly Electrified-FFVs (FFV-SHEV, FFV-PHEV and FFV-REHEV) will be quintessential for higher offtake of Ethanol beyond E20. The proposed CAFÉ-3 norms will serve as catalyst to accelerate investments into these clean and green mobility solutions, which would ultimately enable higher ethanol usage creating a virtuous cycle in the entire ethanol value chain including viability of upstream investments in Ethanol producing units.
3. While, the revised draft CAFÉ-3 Norms has provided due recognition to Ethanol in the form of Carbon Neutral Factor (CNF) for vehicles running on E20-E30 and Flex-Fuel Vehicles (FFV) & FFV-SHEV, respectively. The draft CAFÉ-3 Norms has also recognized the need to incentivize clean and advance automotive technologies in the form of Volume Derogation Factor (Super Credit) to FFV and FFV-SHEV. However, both Carbon Neutral Factor (CNF) and Volume Derogation Factor (Super Credit) are missed for Flex Fuel Plug-in Hybrid Electric Vehicle (FFV-PHEV) & Flex Fuel Range-Extender Hybrid Electric Vehicle (FFV-REHEV).

4. In the above context, we would request that Flex Fuel Plug-in Hybrid Electric Vehicle (FFV-PHEV) & Flex Fuel Range-Extender Hybrid Electric Vehicle (FFV-REHEV) be provided with:

- ❖ Carbon Neutral Factor (CNF) of 22.3%.
- ❖ Volume Derogation Factor (Super Credit) same as provided for BEVs.

The above is submitted for your positive consideration.

Thank you & regards,



Dr. C. K. Jain, President

Copy to: 1) Sh. Mahmood Ahmed, Additional Secretary, MoRTH, New Delhi.