

PRESS RELEASE

Existing state-level policies could further unlock USD 61 billion in incentives for Green Hydrogen in India

- ♦ Odisha, Tamil Nadu, Maharashtra, and Gujarat lead in providing financial incentives for green hydrogen production
- ♦ Power-related incentives worth USD 38 billion account for 63% of total support for green hydrogen

New Delhi, 01 May 2025: India's green hydrogen industry could unlock an additional INR ~5 lakh crore (USD 61 billion) through already existing state-level policies, finds a new independent study released today by the Council on Energy, Environment and Energy (CEEW). The study, supported by the Ministry of New and Renewable Energy (MNRE), also found that this potential support, embedded across policies in 12 states, complements the central outlay of the ambitious National Green Hydrogen Mission (NGHM). It can be a game-changer for scaling domestic production and export for green hydrogen.

CEEW's study, *Augmenting the National Green Hydrogen Mission: Assessing the Potential Financial Support through Policies in India*, evaluates how state-level provisions complement the NGHM's market development outlay and the Ministry of Power's Green Hydrogen Policy. Green hydrogen is key to decarbonising hard-to-abate heavy industries. As a clean energy carrier, it can also power heavy road vehicles, ships and aircraft, and can be used as a long-duration energy storage solution.

CEEW's study reveals that just seven states—Odisha, Maharashtra, Tamil Nadu, Uttar Pradesh, Rajasthan, Andhra Pradesh, and Gujarat—account for 92 per cent of the total estimated state-level support, underlining their central role in shaping India's green hydrogen ecosystem. If fully leveraged, these incentives could help meet India's 5 million tonnes annual production target by 2030, along with the additional state-level targets. The study measures both power-related and non-power-related support, including capital subsidies, interest subvention, state GST reimbursement, and exemptions on electricity duty, transmission, and wheeling charges. Nearly 63 per cent of the total support—equivalent to INR 3.12 lakh crore (USD 38 billion)—is power-related, highlighting the crucial link between low-cost renewable electricity and green hydrogen viability.

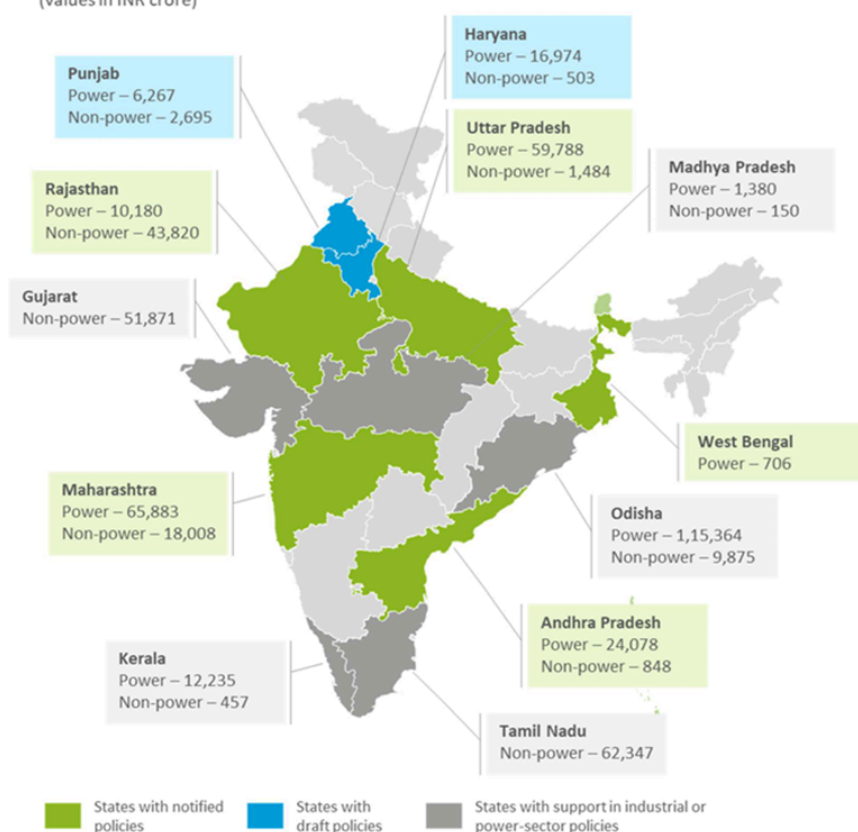
Hemant Mallya, Fellow, CEEW, said, "India has set one of the world's highest green hydrogen targets, backed by central and state-level policies offering financial incentives. The CEEW study aims to inform industrial and financial sector stakeholders about the extent of governmental support available for green hydrogen projects. By quantifying monetary incentives—including budgetary provisions and exemptions—the report emphasizes India's attractiveness as an investment destination for green hydrogen. Faster, standardised clearances through centre-state coordination will be key towards supporting the National Green Hydrogen Mission's vision of positioning the country to lead in green hydrogen production and exports."

With policies in place and support quantified, the next phase of India's green hydrogen journey hinges on execution. Power-related incentives, especially interstate open access, will enhance India's cost-competitiveness in green hydrogen. Industry must now act—by leveraging these incentives to build projects on the ground for both domestic use and exports.



Seven states account for a cumulative 92 per cent of the potential financial support for green hydrogen

Total potential support
(values in INR crore)



Source: Augmenting the National Green Hydrogen Mission (2025)

Read the full study, ***'Augmenting the National Green Hydrogen Mission: Assessing the Potential Financial Support through Policies in India'*** by Ribhav Pal, Vishal Tripathi, Karan Kothadiya, Prateek Aggarwal and Deepak Yadav [here](#).

Limitations: The study quantifies the total potential support but does not project the proportion realisable out of the total, which depends on market competitiveness and policy implementation. Calculations assume constant capital costs, efficiencies, and regulatory charges throughout the applicable period, despite expected technological advancements.

Disclaimer: To the maximum extent permitted by law, Ministry of New and Renewable Energy disclaim any and all liability in the event any information, commentary, analysis, opinions, advice and/or recommendations contained in this book prove to be inaccurate, incomplete or unreliable, or result in any investment of other losses.

For media queries and interviews, contact:

Tulshe Agnihotri – tulshe.agnihotri@ceew.in | +91 9621119643 / +91 7905717812

About CEEW

The Council on Energy, Environment and Water (CEEW) — a homegrown institution with headquarters in New Delhi — is among the **world’s leading climate think tanks**. The Council is also often ranked among the **world’s best-managed and independent think tanks**. It uses data, integrated analysis, and strategic outreach to explain — and change — the use, reuse, and misuse of resources. It prides itself on the independence of its high-quality research and strives to **impact sustainable development at scale** in India and the Global South. In over 14 years of operation, CEEW has impacted over 400 million lives and engaged with over 20 state governments. Follow us on X (formerly Twitter) [@CEEWIndia](#) or on LinkedIn for the latest updates.