Biomass contributes over a third of primary energy in India. It delivers most energy for the domestic use (rural - 90% and urban - 40%) in India. In view of the ever increasing demand for fossil fuels due to rapid economy growth, India is integrating alternative fuels in its energy infrastructure. As a result biofuels sector is poised for a rapid growth in India. Currently, Indian biofuels sector is in nascent stage therefore a huge opportunity exists in terms policy involvement unify all existing resources and thereby threading all the elements of the entire biofuels value chain to leverage the maximum benefit and ensuring the inclusive growth of the sector. India planed to develop a strong domestic biofuels industry by increasing investments in recent years. At present, a major focus has been placed on Jatropha plant seeds which contain 40% of oil and grow well in dry marginal non-agricultural lands, thereby allowing rural and forest communities to leverage non-farm land for income generation. Moreover no food producing farmland is required for producing this biofuel (unlike corn or sugar cane ethanol, or palm oil diesel); it is considered the most politically and morally acceptable choice among India's current biofuel options. It also has positive environmental social and economic advantages; including low green house gases emissions. The government has also implemented an ethanol-blending program and considering initiatives in the form of mandates for biodiesel. Due to these strategies, the rising population, and the growing energy demand from the transport sector, biofuels can be assured of a significant market in India.