

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO-1737
ANSWERED ON - 15/12/2025

FUEL TRANSITION AND SUSTAINABLE AVIATION FUEL MANDATE

1737 # SHRI CHUNNILAL GARASIYA:

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

- (a) the steps being taken by Government to rapidly scale up domestic Sustainable Aviation Fuel (SAF) production to achieve the indicative blending targets of 1 per cent in 2027, 2 per cent in 2028 and 5 per cent in 2030;
- (b) the fiscal incentives, subsidies or Production Linked Incentive Scheme (PLI) provided to promote private investment in SAF refineries using indigenous feedstock; and
- (c) whether the review of the supply-chain and logistical bottlenecks faced by refineries has been undertaken and the manner in which these affect the national target for E20?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS

(SHRI SURESH GOPI)

(a) & (b): Government has approved indicative blending targets of 1% by 2027, 2% by 2028, and 5% by 2030 for Sustainable Aviation Fuel (SAF) in Aviation Turbine Fuel (ATF), initially for international flights.

In order to increase domestic production of SAF to facilitate achievement of blending targets and expand the market, Public Sector Oil Companies are engaged in setting up of SAF production facilities across the country, which, *inter-alia*, include a SAF co-processing unit at Panipat by Indian Oil Corporation Limited (IOCL), a SAF production plant at Mangalore by Mangalore Refinery & Petrochemicals Limited (MRPL) using indigenous technology developed by Council of Scientific and Industrial Research (CSIR)-Indian Institute of Petroleum (IIP) and Engineers India Limited (EIL), etc.

IOCL's co-processing unit at Panipat Refinery has become the first in the country to receive the prestigious International Sustainability and Carbon Certification – Carbon Offsetting and Reduction Scheme for International Aviation (ISCC-CORSIA) Certification for Sustainable Aviation Fuel (SAF) production facility. The certification, a prerequisite for commercial SAF production, represents a significant advancement in India's capability for the production, certification and distribution of SAF and also sets a benchmark for other industry-players to scale up SAF production, in line with the Government's vision to achieve net-zero emissions by 2070.

Further, the Government had notified the "Pradhan Mantri JI-VAN (Jaiv Indhan- Vatavaran Anukool fasal awashesh Nivaran) Yojana 2019", amended in 2024, with the objectives to establish advanced biofuels including Sustainable Aviation Fuel projects in the country using lignocellulosic biomass and other renewable feedstocks. Under this scheme, the maximum financial assistance of

Rs. 150 crore per project for commercial scale projects and Rs. 15 crore per project for demonstration scale projects have been prescribed.

(c): Government regularly review the supply-chain and logistical infrastructure in implementation of National Policy on Biofuels - 2018, which lays out the roles and responsibilities of all the stakeholders including Ministries/Departments/States with respect to biofuels to synergise efforts and provides an institutional mechanism for overall coordination, effective end-to-end implementation and monitoring of biofuel programmes. Refineries of Public Sector Oil Companies have well established system of inventory management and product evacuation. Ethanol is supplied mostly by private distillers to Public Sector Oil Marketing Companies (OMCs) and ethanol blending in petrol under the Ethanol Blended Petrol (EBP) Programme is typically done at various depot locations of OMCs for onward marketing through their retail outlet network spread across the country.

Government have been promoting blending of ethanol in petrol under the Ethanol Blended Petrol (EBP) Programme. The National Policy on Biofuels – 2018, as amended in 2022, inter-alia advanced the target of 20% blending of Ethanol in petrol from 2030 to Ethanol Supply Year 2025-26 (ESY- 1st November, 2025 to 31st October, 2026). Public Sector Oil Marketing Companies (OMCs) achieved the target of 10% Ethanol blending in petrol in June 2022 i.e. five months ahead of the target during ESY 2021-22, 12.06% in ESY 2022-23 and 14.60% in ESY 2023-24. During Ethanol Supply Year (ESY) 2024-25, more than 1000 crore litres of ethanol have been blended thereby achieving an average blending of 19.24% ethanol in Petrol. In the month of October, 2025, ethanol blending of 19.97% has been achieved.
