IndianOil gets nod for commercial SAF supply from Panipat refinery

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News

Indian Oil Corporation (IOC) Chairman A.S. Sahney said at an industry event on 17 November 2026 that the company has secured government approvals to commercially supply Sustainable Aviation Fuel (SAF) from its Panipat refinery in Haryana. He did not name the approving body, the approved volume or a start date for supplies. IOC plans to make about 35,000 tonnes of SAF a year from used cooking oil collected from large hotel and restaurant chains – enough, he said, to meet the 1% blending target for international flights in 2027. India's SAF blending targets – 1% in 2027 and 2% in 2028 – are aligned with the CORSIA scheme of the International Civil Aviation Organization (ICAO). In August 2025 the Panipat refinery became the first in India to win 'ISCC CORSIA' certification for SAF production. A separate alcohol-to-jet (ATJ) plant making 86,800 tonnes a year of SAF from ethanol, with US-based LanzaJet's technology, is targeted for completion by March 2028. Sahney said further SAF investment would follow only after supply deals with airlines; an MoU with Air India is already in place.

Key facts for the exam

Point	Details
Approval	Commercial SAF supply from Panipat (announced 17 Nov 2026)
Announced by	IOC Chairman A.S. Sahney

Point	Details
Capacity	~35,000 tonnes/year of SAF
Feedstock	Used cooking oil (UCO)
Certification	ISCC CORSIA – first in India (Aug 2025)
Blending target	International flights: 2027 – 1%; 2028 – 2%
Second plant	ATJ (LanzaJet), ethanol; 86,800 t/yr; March 2028
Panipat refinery	Haryana; crude capacity ~301,000 barrels/day

Background

- What SAF is: a 'drop-in' fuel made from non-fossil sources (used cooking oil, animal fat, farm waste, ethanol, etc.) that can be blended with conventional aviation turbine fuel (ATF). It cuts life-cycle carbon emissions substantially. HEFA (hydroprocessed esters and fatty acids) and ATJ (alcohol-to-jet) are key production routes.
- CORSIA: the 'Carbon Offsetting and Reduction Scheme for International Aviation' was adopted at the 2016 ICAO Assembly. The 2021–23 pilot and 2024–26 first phases are voluntary; from 2027 it is mandatory for most states. ICAO, headquartered in Montreal, Canada, is a UN specialised agency created by the 1944 Chicago Convention.
- Panipat – history and industry: Panipat was the field of three famous battles – in 1526 Babur defeated Ibrahim Lodi and founded the Mughal empire; in 1556 Akbar's army defeated Hemu; and in 1761 Ahmad Shah Abdali defeated the Marathas. Today it is a textile (handloom, blanket) town and home to IOC's large refinery-petrochemical complex and a 2G ethanol plant dedicated by the PM in 2022.
- Used cooking oil: reheating the same oil repeatedly forms harmful 'Total Polar Compounds' (TPC); FSSAI caps them at 25%. To collect such oil and turn it into fuels like biodiesel, FSSAI launched the 'RUCO' (Repurpose Used Cooking Oil) initiative on World Biofuel Day, 10 August 2018.

Tamil Nadu link: Chennai Petroleum Corporation Ltd (CPCL) – an IndianOil subsidiary, formerly Madras Refineries Ltd (1965) – runs the refinery at Manali, Chennai, and owns the Cauvery Basin Refinery site at Panangudi, Nagapattinam (1 MMTPA unit, 1993), where a new 9 MMTPA refinery is being built through an IOC–CPCL joint venture. The 1% SAF blending target for international flights from 2027 will also apply to international departures from Chennai, Coimbatore, Madurai and Tiruchirappalli airports.

Frequently asked questions

What is this news about?

Indian Oil Corporation (IOC) Chairman A.S. Sahney said at an industry event on 17 November 2026 that the company has secured government approvals to commercially supply Sustainable Aviation Fuel (SAF) from its Panipat refinery in Haryana.

What are the key facts to remember for the exam?

Approval: Commercial SAF supply from Panipat (announced 17 Nov 2026); Announced by: IOC Chairman A.S. Sahney; Capacity: ~35,000 tonnes/year of SAF; Feedstock: Used cooking oil (UCO).

What is the background to this news?

What SAF is: a 'drop-in' fuel made from non-fossil sources (used cooking oil, animal fat, farm waste, ethanol, etc.) that can be blended with conventional aviation turbine fuel (ATF).

Practice questions (with answers)

1. CORSIA, to which India's SAF blending targets are aligned, is a scheme of which UN body?

A) ICAO

B) IMO

C) UNEP

D) UNFCCC

Answer: A – Explanation: ICAO adopted it at its 2016 Assembly to offset carbon emissions of international aviation. IMO regulates shipping.

2. Which FSSAI initiative of 2018 collects used cooking oil – the feedstock of Panipat's SAF?

A) SATAT

B) GOBAR-Dhan

C) RUCO

D) JI-VAN

Answer: C – Explanation: RUCO – Repurpose Used Cooking Oil, launched on World Biofuel Day (10 Aug 2018). SATAT is for compressed biogas.

3. What is India's SAF blending target for fuel used on international flights in 2027?

A) 5%

B) 2%

C) 1%

D) 10%

Answer: C – Explanation: 1% in 2027 and 2% in 2028. IOC Chairman A.S. Sahney said Panipat can make enough SAF for the 2027 target.

4. Who was defeated by Babur at the First Battle of Panipat (1526), ending the Delhi Sultanate?

A) Hemu

B) Rana Sanga

C) Daulat Khan Lodi

D) Ibrahim Lodi

Answer: D – Explanation: Ibrahim Lodi; the Mughal empire began. Second battle (1556) – Akbar v. Hemu; third (1761) – Abdali v. the Marathas.

5. Which IndianOil subsidiary runs the refinery at Manali, Chennai?

A) MRPL

B) CPCL

C) NRL

D) BPCL

Answer: B – Explanation: CPCL – formerly Madras Refineries (1965); its Cauvery Basin Refinery site at Nagapattinam is being rebuilt as a 9 MMTPA refinery (IOC–CPCL JV). MRPL (Mangaluru) is an ONGC unit.

Sources: Business Standard/Reuters (17 Nov 2026); ETV Bharat/PTI (17 Nov 2026); IndianOil press release (13 Aug 2025, ISCC CORSIA) – iocl.com/NewsDetails/59413; The Tribune (ISCC CORSIA, Aug 2025); FSSAI (RUCO, 10 Aug 2018); ICAO – CORSIA – icao.int/environmental-protection/CORSIA; CPCL – cpcl.co.in (Cauvery Basin Refinery). © Shanmugam IAS Academy.