

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:6908
ANSWERED ON:13.05.2002
PURCHASING OF ATF FROM PRIVATE COMPANIES
AMBATI BRAHMANAIAH

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Oil PSUs are charging high prices for their Aviation Turbine Fuel(ATF);
- (b) if so, whether Indian Airlines has explored the possibility of obtaining ATF from private companies rather than Oil PSUs;
- (c) if so, whether Indian Airlines are offered a better price by private companies;
- (d) the average quantity of ATF purchased by Indian Airlines in a year; and
- (e) the total amount likely to be saved by the Indian Airlines by going in for cheaper ATF from private oil companies?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN)

(a): The prices of Aviation Turbine Fuel (ATF) have been decontrolled w.e.f. 01.04.2001. Thus, the oil PSUs are charging the prices for this product as per market considerations.

(b),(c),(d) and (e): It is understood that M/s. Reliance Petroleum is the only private sector company which has so far been given the licence for supply of ATF and they will be taking a minimum of 6 to 9 months to build necessary infrastructure including storage, etc. The impact on ATF price as a result of entry of private suppliers and the competition arising thereof cannot therefore be assessed immediately.

Indian Airlines including Alliance Air uplifts about 5 lakhs kiloliters of ATF in a year from domestic airports at its current level of operations.