

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:3414
ANSWERED ON:24.08.2006
PRICES OF ATF
Kharventhan Shri Salarapatty Kuppusamy

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

- (a) whether the Government has hiked the prices of aviation turbine fuel (ATF) in the last few years;
- (b) if so, the details thereof, year-wise and its likely impact on the air travel; and
- (c) the steps taken by the Government to improve the productivity of aviation turbine fuel and to reduce the increasing trend of price of aviation turbine fuel ?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA PATEL)

(a)&(c): The prices of ATF have been deregulated by Government with effect from 1st April 2001. Consequent to such deregulation, the prices of ATF are fixed by oil marketing companies based on import parity pricing mechanism.

(b): The prices of ATF for domestic airlines (Rs./KL) for four metros, i.e. Delhi, Kolkata, Mumbai and Chennai from January 2005 to August 2006 are furnished in Annexure. ATF cost constitutes around 30% of total operating cost of the domestic airlines in India and as such any volatility in ATF price does affect air travel adversely.