

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

UNSTARRED QUESTION NO:557

ANSWERED ON:03.03.2005

CONTRACT FOR SUPPLYING FUEL TO AEROPLANES

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

- (a) whether the Government proposes to sign contract with the private companies for supplying Aviation Turbine Fuel (ATF) to aeroplanes;
- (b) if so, the details thereof;
- (c) the details of private companies with which talks have been held so far for the supply of fuel to the aeroplanes;
- (d) the extent to which the prices of ATF is likely to come down by allowing private sector in this field; and
- (e) the quantum of fuel consumed by the airline companies during each of the last three years?

**Answer**

MINISTER OF PETROLEUM & NATURAL GAS & PANCHAYATI RAJ ( SHRI MANI SHANKAR AIYAR)

(a) to (c): The authorization to market transportation fuels, namely petrol, diesel and aviation turbine fuel (ATF) can be given to any company, subject to the company investing or proposing to invest Rs.2000 crore in exploration and production (E&P), refining, pipelines or terminals. Reliance Industries Ltd. (RIL) has been given authorization to market ATF. Public Sector Oil Marketing Companies (OMCs) have long been in the business.

Airports Authority of India (AAI) has invited Expression of Interest (EoI) from the authorized oil companies to set up Aviation Fuel Stations (AFS) at the airports on land to be leased by the AAI. Indian Oil Corporation Limited, Bharat Petroleum Corporation Limited and Hindustan Petroleum Corporation Limited in the public sector and RIL in the private sector have been shortlisted for setting up these facilities.

(d): It is expected that increased competition would lead to better consumer services, including more value for money.

(e) : ATF consumption by the airlines in the last three years is as under :-

(Figures in Thousand Metric Tonnes)

2001-2002	1834
2002-2003	1890
2003-2004	2085