

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

UNSTARRED QUESTION NO:4558
ANSWERED ON:22.04.2010
PRICES OF AVIATION TURBINE FUEL
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the oil companies have slashed aviation turbine fuel prices for the four metropolitan airports;
- (b) if so, the details thereof;
- (c) whether the oil companies have now proposed to revise the ATF in view of the increase in the prices of oil in the international market; and
- (d) if so, the details thereof and the impact it will have on the fare structure?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI JITIN PRASADA)

(a) to (d): Government does not control the price of Aviation Turbine Fuel (ATF), as it is a de-regulated product. The methodology adopted in fixing the price of ATF by the Public Sector Oil Marketing Companies (OMCs) is based on the ex-refinery prices of Jet fuel linked to the Import Parity Prices, which are revised by the OMCs on a fortnightly basis. As a result of this, the price of ATF rise and fall in tandem with the international prices.

The details of ATF price for the Domestic Airlines at four Metro Air Fuel Stations (AFSs), as provided by the Indian Oil Corporation, for the period from 01-01-2010 to 01-04-2010 are given below:

(Rs.per Kilolitre)				
DATE	DELHI	KOLKATA	MUMBAI	CHENNAI
1st January, 2010	38696.60	46909.02	39910.79	42683.33
16th January, 2010	41216.43	49533.84	42535.61	45378.18
1st February, 2010	38956.38	47166.09	40181.39	42948.62
16th February, 2010	37982.22	46164.87	39166.64	41901.40
1st March, 2010	39307.07	47531.40	40546.70	43325.62
16th March, 2010	40268.25	48586.74	41561.45	44400.77
1st April, 2010	40841.40	49294.36	42159.48	45151.98

Ministry of Civil Aviation has informed that the impact of increase of ATF price on airfare cannot be anticipated in advance. As ATF accounts for 40% of the operating cost of Indian Carriers, any increase in ATF price will have an adverse impact on the industry and will increase losses of airlines. Ministry of Civil Aviation has also clarified that the air fares are not being regulated by the Government.