

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:1504

ANSWERED ON:30.11.2011

OUTSTANDING FUEL CHARGES AGAINST AIRLINES

Pandey Shri Ravindra Kumar;Ray Shri Rudramadhab ;Tagore Shri Manicka

Will the Minister of CIVIL AVIATION be pleased to state:

(a) the details of outstanding dues by various airlines on account of fuel bills, company-wise and airline-wise; and

(b) the action taken to recover this outstanding amount?

Answer

MINISTER OF OVERSEAS INDIAN AFFAIRS & MINISTER OF CIVIL AVIATION (SHRI VAYALAR RAVI)

(a):- Details of outstanding dues of Public Sector Oil Marketing Companies (OMCs) from airlines as on 30th September, 2011 are at Annexure-I.

(b):- The Public Sector Oil Marketing Companies(OMCs) supply Aviation Turbine Fuel to Private Airlines as per mutually agreed commercial terms. Credit supplies are extended to the airlines and the airlines make payments depending upon the agreed commercial terms. In case airlines fail to pay their dues, OMCs take action for recovery of dues in line with the mutually agreed commercial terms. The defaulting airlines are also put on 'Cash and Carry' and interest is recovered on overdue payments. OMCs encash bank guarantee and post dated cheques for recovery of their outstanding dues, wherever applicable, as per commercial terms agreed between them and airlines. In some cases, OMCs also resort to the legal route by filing suit against defaulting airlines in the Court of law for recovery of dues.