GOVERNMENT OF INDIA PETROLEUM AND NATURAL GAS LOK SABHA

UNSTARRED QUESTION NO:1589
ANSWERED ON:21.07.2014
PRICES OF ATF
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the prices of Aviation Turbine Fuel (ATF) is more than the other petroleum products particularly petrol prices;
- (b) if so, the details thereof along with the reasons therefor;
- (c) whether the oil companies are incurring losses on ATF prices;
- (d) if so, the details thereof; and
- (e) the steps taken by the Government to ease the prices of ATF?

Answer

MINISTER OF STATE (I/C) IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN)

(a) & (b): As informed by Indian Oil Corporation Limited (IOCL), the basic selling price of Aviation Turbine Fuel (ATF) prior to Duties, Taxes and Levies i.e. Assessable value, is higher than that of Petrol at all the four Metros as on 1.07.2014 as given below:

Comparison of Assessable value of ATF vis-a-vis Petrol at Metros as on 1.07.2014

(Rs.per kilo litre)
Product Delhi Kolkata Mumbai Chennai
ATF 54,017.13 59,167.40 53,519.00 54,807.30
Petrol 49,679.38 52,917.09 52,787.56 49,324.71

- (c) & (d): The Public Sector Oil Marketing Companies (OMCs) are not incurring losses on the sale of ATF.
- (e): After deregulation of ATF pricing w.e.f. April, 2001, the prices of ATF for domestic as well as international airlines are revised in line with the movements in the international prices of the product for Arab Gulf Market (the natural source of supply for India).

In order to reduce the price of ATF, the Customs Duty on ATF was reduced to NIL from 5% effective 31.10.2008.