

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:1244

ANSWERED ON:17.08.2012

AVIATION TURBINE FUEL

Pal Shri Jagdambika;Saha Shri Anup Kumar;Sivasami Shri C.

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government proposes to formulate a uniform tax rate on Aviation Turbine Fuel (ATF) for the whole country;
- (b) if so, the details thereof;
- (c) the details of the Government policy of allowing the import of ATF by the Airlines alongwith its likely impact on the revenues of various State Governments due to such change in policy;
- (d) whether any consultations have been held with the State Governments in this regard and if so, the details thereof and if not, the reasons therefor;
- (e) whether the Government proposes to put ATF in notified goods category; and
- (f) if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH)

(a) to (f): On request of the Ministry to review the pricing of ATF and accord it to 'Declared Goods' status i.e. imposition of uniform tax rate of 4%, Ministry of Finance, in August, 2009 informed that a view has been taken that it may not be expedient to bring ATF under the list of 'Declared Goods'.

Directorate General of Foreign Trade (DGFT) has allowed import of ATF by or on behalf of airlines as actual users and on actual use basis. Such Indian Carriers who are interested to avail the opportunity to import ATF directly without going through STE route may apply to the DGFT in the prescribed format (ANF 2B) available in the website of DGFT.

Following domestic airlines have been granted permission to directly import ATF as actual user on actual use basis:

Sl.	No.	Name of the firm	Qty.	CIF value	Permission
		allowed	issued on		
		(in KL)			
	1	Kingfisher Airlines Ltd., Bangalore	5,00,000	Rs. 2233 Cr. (US\$446.59 million)	11.4.2012
	2	Spicejet Ltd., Chennai	50,000	Rs. 235 Cr. (US\$47 million)	11.4.2012
	3	InterGlobe Aviation Ltd., Delhi	7,15,000	Rs. 3200 Cr. (US\$620 million)	18.4.2012
	4	Go Airlines Ltd., Delhi	2,00,000	Rs. 1200 Cr. (US\$226.42 million)	3.5.2012
	5	Air India Ltd., Mumbai	1,00,000	Rs. 503.93 (US\$90.80)	6.8.2012

The validity of an import authorization is 18 months and the importer can import either partly or full quantity, at any time, before the expiry of the import authorization.

As per the Entry 51 of List II of Seventh Schedule of the Constitution of India, collection of sales tax on ATF is a State subject. The details of sales tax collected by States is not maintained by the Central Government.