

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:3854

ANSWERED ON:20.03.2013

ATF

Bajwa Shri Partap Singh; Joshi Shri Pralhad Venkatesh; Ponnamp Shri Prabhakar; Shetkar Shri Suresh Kumar

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether Air Turbine Fuel (ATF) is highly taxed in India and is resultantly a major reason for the poor fiscal performance of airlines;
- (b) if so, whether the Government has received any representation from the aviation sector to reduce the tax on ATF;
- (c) if so, the details thereof during each of the last three years and the current year and the reaction of the Government thereto;
- (d) whether there is any proposal to allow direct import of ATF by airlines and levy anti-dumping duty on this fuel; and
- (e) if so, the details thereof and if not, the reasons therefor?

Answer

Minister of State in the Ministry of CIVIL AVIATION (SHRI K. C. VENUGOPAL)

(a): Yes, Madam.

(b) and (c): Government have received representation from Federation of Indian Airlines and various airlines each of the last three years and even in current year for reduction in VAT on ATF and to grant them 'Declared Goods' status. The Government has taken up the matter with the State Governments for reduction of VAT on ATF. M/o Finance has also been requested to bring the ATF under 'Declared Goods'.

(d) and (e): 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. However, there is no proposal, at present to levy anti-dumping duty on ATF.