

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

UNSTARRED QUESTION NO:119

ANSWERED ON:19.11.2009

PRICE FIXATION OF ATF

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**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

(a) the norms laid down for fixing the price of Aviation Turbine Fuel (ATF) and the average percentage of amount recovered by the Union and State Governments in the form of tax levied on the price of ATF during the last three years; and

(b) the names of the States levying the minimum and the maximum per cent of taxes?

**Answer**

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

(a): 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 price of Jet Fuel which is linked to the Import Parity Price. From 15th November, 2008 onwards, the ATF prices are being revised by the OMCs every fortnight.

The rates of Basic Excise Duty (BED) plus Education Cess on BED levied by the Union Government on ATF are 8% and 3% respectively. Sales Tax, imposed by the State Governments, varies from State to State.

The details of percentage of Central and State taxes in the price build-up of ATF applicable in different States as in November, 2007, November, 2008 and November, 2009 are annexed.

(b): As per the available information, Rajasthan and Andhra Pradesh have the minimum percentage of Sales Tax of 4% and Gujarat has the maximum percentage of Sales Tax of 30%.