

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:2290

ANSWERED ON:22.08.2013

AIRPORT CHARGES

Bapurao Shri Khatgaonkar Patil Bhaskarrao;Bhoi Shri Sanjay;Gaikwad Shri Eknath Mahadeo;Paranjpe Shri Anand Prakash

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government has decided to scrap most of the airport charges at tier II and tier III cities for scheduled airlines and if so, the details thereof and reasons for the same;
- (b) whether the Union Government has also asked the State Governments to waive certain taxes to help in the latest initiative and if so, the details thereof;
- (c) whether the Government will also consider lowering airport charges in metros and other important cities and if so, the details thereof;
- (d) the other steps taken by the Union Government for boosting airline connectivity to remote areas?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI K. C. VENUGOPAL)

- (a) No, Madam.
- (b) Govt. of India has written to the State Governments for reduction of Value Added Tax (VAT) on Air Turbine Fuel (ATF).
- (c) Government of India has established an economic regulatory agency, namely, Airports Economic Regulatory Authority of India (AERA) under an Act of Parliament, AERA Act, 2008, to regulate tariff and other charges for the aeronautical services rendered at major airports across the country.
- (d) Government has laid down Route Dispersal Guidelines with a view to achieve better regulation of air transport services taking into account the need for air transport services of different regions of the country. It is, however, up to the airlines to provide air services to specific places depending upon the traffic demand and commercial viability while complying with Route Dispersal Guidelines. Further, Airports Authority of India (AAI) is giving certain concessions/ exemptions in airport charges to encourage airline connectivity of remote areas of the country.