

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 1710
(TO BE ANSWERED ON THE 1st August 2022)

NEW AIRPORTS IN KOLKATA AND VAT ON ATF

1710. SHRI ABIR RANJAN BISWAS
DR. SANTANU SEN

Will the Minister of CIVIL AVIATION be pleased to state:-

- (a) whether Government has conducted a survey of Balurghat, Coochbehar and Malda airports to upgrade them;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) whether Government has written to the State Governments to reduce VAT on ATF; and
- (d) if so, the details of the steps Government has taken or proposed to take to compensate the State for the loss of revenue from reduced VAT on ATF?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

(GEN. (DR) V. K. SINGH (RETD))

(a) & (b): On request of State Government of West Bengal (GoWB), a preliminary inspection for development of Airports at Malda and Balurghat was conducted by Airports Authority of India (AAI) in December, 2021 and at Cooch Behar in February, 2022. Both the airports at Balurghat and Malda have been handed over to GoWB for 30 years for developing the airports for non-scheduled operations. A detailed inspection on chargeable basis may be conducted by AAI, if desired by GoWB.

For development of airport at Cooch Behar, additional land is required by AAI from GoWB for extension of runway subject to Obstacle Limitation Surfaces survey of the airport for operationalisation for ATR-72 type of aircraft. The response of GoWB is awaited in this matter.

(c): Yes Sir. The issue of reduction in Value-Added Tax (VAT) on Aviation Turbine Fuel (ATF) was taken up with States/ Union Territories levying high VATs on ATF.

(d): Lowered rates of VAT on ATF promotes enhanced connectivity and fuel

uplift and the resultant increase in revenue from sale of aviation fuel as also from growth in tourism and employment compensates the State on account of reduction in the VAT on ATF.
