

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 2895
(TO BE ANSWERED ON THE 27th March 2023)

DEVELOPMENT OF AIRPORTS AND AIRSTRIPS IN THE STATE OF ODISHA

2895. DR. SASMIT PATRA

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

- (a) the details of the various activities undertaken by Government for the development of airports and airstrips in Odisha;
- (b) the total expenditure incurred by Centre and State in this regard and land, and other benefits/facilities provided thereof;
- (c) the coverage of these airports/airstrips under UDAN; and
- (d) the footfalls and human traffic at these airports in Odisha?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

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

(a) to (d): Ministry of Civil Aviation (MoCA) has launched Regional Connectivity Scheme (RCS) - UDAN (Ude Desh ka Aam Nagrik) on 21-10-2016 to enhance regional air connectivity from unserved and underserved airports in the country and making air travel affordable to the masses. UDAN is a market driven scheme. Interested airlines based on their assessment of demand on particular routes, submit their proposals at the time of bidding under UDAN.

Five airports namely Jharsuguda, Rourkela, Utkela, Jeypore and Rangeilunda Airports in Odisha have been identified/awarded under UDAN. Jharsuguda, Rourkela and Jeypore Airports have been developed under UDAN and a total of 24 routes have been operationalised connecting various airports in the State of Odisha. An expenditure of Rs. 322 crore has been incurred by the Government for revival/development of identified airports so far for operation of UDAN flights.

Promoting affordability of regional air connectivity is envisioned under UDAN by supporting Selected Airline Operators (SAOs) through concessions by Central Government, State Governments/UTs and airport operators to reduce the cost of airline operations on regional routes and providing financial (Viability Gap Funding or VGF) support to meet the gap, if any, between the cost of airline operations and expected

revenues on such UDAN routes.

The concessions offered under the scheme are as under:

Airport operators:

- i) Airport operators shall not levy Landing and Parking Charges on RCS Flights.
- ii) AAI shall not levy any Terminal Navigation Landing Charges (TNLC) on RCS Flights.
- iii) Route Navigation and Facilitation Charges (RNFC) will be levied by AAI on a discounted basis @ 42.50% of Normal Rates on RCS Flights.
- iv) Selected Airline operators shall be allowed self-ground handling for operations under the Scheme at all airports.

Central Government:

- i) Excise Duty at the rate of 2% shall be levied on Aviation Turbine Fuel (ATF) purchased by selected Airlines Operators from RCS Airports for initial period of three (3) years from the date of notification of this scheme.
- ii) Selected Airline Operators will have the freedom to enter into code sharing arrangements with both domestic as well as international airlines.

States Government at RCS Airports within their States:

- i) Reduce VAT to 1% or less on ATF at RCS Airports located within the states for a period of 10 years.
- ii) Provide minimum land, if required, free of cost and free from encumbrances for development of RCS Airports and provide multi-modal hinterland connectivity as required.
- iii) Provide security and fire services free of cost at RCS Airports.
- iv) Providing, or cause to be provided, electricity, water and other utility services at substantially concessional rates at RCS Airports.
- v) Provide a certain share (20% for States other than North-Eastern States where the ratio will be 10%) of determined VGF.

Number of passenger handled by airports in Odisha during 2019-20 to 2022-23 (till January, 2023) is 1,12,09,007.
