

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 3574
(To be answered on the 10th August 2023)**

ENHANCEMENT OF REGIONAL AIR CONNECTIVITY

3574. SHRI P.C. MOHAN

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) the overview of the initiatives undertaken by the Government to enhance regional air connectivity in different parts of the country;**
- (b) the measures being taken to attract more airlines to operate flights to underserved and unserved airports for promoting greater accessibility for passengers;**
- (c) the manner in which the Government is ensuring equitable development of airport infrastructure across various States, considering the varying demands and requirements of different regions;**
- (d) the steps being taken to address the challenges faced by airports in terms of capacity constraints, especially in major metropolitan cities; and**
- (e) the progress of the UDAN (Ude Desh ka Aam Nagrik) scheme and its impact on promoting regional air travel and tourism?**

ANSWER

Minister of State in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री

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

(a): The Government launched the Regional Connectivity Scheme (RCS) - UDAN (Ude Desh ka Aam Nagrik) in October 2016 to enhance regional air connectivity from unserved and underserved airports in the country for making air travel affordable to the masses. The scheme seeks to bring air connectivity to tier-2 and tier-3 cities, by taking up existing airstrips identified through UDAN bidding rounds, for development and upgradation under the 'Revival of unserved and underserved airports' scheme.

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

offered under the scheme are as under:

Airport operators:

- i) Airport operators will 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 (SAO) will be allowed self-ground handling for operations under the Scheme at all airports.**

Central Government:

- i) Excise Duty at the rate of 2% will be levied on Aviation Turbine Fuel (ATF) purchased by SAOs from RCS Airports for initial period of three years from the date of notification of this scheme.**
- ii) SAOs 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.**

(c) & (d): UDAN is an ongoing scheme where bidding rounds are conducted from time to time to cover more destinations/stations and routes. Based on their assessment of demand on particular routes, interested airlines submit their proposals at the time of bidding under UDAN. An airport which is included in the awarded routes of UDAN and requires upgradation/development for commencement of UDAN operations, is developed under the 'Revival of unserved and underserved airports' scheme. The upgradation of infrastructures/facilities at airports including extension of runways and expansion of terminal buildings is undertaken by the Airports Authority of India (AAI) or the concerned Airport Operators depending upon operational requirements, traffic, demand, commercial feasibility, availability of land etc.

The Government has taken several measures to enhance the ease of travel for passengers such as capacity enhancement through infrastructural changes in existing terminals, installation and commissioning of additional X-ray machines for baggage check, deployment of additional manpower by CISF

(Central Industrial Security Force), airlines and airport operators, management of slot allocation, co-ordination with airlines to avoid bunching of flights etc. Additionally, to provide seamless and hassle-free experience for passengers at airports, the Government has launched Digi Yatra for biometric-based travel using Facial Recognition Technology. In the first phase, Digi Yatra has been launched at Delhi, Bangalore, Varanasi, Kolkata, Pune, Vijayawada and Hyderabad Airports.

Both AAI and other PPP Airport Operators have embarked upon a Capex Plan for more than Rs.98,000 crore including around Rs.25,000 crore by AAI during 2019-24 for development/ upgradation/ modernisation of various brownfield airports and developing Greenfield Airports to meet the passenger growth and make air travel safer, comfortable and customer friendly.

(e): On the basis of four rounds of bidding under UDAN, 479 routes have commenced connecting 74 unserved and underserved airports (including 9 heliports and 02 water aerodromes). More than 124 lakh passengers have flown in over 2.34 lakh RCS flights so far. 53 routes under Tourism RCS have been operationalised with an objective to promote tourism.
