UDAN SCHEME

2800.   SHRI ANTO ANTONY

Will the Minister of CIVIL AVIATION
नागर विमानन मंत्री   **be pleased to state:-**

(a) whether the Government is implementing a scheme called 'UDAN';

(b) if so, the details and the salient features thereof;

(c) the details and the number of airports included under the scheme and the number of services started thereunder;

(d) whether the scheme is economically viable to the operators and if so, the details thereof; and

(e) whether Air India is operating under the scheme and if so, the details thereof including the sectors?

ANSWER

Minister of State (IC) in the Ministry of CIVIL AVIATION
नागर विमानन मंत्रालय में राज्य मंत्री (स्वतंत्र प्रभार)   **(Shri Hardeep Singh Puri)**

(a) to (c): Government has launched Regional Connectivity Scheme (RCS) - UDAN (Ude Desh ka Aam Nagrik) on 21.10.2016 to stimulate regional air connectivity by making it affordable. The salient features of the scheme are as under:

i. The RCS - UDAN intends to enable air operations on unserved routes connecting regional areas, promote balanced regional growth and make flying affordable for masses.

ii. Financial incentives in terms of concessions from Central, State Governments and airport operators are extended to Selected Airline Operators to encourage operations from unserved/underserved airports/heliports/water aerodromes and to keep the air fare affordable.

iii. Support to the Selected Airline Operators in the form of Viability Gap Funding (VGF). State Governments concerned provide 20% share towards VGF for RCS flights pertaining to their states. However, the share of VGF for

North-Eastern states and the Union Territories is 10%.

iv. **Excise Duty at the rate of 2% is levied on Aviation Turbine Fuel (ATF) drawn by Selected Airline Operators at RCS Airports for RCS Flights for a period of three (3) years from the date of commencement of RCS flight.**

v. **The airlines are required to commit around 50% of the seats as RCS seats (limited to 40 seats) on RCS flights.**

vi. **Regional Connectivity Fund (RCF) is created by levying Rs.5000/- on each departure of flights on aircraft having MTOW (Maximum Take-Off Weight) above 40 Tonnes except for the departure of flights on routes in North East Region, Himachal Pradesh, Uttarakhand, Union Territories of Jammu & Kashmir, Ladakh, Andaman & Nicobar Islands and Lakshadweep Islands.**

vii. **For balanced regional growth, route allocations are spread equitably across five regions in the country viz. North, South, East, West and North East (with a cap of 30% in a given region).**

viii. **RCS-UDAN is a market driven mechanism. Development of regional air connectivity routes is left to market forces.The interested airlines based on their assessment of demand on particular routes submit proposals at the time of bidding under RCS - UDAN from time to time.**

Under RCS - UDAN, 688 RCS routes have been awarded by the Implementing Agency. Out of which, 232 RCS routes have been commenced so far. Details of the unserved and underserved RCS airports where RCS operations have started are attached as Annexure-I.

(d): Promoting affordability of regional air connectivity is envisioned under RCS 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 financial (Viability Gap Funding or VGF) support to meet the gap, if any, between the cost of airline operations and expected revenues on such RCS routes. Central Government and State Governments share VGF in the ratio of 80:20 whereas for the States in North-Eastern region / Union Territories (UT's) the ratio is 90:10. Various concessions inter-alia provided by the stakeholders concerned under RCS are as follows:

1. **Central Government :**

i) **Excise Duty at the rate of 2% on ATF for Selected Airline Operators at RCS Airports for RCS Flights for a period of three (3) years from the date of commencement of the RCS flight, during the currency of the Scheme.**
ii) **Freedom to enter into code sharing arrangements with domestic as well**

as international airlines pursuant to applicable regulations and prevailing air service agreements.

2. **State Governments at RCS Airports within their States:**

i) Reduction of VAT to 1% or less on ATF at RCS Airports located within the State for a period of ten (10) years from the date of notification of this Scheme.

ii) Provision of security and fire services free of cost at RCS Airports.

iii) Provision of minimum land, if required, free of cost and free from all encumbrances for development of RCS Airports/Water Aerodromes/Heliports and also provide multi-modal hinterland connectivity as required.

iv) Provision of electricity, water and other utility services at substantially concessional rates at RCS Airports/Water Aerodromes/Heliports either directly or through appropriate means.

3. **Airport Operators:**

i) Airport operators do not levy Landing Charges and Parking Charges.

ii) SAOs are allowed to undertake ground handling for their RCS Flights at all airports.

iii) Airports Authority of India (AAI) does not levy any Terminal Navigation Landing Charges (TNLC) on RCS Flights.

iv) Route Navigation and Facilitation Charges (RNFC) are levied by AAI on a discounted basis at 42.50% of Normal Rates on RCS Flights.

(e): M/s Airline Allied Services Limited (Alliance Air), subsidiary of Air India is operating under RCS - UDAN. Details of the routes awarded to Alliance Air under RCS - UDAN is attached as Annexure-II.

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Statement referred to in reply of Lok Sabha Unstarred Q. No. 2800 for answer on 05.12.2019

List of unserved/underserved RCS Airports started till 02.12.2019 under RCS-UDAN

S No	State	Airport
1.	Andhra Pradesh	Kadapa (Underserved)
2.	Assam	Jorhat (Underserved)
3.		Lilabari (Underserved)
4.		Tezpur (Underserved)
5.	Chhattisgarh	Jagdalpur
6.	Daman & Diu	Diu (Underserved)
7.	Gujarat	Bhavnagar (Underserved)
8.		Jamnagar (Underserved)
9.		Kandla
10.		Mundra
11.		Porbandar (Underserved)
12.		Shimla
13.	Himachal Pradesh	Kullu
14.		Belgaum (Underserved)
15.	Karnataka	Hubli (Underserved)
16.		Mysore
17.		Vidyanagar
18.		Kalaburagi (Gulbarga)
19.	Kerala	Kannur
20.	Madhya Pradesh	Gwalior (Underserved)
21.	Maharashtra	Jalgaon
22.		Kolhapur
23.		Nanded
24.		Ozar (Nasik)
25.	Meghalaya	Shillong (Underserved)
26.	Odisha	Jharsuguda
27.	Pondicherry (UT)	Pondicherry (Underserved)

S No	State	Airport
28.	Punjab	Adampur
29.		Bhatinda
30.		Ludhiana
31.		Pathankot
32.	Rajasthan	Bikaner
33.		Jaisalmer
34.		Kishangarh
35.	Sikkim	Pakyong
36.	Tamil Nadu	Salem
37.		Agra (Underserved)
38.	Uttar Pradesh	Allahabad (Underserved)
39.		Kanpur(Chakeri)
40.		Hindon
41.	Uttarakhand	Pantnagar (Underserved)
42.		Pithoragarh
43.	West Bengal	Durgapur(Underserved)

STATEMENT REFERRED TO IN THE REPLY OF LOK SABHA UNSTARRED QUESTION NO. 2800 FOR ANSWER ON 05.12.2019

List of routes awarded to Alliance Air under RCS - UDAN

S. No.	Departure Airport	Arrival Airport
1.	Vishakhapatnam	Kalaikunda
2.	Guwahati	Dimapur
3.	Patna	Bokaro
4.	Jagdalpur	Hyderabad
5.	Jagdalpur	Raipur
6.	Raipur	Jagdalpur
7.	Raipur	Jharsuguda
8.	Delhi	Bhatinda
9.	Delhi	Bikaner (NAL)
10.	Delhi	Ludhiana
11.	Delhi	Pathankot
12.	Delhi	Shimla
13.	Delhi	Kota
14.	Goa	Mysore
15.	Ahmedabad	Kandla
16.	Ahmedabad	Ozar(Nasik)
17.	Kandla	Ahmedabad
18.	Keshod	Mumbai
19.	Shimla	Delhi
20.	Dharamshala	Chandigarh
21.	Jammu	Bhatinda
22.	Bokaro	Kolkata
23.	Bokaro	Patna

S. No.	Departure Airport	Arrival Airport
24.	Dumka	Kolkata
25.	Dumka	Ranchi
26.	Ranchi	Dumka
27.	Hazaribagh	Kolkata
28.	Bangalore	Kolhapur
29.	Hubli	Hyderabad
30.	Bangalore	Kalaburgi(Gulbarga)
31.	Belgaum	Pune
32.	Kalaburgi(Gulbarga)	Bangalore
33.	Mysore	Cochin International Airport(CIAL)
34.	Mysore	Goa
35.	Mysore	Hyderabad
36.	Bangalore	Mysore
37.	Mysore	Bangalore
38.	Cochin	Mysore
39.	Gwalior	Delhi
40.	Gwalior	Indore
41.	Indore	Gwalior
42.	Kolhapur	Bangalore
43.	Kolhapur	Hyderabad
44.	Ozar(Nasik)	Ahmedabad
45.	Ozar(Nasik)	Hyderabad
46.	Sholapur	Hyderabad
47.	Amravati	Mumbai
48.	Mumbai	Amravati

S. No.	Departure Airport	Arrival Airport
49.	Mumbai	Keshod
50.	Pune	Belgaum
51.	Mumbai	Ratnagiri
52.	Mumbai	Sindhudurg
53.	Nasik	Pune
54.	Pune	Nasik
55.	Ratnagiri	Mumbai
56.	Sindhudurg	Mumbai
57.	Imphal	Dimapur
58.	Dimapur	Guwahati
59.	Dimapur	Imphal
60.	Bhubaneshwar	Jharsuguda
61.	Bhubaneshwar	Kalaikunda
62.	Bhubaneshwar	Rourkela
63.	Jharsuguda	Bhubaneshwar
64.	Jharsuguda	Kolkata
65.	Jharsuguda	Raipur
66.	Rourkela	Bhubaneshwar
67.	Bhubaneshwar	Varanasi
68.	Bhatinda	Delhi
69.	Ludhiana	Delhi
70.	Pathankot	Delhi
71.	Bhatinda	Jammu
72.	Chandigarh	Dharamshala
73.	Bikaner	Delhi
74.	Jaipur	Agra
75.	Bikaner	Jaipur

S. No.	Departure Airport	Arrival Airport
76.	Jaipur	Bikaner
77.	Kota	Delhi
78.	Hyderabad	Hubli
79.	Hyderabad	Kolhapur
80.	Hyderabad	Ozar(Nasik)
81.	Hyderabad	Sholapur
82.	Hyderabad	Jagdalpur
83.	Hyderabad	Mysore
84.	Agra	Jaipur
85.	Varanasi	Bhubaneshwar
86.	Gorakhpur	Lucknow
87.	Lucknow	Gorakhpur
88.	Dehradun	Pantnagar
89.	Pantnagar	Dehradun
90.	Kolkata	Bokaro
91.	Kolkata	Dumka
92.	Kalaikunda	Bhubaneshwar
93.	Kalaikunda	Vishakhapatnam
94.	Kolkata	Jharsuguda
95.	Kolkata	Hazaribagh