

**GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
LOK SABHA  
UNSTARRED QUESTION NO. : 1832  
(To be answered on the 1<sup>st</sup> August 2024)**

**NON-OPERATIONAL ROUTES UNDER UDAN SCHEME**

**1832. SHRI BHASKAR MURLIDHAR BHAGARE  
SHRI AASHTIKAR PATIL NAGESH BAPURAO  
SHRI AMAR SHARADRAO KALE  
PROF VARSHA EKNATH GAIKWAD  
SHRI NILESH DNYANDEV LANKE  
SMT SUPRIYA SULE  
SHRI MOHITE PATIL DHAIRYASHEEL RAJSINH  
DR. AMOL RAMSING KOLHE  
SHRI BAJRANG MANOHAR SONWANE  
SHRI SANJAY DINA PATIL**

**Will the Minister of CIVIL AVIATION**

**नागर विमानन मंत्री**

**be pleased to state:-**

- (a) whether the Government can provide an updated list of non-operational routes under the UDAN scheme and if so, the details thereof, region and airport-wise;**
- (b) the criteria and considerations to identify and prioritize non-operational routes for inclusion in the UDAN scheme to enhance regional connectivity across the country;**
- (c) the measures taken by the Government to encourage private investment and participation in operating non-operational routes under the said scheme, particularly in remote and underserved regions;**
- (d) the manner in which the Government proposes to monitor and evaluate the performance and success of airlines operating on non-operational routes under the said scheme in terms of passenger traffic, operational efficiency and economic viability;**
- (e) whether the Government proposes to expand the scope of UDAN to include additional non-operational routes in the future and if so, the criteria proposed to be used to determine their eligibility for inclusion;**
- (f) whether the Government has encountered any challenges or obstacles in the allotment process of non-operational routes under UDAN and if so, the details thereof along with the steps being taken to overcome these challenges; and**
- (g) the details of financial incentives or subsidies offered to airlines or**

**operators for initiating services on non-operational routes under the said scheme and the manner in which these incentives are calculated?**

**ANSWER**

**Minister of State in the Ministry of CIVIL AVIATION**

**नागर विमानन मंत्रालय में राज्य मंत्री**

**(Shri Murlidhar Mohol)**

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**(a) to (g) RCS-UDAN is market driven scheme in which the unserved and underserved airstrips/airports are listed for bidding by airlines to provide connectivity. Bidding rounds are conducted from time to time for covering more destinations and routes under the scheme. 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. On development and readiness of airport, Selected Airline Operators (SAOs) commence operations on the awarded UDAN routes connecting these airports. SAOs are provided 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. So far 12 bidding cycles under 5 Rounds of UDAN have been conducted. Certain routes awarded under UDAN which got dis-continued before completion of 3 year tenure, have been offered for re-bidding under UDAN Round 5.3**

**Occasional delay occurs in operationalising the airports due to following reasons:**

- 1. Delay due to land unavailability.**
- 2. Technical and operational constraints at certain airports**
- 3. Delay in obtaining Scheduled Commuter Operators Permit by new entrant Airlines.**
- 4. Other issues such as non-availability of suitable aircraft, aircraft leasing issues, maintenance issues of small aircraft etc.**

**SAOs are also provided various concessions by Central Government, State Government and airport operators as under:**

**Airport operators:**

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

**Central Government:**

- i) Excise Duty at the rate of 2% to 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 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) provide or cause to be provided, electricity, water and other utility services at substantially concessional rates at RCS Airports.**

**Rs.3587 crore has so far been disbursed to the Selected Airline Operators towards Viability Gap Funding (VGF) as per the provisions of the Scheme.**

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