

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
Lok Sabha
STARRED QUESTION NO. : 282
(TO BE ANSWERED ON THE 20th March 2025)

AVIATION INFRASTRUCTURE UNDER UDAN SCHEME

282. SHRI VIJAY KUMAR DUBEY

SHRI JANARDAN MISHRA

Will the Minister of CIVIL AVIATION

be pleased to state:-

- (a) the number of airports, heliports and water aerodromes sanctioned and operationalized under the UDAN scheme during the last year;**
- (b) the reasons for any shortfall in achieving the targets;**
- (c) the specific initiatives undertaken by the Government to enhance cargo handling capacity at airports; and**
- (d) whether the Government has taken any steps to address the challenges faced by airlines in aircraft leasing and financing and if so, the details thereof?**

ANSWER

Minister of CIVIL AVIATION (Shri Kinjarapu Rammohan Naidu)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (D) IN RESPECT OF LOK SABHA STARRED QUESTION NO. 282 FOR REPLY ON 20.03.2025 REGARDING AVIATION INFRASTRUCTURE UNDER UDAN SCHEME ASKED BY SHRI VIJAY KUMAR DUBEY AND SHRI JANARDAN MISHRA (a) & (b): During the last year (2024), a total of 12 aerodromes, which included 4 Heliports, have been operationalised. There has been no shortfall in achieving the targets. (c): The following initiatives have been taken to enhance cargo handling capacity at airports:- i. The air cargo handling capacity enhancement is being achieved by the establishment of new as well as expansion of the existing air cargo facilities by the air cargo terminal operators. ii. Currently, the country has 71 air cargo facilities, of which 49 airports are equipped with dedicated air cargo terminals designed to handle high cargo volumes efficiently. Additionally, 22 airports manage cargo operations through passenger terminals, primarily catering to regions with lower cargo volumes. iii. India's air cargo sector is witnessing significant expansion, with a dedicated cargo infrastructure currently capable of handling 10.3 million metric tonnes (MMT) annually. iv. Airports Authority of India Cargo Logistics and Allied Services Company Limited (AAICLAS) has established both dedicated domestic and international air cargo facilities at airports. Further at airports with low cargo volume in Tier-II and Tier-III cities movement of domestic air cargo is facilitated through domestic passenger terminal. v. AAICLAS has identified air cargo capacity enhancement by the establishment of new air cargo terminals at airports namely, Dibrugarh, Dimapur, Dehradun, Srinagar, Vijayawada, Patna, Imphal and

Jodhpur in the FY 2025-26. Further, AAICLAS has commenced a newly constructed domestic air cargo facility at Patna airport on 10th March, 2025. (d): The Government of India has taken several proactive steps to address the challenges faced by airlines in aircraft leasing and financing, especially with the objective of promoting India's position in the global aircraft leasing market which is done through International Financial Services Centre (IFSC) at GIFT City. The incentives available for leasing through IFSCA include:;

- i. Income Tax law provides for exemption on sale of equity shares of IFSC entity to a non-resident or a unit engaged in aircraft leasing business in IFSC subject to the conditions that the operations in IFSC have commenced on or before 1 April 2026; and such capital gains arise within a period of 10 years from the year in which the domestic company in IFSC has commenced operations, or AY 2034-35, whichever is later (Finance Act, 2023)**
- ii. Income Tax law provides for exemption in the hands of a unit engaged in aircraft leasing business in IFSC in respect of dividend received from any unit engaged in aircraft leasing business in IFSC (Finance Act, 2023)**
- iii. Dividends issued by IFSC units to non-resident shareholders is subjected to tax at 10% (plus applicable surcharge and cess) (Finance Act, 2023)**
- iv. 100% tax holiday for a period of 10 consecutive years out of a block of first 15 years.**
- v. Tax holiday extended for capital gains on transfer of aircraft during the tax holiday (Finance Act, 2021).**
- vi. Interest and royalty payment made by Aircraft leasing entities to non-residents not taxable. (Finance Act, 2021).**
- vii. Department of Commerce has enabled import, acquisition, supply and export of aircraft to and from IFSC from any customs**

airport, port or landing station in India. viii. DGCA has exempted IFSC-based Aircraft leasing units from any approval/NOC for import/acquisition of the Aircraft. ix. DGFT has permitted the import of Aircraft by IFSC based Aircraft leasing entity under its Import Policy. x. Government of Gujarat has provided waiver of Stamp Duty in relation to Aircraft leasing and financing in IFSC. xi. DGCA has amended its CARs to streamline the procedure for in country transfer/re-lease of aircraft including the registration/ de-registration of aircraft within India.
