

The Scheme is applicable in Economy Class and is being sold from City Booking Office (CTOs), Airport Booking Office (ATOs), Call Centre and Website www.airindia.in.

(c) and (d) The scheme is only applicable on select sectors. This is a short term scheme only for lean season. Fares levels equivalent to Rajdhani Express IIA Fares have been introduced for the first time in India. Product Innovation needs to be tested and thus this scheme has been introduced on select sectors only.

FDI in aviation sector

1678. SHRI OSCAR FERNANDES:

SHRI D. KUPENDRA REDDY:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government proposes to increase the Foreign Direct Investment (FDI) in the aviation sector;

(b) if so, the details thereof;

(c) the steps taken or being taken by Government to promote domestic sectors especially "un-served" airports in the country; and

(d) the details in respect of the 80:20 funding model for infrastructure development of airports and the procedure adopted for identification of such airports?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI JAYANT SINHA): (a) and (b) With a view to aid in modernization of the existing airports to establish a high standard and help ease the pressure on the existing airports, 100% Foreign Direct Investment (FDI) under automatic route has now been allowed in Brownfield Airport projects. This move would also serve in further developing the domestic aviation infrastructure. Further, FDI limit for Scheduled Air Transport Service/ Domestic Scheduled Passenger Airline and regional Air Transport Service has been raised from 49% to 100%, with FDI up to 49% permitted under automatic route and FDI beyond 49% through Government approval. For Non-Resident Indians (NRI's), 100% FDI will continue to be allowed under automatic route. However, foreign airlines would continue to be allowed to invest in capital of Indian companies operating scheduled and non-scheduled air transport services up to the limit of 49% of their paid up capital and subject to the laid down conditions in the existing policy. Increasing the FDI limit for these aviation services

shall not only encourage competition by lowering prices but shall also accord choice to consumers.

Moreover, FDI policy as contained in the 'Consolidated FDI Policy Circular of 2016', as amended from time to time, is subject to the conditions of the extant policy on specified sectors and applicable laws/ regulations; security and other conditionalities. Accordingly FDI policy on Civil Aviation sector is also subject to sectoral and security conditions.

(c) and (d) The Government of India has broadened the scope of Route Dispersal Guidelines (RDGs) by including the States of Himachal Pradesh and Uttarakhand. Further, Government has approved National Civil Aviation Policy (NCAP), 2016, which *inter-alia* envisages Regional Connectivity Scheme (RCS). The scheme is implemented by revival of unserved and under-served airports / routes in the country.

The RCS envisages for providing Viability Gap Funding (VGF) for airline operators under RCS, which is proposed to be shared between Ministry of Civil Aviation (MoCA) and the State Government in the Ratio of 80:20.

Construction of new terminal building at Raipur airport in Chhattisgarh

†1679. DR. BHUSHAN LAL JANGDE: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the construction of new terminal building at the Raipur airport has been started and any representation regarding giving it status of an International airport has been received by Government and, if so, whether it will be declared without any delay; and

(b) whether Government has reduced VAT on ATF (Fuel) from 25 per cent to 5 per cent and whether Centre would approve the proposals, to start new flights services to Raipur from other cities including Delhi?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI JAYANT SINHA): (a) New Integrated Terminal Building at Raipur has already been completed and commissioned on 12.11.2012. A request to declare Swami Vivekanand Airport, Raipur as an International Airport along with a resolution passed in the Legislative Assembly of Chhattisgarh was received from State

†Original notice of the question was received in Hindi.