

reduction of Central Excise Duty applicable on ATF from 14% to 11%, reductions in VAT/Sales Tax on ATF by various State Governments over time, including on RCS-UDAN (Regional Connectivity Scheme-Ude Desh ka Aam Naagrik) flights, and rationalisation of a number of tax-related provisions applicable on various transactions carried out by various stakeholders.

Upgradation/creation of airports

1255. SHRI P. BHATTACHARYA:

DR. L. HANUMANTHAIAH:

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether any proposal has been taken and implementation made towards upgradation/creation of airports and to increase frequent air services of national and private airlines including helicopter service on existing C category airports in various parts of the country;
- (b) if so, the details thereof; and
- (c) if not, the details of steps taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI HARDEEP SINGH PURI): (a) to (c) Ministry of Civil Aviation has launched Regional Connectivity Scheme (RCS)-UDAN (Ude Desh ka Aam Nagrik) scheme on 21.10.2016 to facilitate/stimulate regional air connectivity and make air travel affordable to the masses, Promoting affordability of regional air connectivity is envisioned under RCS –UDAN by supporting airline operators through (i) concessions by Central Government, State Governments and airport operators to reduce the cost of airline operations on regional routes and (ii) financial support (Viability Gap Funding) to meet the gap, if any, between the cost of airline operations and expected revenues on regional routes. 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.

Further, Cabinet Committee on Economic Affairs has approved the proposal for revival of existing un-served/under-served airports/airstrips of the State Governments, Airports Authority of India and Civil enclaves at an estimated cost of ₹4500 crore. However, the revival of these unserved/underserved airports is ‘demand driven’, depending upon firm commitment from airline operators who will operate from these airports as well as from the State Government who will provide the various concessions.