



A Shankar IAS Academy Initiative

# UDAN - II

Click Here to read about UDAN.

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## Why we need UDAN?

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- Five airlines have won bids to operate 128 routes, that will connect 70 airports including 31 unserved ones like Shimla, Bathinda and Jaisalmer, and 12 underserved airports like Kullu. \n
- Bringing Tier 2 and Tier 3 into the country's aviation network is a significant development in a country where 80% of air travel is between the metros.

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• The scheme will foster regional connectivity, make businesses and trade more efficient, enable medical services and promote tourism. \n

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### How the government convinced airlines?

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- A major reason for the poor regional air connectivity in India is that airlines do not find it lucrative to operate from small cities. \n
- The government has tried to address this concern by a clever combination of subsidies and fare caps. \n
- All the airlines that participated in Thursday's reverse bidding for the subsidy accepted the fare caps set by the government.

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- The money for the subsidy will be raised through a levy on flights operating on major routes like Delhi and Mumbai.  $\n$
- Funding this corpus (Rs 205 crore from this levy) could mean a levy of around Rs 50 for a passenger on flights on major routes.  $\n$
- The subsidy will be in place for three years for an airline that has won the bid on a UDAN route.  $\n$
- There will be other benefits, including **no airport charges** (airport expenses constitute 25 30% of operating costs). n

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#### What are some of the challenges?

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- There are fears that a flight from an UDAN location will be low priority for air traffic controllers in big cities.
- Airports in many Tier 2 and Tier 3 cities **do not have big runways,** so they can't take regular aircraft.
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- That means airlines will need to induct smaller aircraft for short takeoffs and landings.

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- Such aircraft needs specialised crew.  $\slash_n$
- India produces 200 to 300 pilots every year, and it's safe to say that training specialised crew will take time.

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- The government should give serious thought to these issues if its well-intentioned scheme of regional connectivity is to become a success.  $\n$ 

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### **Source: The Indian Express**





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