# UDAN - II

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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.
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- 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.
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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.
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- The government has tried to address this concern by a clever **combination of subsidies and fare caps.**
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- 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.
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- 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.
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- The **subsidy will be in place for three years** for an airline that has won the bid on a UDAN route.
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- There will be other benefits, including **no airport charges** (airport expenses constitute 25 – 30% of operating costs).
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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.
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- 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.
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- 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.
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**Source: The Indian Express**

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