Government of Rajasthan

Rajasthan Civil Aviation Policy 2018

RAJASTHAN CIVIL AVIATION POLICY 2018

Government of Rajasthan

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List of Abbreviations
AME: .............................................................. Aircraft Maintenance Engineer
AIA: ................................................................................ Airports Authority of India
ATF: ............................................................................... Aviation Turbine Fuel
CAD: ........................................................................ Civil Aviation Department, Govt of Rajasthan
CAR: ........................................................................... Civil Aviation Requirement
DCA: ............................................................................ Directorate of Civil Aviation, GOR
DF: ............................................................................ Development Fee
DGCA: ........................................................................... Directorate General of Civil Aviation, GOI
GOI: ............................................................................... Government of India
GOR: ................................................................................ Government of Rajasthan
GST: ............................................................................... Goods and Service Tax
ICAO: ........................................................................... International Civil Aviation Organization
INR: ................................................................................... Indian Rupees
IT: .................................................................................... Information Technology
JV: .................................................................................... Joint Venture
MoCA: ........................................................................... Ministry of Civil Aviation, GOI
NCAP: ........................................................................... National Civil Aviation Policy
NSAP: ............................................................................ Non Scheduled Air Operator Permit
PSF: ................................................................................... Passenger Service Fee
HPC: ................................................................................... High Power committee, GOR
RCF: ............................................................................... Regional Connectivity Fund
RCS: ............................................................................... Regional Connectivity Scheme
RDG: ................................................................................... Route Dispersal Guidelines
RNFC: .............................................................................. Route Navigation Facility Charges
SP: .................................................................................... Strategic Partner
SPV: ................................................................................... Special Vehicle Permit
TNLC: ................................................................................... Terminal Navigation Landing Charges
UDF: ................................................................................... User Development Fee
VAT: ................................................................................... Value Added Tax
VGF: ................................................................................... Viability Gap Funding
I. Preamble:

Rajasthan is one of the most forward looking states in India. A large number of NRIs, foreigners and domestic tourists visit the state throughout the year. Civil Aviation is one of the fastest developing sectors in India Rajasthan has a robust civil aviation infrastructure, compared to most other states in India, & have great potential to become biggest “aviation hub” in country.

The vision envisages up-gradation and modernization of the infrastructure at existing airports/airstrips, developing new airports at important business and tourism hubs and helipads/heliports in remote areas/places of tourist/pilgrimage interest to provide seamless air transportation to all parts of the state for sustainable development of trade and tourism. The envisioned plan also seeks to enhance employment generation through establishment of Flight schools and academics for training of aspirant pilots, stewards/ airhostesses, Aircraft Maintenance Engineer (AME), technicians and other associated staff. To achieve these goals, New Civil Aviation Policy 2018 has been evolved during the ‘Year 2018’.

(A). Short title and extent –

(1) This policy may be called the “Civil Aviation Policy 2018”, Government of Rajasthan.

(2) They extend to the whole of Rajasthan and apply also (unless the contrary intention appears) –

(a) To persons or, organization who want to work/ already working in Rajasthan state.

(B). Delegation of Powers –

(1) Any power or duty conferred or imposed by this policy on the State Government may be exercised or discharged by the State Government to the Director Civil Aviation or any other office specially empowered in this behalf by the State Government which may, from time to time, by order issue direction consistent with the provision of the policy or by any person authorized by it in that behalf;

(2) Any power or duty conferred or imposed by these rules on the Civil Aviation Department may be exercised or discharged by the Civil Aviation Department or by any other person authorized by the Civil Aviation Department in that behalf;
(C). Policy Objectives:

1. Establish an integrated eco-system which will lead to significant growth of civil aviation sector, which in turn would promote tourism, industries, increase employment and lead to a balanced regional growth.
2. Ensure safety, security and sustainability of aviation sector through the use of technology and effective monitoring.
3. Enhance regional connectivity through fiscal support and infrastructure development.
4. Enhance ease of doing business through deregulation, simplified procedures and e-governance.
5. Promote the entire aviation sector chain in a harmonized manner covering Cargo, MRO, General aviation, aerospace manufacturing and skill development.

(D) Provision of Amendments/Revision in Civil aviation policy:

Whenever there is a major change/revision in State /MOCA/ICAO /DGCA guideline (DGCA Rule /CAR /Policy/Circular etc.) which affects this policy; It shall be termed as Amendments/Revision.

Whenever a new policy or revision to the existing policy is proposed to be issued, the draft of the proposed policy/revision shall be posted on Government website or circulated to all the persons likely to be affected thereby for their objections/suggestions. The objections/suggestions received within the stipulated period of 30 days or less as may be determined by CAD shall be analyzed and if found acceptable shall be incorporated in the proposed policy before promulgation. CAD may also arrange meetings with the Civil Aviation industry for discussions on the draft policy before finalization/promulgation.

Notwithstanding anything contained in the foregoing paras, the Government of Rajasthan, may amend various aspects of this Policy from time to time depending upon the experience gained during implementation, availability of funds, public interest etc.

The existing sub-sectoral policies, if any, will automatically stand amended and modified to the extent of provisions contained in this Civil Aviation Policy 2018 with effect from the date of approval of this policy.

(E) IMPLEMENTATION ORGANIZATION: Directorate of Civil Aviation, Government of Rajasthan (DCA)

To carry out all Civil Aviation policy related activities in Rajasthan, GoR had created Directorate of Civil Aviation, Government of Rajasthan as the nodal implementation organization.
(F) High Power committee (HPC)

For overall fast paced development of aviation sector in Rajasthan, High Power Committee has been formed wide circular no f. (35)AR/Gr.3/2014 dated 28.11.2016.

This committee will be in the administrative control of civil aviation Department and terms of reference of the committee shall be as under:-

1. To suggest procurement of New Aircraft/Helicopter in state’s fleet.
2. To suggest Sale/Auction/Buy Back of Aircraft/Helicopter.
3. To suggest hiring of Aircraft/Helicopter on dry or wet Lease.
4. To suggest hiring of Aircraft/Helicopter on long/short term basis.
5. To suggest formation/Amendment to Rules relating to use of state’s fleet.
6. To suggest formation/Amendment to Rules relating to use of state owned Airstrips/ Helipads.
7. To suggest Development, Expansion/Upgradation of existing state owned airstrips & construction of new airstrips by state or through PPP or any other mode.
8. To promote/encourage commercial Airline/Air operators/NSOP holders for international/Inter-state/Intra-state air connectivity.
9. To suggest Opening/Closing and amendments of routes.
10. To suggest on VGF subsidy, concessions and others facilities to Intra-state & other air Services.
11. To suggest on IAF/AAI airports issues.
12. To suggest Religious/Medical Tourism.
13. To suggest, Formulate, approve, establishment, Manpower, infrastructure and requirements for civil Aviation Department/Directorate of Civil Aviation.
14. To suggest establishment requirement for state owned Airstrips.
15. Any other issue related to aviation not covered above.

Dedicated Cell

A dedicated manpower cell shall be created at the Directorate of Civil Aviation for monitoring implementation of this Policy and carrying out decision of the HPC. It shall consist of the following:-

1) Aeronautical Engineer /AME /Aviation technical personal with minimum 10 years of experience.
2) Manager- MBA Degree with minimum 5 years of work experience.
3) Land Acquisition Officer – Retired State Government official or any suitable person with LLB degree with 5 years experience in Land related matters, conversant with Revenue matters
4) Office Assistant- Graduate with Diploma in Computer Application or any other equivalent or higher level having 5 years of experience.

(G) Centralization of Permission/Approvals to use state owned airstrip

Permission/Approvals (like Landing, Parking) to use state owned airstrip will be issued by Director, Civil Aviation. For continuous permissions, following is order of authorization for grant of permission; upto,

a. 30 Days: Director, Civil Aviation
b. 3 Months: Joint Secretary, Civil Aviation
c. 6 Months: ACS/PSCA
d. >6 Months Upto 12 Months: Chief Secretary, Government of Rajasthan.
e. >12 Months: Chief Minister

(H) Promotion of General Aviation and Small Aircraft Operations

The VAT on Aviation Turbine Fuel (ATF) and AVGAS (used by piston engine GA aircraft including helicopters) for aircraft use for air connectivity within Rajasthan would be waived off for five (5) years from the commencement of the date of Aviation academy (Flying or others aviation training school) / MROs/ Manufacturing unit/ Engine Shop. Etc. It will also be available to helicopters flying within the State on basis of regular Non scheduled operations. This shall be available to airlines operating flights from one airport within Rajasthan to another airport within the state, without landing at an airport outside the State. Diu shall be counted as an Airport within Rajasthan for the purpose of this benefit, It shall also not be available for flight from any airport from outside the state to an airport within Rajasthan. Therefore only a flight between two airports both of which fall within Rajasthan shall be eligible for this waiver only to the extend of consumption of ATF for such an intra-state flights.

The companies interested in availing this incentive need to apply suitably to HPC, which shall be authorized to grant the eligibility certificate.

(I) Ownership and Management

The management of airports/heliports or any aviation related project shall be in fashion of Build –Own- Transfer (BOT), Build-Own-Lease-Transfer (BOLT), Build-Own-Operate (BOO), Lease-Develop-Operate (LDO), Joint venture or Management
Contract basis. In each individual case, the exact pattern shall be negotiated, by CAD depending on the circumstances.

a. As far as possible Private sector participation shall be encouraged for all kinds of aviation infrastructure related projects.

b. To leverage any government asset for increasing viability of the project(s), SPVs may be formed with the private sector after following a transparent process. The terms of the equity participation and presence on the Board of such SPV shall be mutually decided.

c. CAD would be authorized to setup SPVs by selecting strategic partners through transparent bid process.

d. CAD would be also authorized to invite equity infusion for specific projects with single or multiple partners, with approval of the HPC or the Government.

*(J) The use and requisition of the Rajasthan government aircraft rules, 1977” has been incorporated in Civil Aviation Policy 2018 of Government of Rajasthan.*

Earlier Civil Aviation in Rajasthan was limited to only VVIP flights/ Movements according to the state rules issued in the year 1977. These rules stated the use and requisition of the Rajasthan Government aircraft. This rule stated that in the absence of the Chief Minister, Chief Secretary may issue permission to use the Aircraft; No charge will be payable if the Aircraft is used for State Government business. But these rules are no longer relevant for the current civil aviation scenario. Thus a new set of rules incorporated in Civil Aviation Policy 2018 have to be formed which would supersede the already existing rules.
II . The Policy Framework:

After studying various aspects and careful considerations, the GoR hereby resolves to implement a policy for the Civil Aviation to enable the department for smooth and proactive functioning. The policy has been formulated in consultation with the cross-section of stakeholders in the aviation activities, pursuing aviation business in Rajasthan. Provisions of the policy are as follows:-

1. Airports / Airstrips/ Heliport / Helipad in Rajasthan.

State of Rajasthan is the largest State, area wise in the country having 32 Helipad and 32 airstrips in total, in which 18 are State owned airstrips, 04 are AAI Airports, 06 are Civil Enclaves and Defense Air bases and 04 are private airstrips and (List Enclosed).

1.1 Up gradation of Airports / Airstrips / Heliport / Helipad

Existing airstrip with runway length 5000ft will be upgraded by 7500ft/9000-10000ft & all airstrip ≤5000ft will be upgraded by 6000ft by 2023. All new airstrip runway length will be 6000ftx120ft.

1.1.1 Airport Infrastructure Development

Master plans shall be prepared for modernization and expansion of existing airports and to construct new airports/heliports, regardless of their size or functional role.

1) Private participation shall be the preferred mode for majority of projects so as to bring in expertise in the most optimal manner.

2) When required, State Government may be requested to fund the project.

3) Most of this future Greenfield airport projects within the State may be developed as needed with a joint venture company, which would become a subsidiary of CAD under PPP framework.

4) The possibility of developing select district airports/heliports/helipads through wholly-owned subsidiaries of CAD shall also be explored.

1.2 Restrictions on constructions, erections, trees, etc.–

1.2.1 No structure shall be constructed or erected, or any tree planted or grown on any land within a radius not exceeding twenty kilometers from the Aerodrome Reference Point of the civil and defense aerodromes, as specified in Schedule III to Schedule VII, without obtaining a No Objection Certificate for the height clearance, except in cases of aerodrome where the colour coded zoning maps has been issued, the local, Muncipal or town planning and development authorities shall , in accordance with height specification provided in such colour coded zoning maps, approval the construction of the structure , as per exiting bulding regulation or bye law or any other law for the time being in force.
1.2.2 No structure shall be constructed or erected, or any tree planted or grown on any land within the areas of the civil and defence aerodromes except for essential navigational aids and other installations required for aeronautical purposes.

1.2.3 No structure higher than the height specified in Schedule II of MINISTRY OF CIVIL AVIATION NOTIFICATION NEW DELHI (G.S.R.751 (E) DATED 30sep2015, shall be constructed or erected and no tree, which is likely to grow or ordinarily grows higher than the height specified in the said Schedule shall be planted on any land within a radius of twenty kilometers from the Aerodrome Reference Point.

1.2.4 The level roads and level railway lines within one kilometer of the airport boundary wall shall also be subject to issuance of the No Objection Certificate.

1.3 Obstacle Limitation Surfaces (based on ICAO Annex 14 and DGCA India Civil Aviation Requirements (CARs) on Aerodrome Design and Operations) are as under:

1.3.1 Take-off climb surface - The dimensions of the take-off climb surface shall not be less than the dimensions specified in the table given below except that if a runway is meant for takeoff, a lesser length may be adopted for the takeoff climb surface where such lesser length would be consistent with procedural measures adopted to govern the outward flight of aeroplanes.

<table>
<thead>
<tr>
<th>Surface and dimension *</th>
<th>Code Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(1)</td>
</tr>
<tr>
<td>TAKE OFF CLIMB</td>
<td>1</td>
</tr>
<tr>
<td>Length of inner edge</td>
<td>60 meters</td>
</tr>
<tr>
<td>Distance from runway end</td>
<td>30 meters</td>
</tr>
<tr>
<td>Divergence (each side)</td>
<td>10%</td>
</tr>
<tr>
<td>Final width</td>
<td>380 meters</td>
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<tr>
<td>Length</td>
<td>1600 meters</td>
</tr>
<tr>
<td>Slope</td>
<td>5%</td>
</tr>
</tbody>
</table>

* All dimensions are measured horizontally.

**When the intended track includes changes of heading greater than 15 degree for operations conducted in IMC, VMC by night.

For RCS, Airstrip Airport Authority of India will be developing the airstrips into no-frills airports with the financial assistance of Government of India, once successful RCS bidding covers that airport. The state government has the option to form an SPV/company on its own or with Airport Authority of India for developing airports, upgrading airstrips to no-frill civil airports and managing these airports. State government may explore the possibilities of development or up-
gradation of airports on PPP mode. The No Frills Airports will be later upgraded on requirement basis. The cost of up-gradation of airstrips to No-Frills airports cost will be borne by Government of India at an indicative cost of Rs 50 cr to Rs 100 cr without insisting on financial viability as indicated in para 4.d of National Civil Aviation Policy 2016.

2 LAND PROCUREMENT

The State Government intends to adopt the best practices in procuring land for aviation sector; the land shall be made available to private partner(s) or to the Special Purpose Vehicles (SPVs) under PPP mode on ‘Right to Use’ basis or lease basis, for development of new Greenfield airports or airstrips and other aviation infrastructure.

2.1 Incentive & Concessions:

2.1.1 As and when the Government decides in principle to establish a new airport/Airstrip, it would instruct HPC, HPC would to identify suitable land for an airstrip /Airport project with help of concern districts administration and shall select appropriate land sites than civil aviation department will inspect & finalized land than apply to Revenue Department, who shall transfer the required land free of cost to Civil Aviation.

2.1.2 These land shall be given free of cost to the CAD. Thereafter, DCA shall be authorized to select a Strategic Partner (SP) through transparent bid process that shall be a subsidiary of CAD. CAD shall be authorized to enter into (40 years for Large MROs & 30Years for small MROs/ATOs) lease agreement for the said land with CAD As per the Lease Agreement, CAD shall be authorized to develop Airports/Airstrip and related infrastructure on the said land and operate the Airport. The lease may be extended for another period of 40/30 years by the Civil Aviation on mutually agreed terms on case to case basis.

2.1.3 The SPV/Strategic Partner or CAD may develop facilities in and around the airport related to travel tourism, aviation etc. by its own investment or by involving other Co-Developers with prior approval of HPC.

2.1.4 The land parcels that already stand in the name of Civil Aviation Department and are earmarked for airports/airstrips, or lands having an airstrip, or lands which are presently in the name of Revenue & forest department or any
other department but have airstrips on them shall stand transferred to CAD from the date of issue of this GR (as per the list in Annexure ‘B’)

2.1.5 Further CAD shall be authorized to acquire private lands at market price or negotiated market price with prior approval of the HPC.

2.1.6 A Land Acquisition Officer shall be appointed by CAD who shall be empowered by Notification to acquire lands under the provisions of the Land Acquisition Act.

2.1.7 Since airport/airstrip land is in longitudinal shape along the length of the airstrip, this land would be very peculiar, even though the area may appear large. Thus the annual lease rental shall be 5 percent of the prevailing rate payable by the lease holder/CAD or Private Strategic investor to the Govt.

3 DEVELOPMENT OF MAINTENANCE REPAIR AND OVERHAUL ORGANIZATION (MROs)

3.1 Presently there are Six MROs operational in India. Three are in Mumbai while one each in Hyderabad, Nagpur and Bangalore. This policy shall address to the need of creating one world class MRO in Rajasthan. Growth in aviation sector necessitates the development of adequate Maintenance, Repair and Overhaul (MRO) facilities for aircraft. State government will facilitate and incentivize the proposals for setting up of new MRO facilities at existing airports or at new locations in Rajasthan.

3.2 Incentive & Concessions:

GoR shall promote at least one world class MRO facility in the State through Bid Process or PPP or Viability Gap Funding (VGF) mode. CAD shall institute the study to prepare a profile of the market in MRO segment in aviation sector. GoR and CAD shall extend all possible cooperation toward development of such projects, which shall help increase the aviation activity in the State. GoR intends to give specific incentives and concessions towards achieving this goal. The Government through CAD will make available

3.2.1 **Cat A)** for Large size MRO’s( like Airbus, Boeing, Embraer etc.) land 5000 bighas to be allotted on lease/existing rate adjacent to the Airport/ airstrip along with connected power line & water supply at site for Large size MRO’s for maximum period 40 years and **The lease may be extended for another period of 40 years by the Civil Aviation on mutually agreed terms and** will not levy any State Government Taxes for 7 years from the date of setting-up of the MRO’s.
3.2.2  Cat B) for mid size MRO's (like Falcon/ ATR/ Q400/Cessna Citation etc.)
2500 bighas to be allotted on lease/existing rate adjacent to the
Airport/ airstrip along with connected power line & water supply at
site for mid size MRO's for maximum period 30 years and The lease may
be extended for another period of 30 years by the Civil Aviation on
mutually agreed terms and will not levy any State Government Taxes for 5
years from the date of setting-up of the MRO's./Shop/ Manufacturing unit.

3.2.3  Cat C) for Turbo prop/ Piston MRO's (like B200/ C90/Cessna/Diamond
etc.)
1500 bighas to be allotted on lease/ existing rate adjacent to the
Airport/ airstrip along with connected power line & water supply at
site for Turbo prop(MRO's) for maximum period 30 years and The lease
may be extended for another period of 30 years by the Civil Aviation on
mutually agreed terms and will not levy any State Government Taxes for 5
years from the date of setting-up of the MRO's./Shop/ Manufacturing unit.

3.2.4  Cat D) for Aviation Shop /Aircraft Parts Manufacturing /Engine
Manufacturing
500 bighas to be allotted on lease/existing rate adjacent to the Airport/
airstrip along with connected power line & water supply at site for
Turbo prop(MRO's) for maximum period 30 years and The lease may be
extended for another period of 30 years by the Civil Aviation on
mutually agreed terms and will not levy any State Government Taxes for 5
years from the date of setting-up of the MRO's./Shop/ Manufacturing unit.

3.2.5  Fiscal incentives for MRO setups in Rajasthan will be 100%
reimbursement of S-GST levied on MRO job contracts from domestic or
international airlines. Also, 50% of S-GST levied will be reimbursed on the
purchase of aircraft parts or other accessories used for aircraft
maintenance. These incentives will be provided for ten years.

4.  AVIATION TRAINING ORGANIZATION(ATO)s

4.1 Growth in civil aviation will require trained work force like Pilots, Aircraft
Maintenance Engineers, Ground Handling Professionals, Cabin Crew, IT and
Support service professionals, airport related professionals etc. State
government will promote aviation related courses in premier institutes /
universities in Rajasthan. ATOs includes all Flying Training
Institutes/Schools/Organisation/Center/Club which imparts flying training to aspirant Pilots and also include hospitality, Airhostess Training Academy, Airport Management Institute, AME schools/colleges, Aviation Universities/Colleges. Government has taken opinions from the existing private players in aviation training activities and plans to provide necessary assistance for promoting Aviation Training Organization.

4.2 State government will extend the scholarship scheme available for diploma and graduate courses to the courses related to AME, Cabin Crew and other civil aviation professionals. A special cell will be made at directorate level to engage with airlines to support placement services to graduating and aspiring civil aviation professionals of Rajasthan.

4.3 CAD shall support existing and upcoming institutes through specific cooperative and supportive measures. CAD would issue accreditation certificate to training institutes on basis of which they would be able to claim benefits under this policy such as *wavier of Municipal Tax, VAT on ATF, request for 'Right of Use' of State Government airfields*. CAD would be allowed to form a PPP /Open Bid/ Lease And special package depending on investment with private partners to establish a world class aeronautical institute in Rajasthan on first come first serve basis, which may impart training in all division of Aviation.

4.4 **Right to Usage Policy for Aviation Education and Training**

4.4.1 Certain airstrips may also be allowed to be utilized for the purpose of promoting Training & Educational activities (ATOs) in the field of aviation. For this purpose the State Government airfields shall be categorized in three categories,

- **Cat ‘A’**: shall be the airfield within 100 K.M. of metro city/Tourist & religious destination/Education hub/industrial hub provided the minimum investment will be decided by HPC
- **Cat ‘B’**: shall be the airfield within Backwards areas like Banswara, Pratapgarh, Jhalawar etc. provided the minimum investment will be decided by HPC
- **Cat ‘C’** rest shall be Cat ‘C’. provided the minimum investment will be decided by HPC

4.4.2 The State Government airfields would be allowed to be utilized under ‘Right to Use’ model for a maximum period 30 years. The ‘Agreement for Right to Use’ shall be also renewable for another period of 30 years on mutually agreed terms if there has been no breach Private participation through public call for Expression of Interest (EoI) or through Memorandum of Understanding (MoU) shall be followed.
4.4.3 **The annually charges** for “Right to Use” for airfield annually charges would be Rs. (As Decided by HPC). The rates shall be revised every 5 years upwardly.

**The State Government will provide following for state owned airstrip**

a. Runway re-carpeting full length (Every 5 years)
b. Boundary wall construction /Maintenance (Every 5 years)
c. Construction /Maintenance VIP lounge (if exits)
d. Free Electricity
e. Free Water
f. Connectivity
g. New construction & Maintenance of Runway/taxiway/apron.

4.4.4 The airfield location shall be allowed to utilize airstrips and available connected facilities for flying - training and tourism- purposes only. The design layout details of the proposed institute/complex for the given airfield shall be finalized by the selected private operator with due approval of the **Directorate of Civil Aviation**. The built up structures such as space or hangers for aircraft repairs and maintenance, hostel/ hotel/ resort/ class rooms/ office space shall be operated by the Private Operators and shall not exceed 5% of the total area.

4.4.5 The Civil Aviation Department may grant ‘Right to Use’ of the existing or future State Government airfields to selected private operators through public procurement (either EoI or MoU process), for using the airstrip for aviation and tourism purpose for a maximum period of 30/40 years. The airfield on record shall be continued to be owned by CAD on behalf of the State Government.

4.4.6 The successful operators shall enter into an agreement with the Civil Aviation Department which shall set out the mutual rights and responsibilities of the parties, operational framework and arrangement of the concession, containing inter alia, the procedure to be adopted in the event of breach of the terms of the Agreement, as per Schedule “B” placed at **Annexure ‘C’**.

4.4.7 The department shall allow the use of the airfield and other available connected facilities for the agreed period of operation subject to terms and conditions stipulated in Schedule “B”.
4.4.8 The department shall have the right to inspect the buildings/facilities/plant and machinery of the operator – owned or leased – at any time.

4.4.9 A committee whose final composition would be decided by the department would consist of at least one representative each from the Civil Aviation Department and the concessionaire(s) for a given airfield would meet once every six months or earlier, if needed, for operation and other discussions.

4.4.10 The operator would not be allowed to utilize the airfield for unauthorized activities other than tourism, aviation purpose (MRO/Aviation training school), construction of hostel/hotel/resort/class rooms/office space etc.

4.4.11 The infrastructure created by concessionaire/operator, at the end of term shall stand transferred to the Government on as is where basis on zero book value.

4.4.12 The concessionaire/operator would be allowed to undertake beautification work of the airfield and plantation within the guideline as laid down by DGCA.

4.4.13 All the maintenance and general repair for airstrip and surrounding facilities may be undertaken by operator. The Director Civil Aviation would be authorized to give instructions for major maintenance. The maintenance would include work like resurfacing, boundary wall, repairs to building and all such works those would be felt necessary to keep the airfield operational as per DGCA guidelines.

4.4.14 The agreements can be cancelled anytime for breach of any condition, for failing to maintain the facilities or failure to pay charges, after a notice of 6 months from the Department of Civil Aviation or GoR.

4.4.15 Government can utilize the airstrips for landing or flying its own or authorized aircrafts or utilize any other aviation infrastructure in an airfield which has been given partly to a concessionaire/operator, anytime without any charges.

4.4.16 The airstrip developer/operator shall need to incorporate usage of renewable energy sources like solar power, rain water, harvesting in designs and subsequently implement them.

5. Intra/Inter-state Air Connectivity/Service – connecting Rajasthan better.

Intra-state aviation encompasses airline and general aviation activities within the state of Rajasthan. A flight from one airport within Rajasthan to another airport in Rajasthan and neighboring states would be termed intra/inter-state aviation.
To provide alternative and sustainable transportation option to local and visiting populace alike, intra-state air connectivity shall be an appropriate solution. Therefore, Government intends to formulate suitable policy framework to promote intra-state air connectivity to connect more locations within Rajasthan.

5.1 Improving connectivity at Intra/Inter-state airport

The state Government intends to improve air connectivity on existing Intra/Inter-state airports also by providing certain incentives for short term. Incentives or provisions for Intra/Inter-state airports will be valid initially for one year and will only be applicable to single flight per route to the first bidder/proposer. In case of multiple bidders in the same bidding process, the one with proposal of least incentives in monetary terms will be considered. Only airlines/air operators fulfilling DGCA norms and standards shall be covered under this.

5.2 Provisions for connecting Intra/Inter-state airports in Rajasthan with airport in or outside Rajasthan:

All new flights connecting a Intra/Inter-state airport in Rajasthan to Intra/Inter-state airport in or outside Rajasthan. (Wherein origin and destination were not connected through a direct flight) Will be eligible for the following incentives/concessions:

5.2.1 VAT on ATF for all such new routes will be waived off for one year from date of operation.

5.2.1 Reimbursement of S-GST on sale of air tickets on new flights: The airlines will be reimbursed S-GST received by State Government on account of sale of air tickets on new flights on monthly basis for one year from the date of operation.

5.3 Additional Provisions for inter-connecting Intra/Inter-state airports in Rajasthan:

5.3.1 Air operator was selected through open bidding.
5.3.2 Compensation equivalent to state's VGF share /seat.
5.3.3 Seat underwriting @2500/vacant seat
Seating underwriting will be calculated on monthly basis (and not on daily basis) i.e total monthly vacant seats per route in a month will be calculated and seat underwriting will be applicable on total monthly vacant seats. Mechanism for availing seat underwriting will be similar to RCS flights.
5.3.4 VGF to be provided by the State Govt. as per nautical mile.
5.3.5 VGF to be provided by the State Govt fixed per month as decide by HPC.
6. **Freight and Air Cargo Facilities.**

The air cargo movement has grown nearly by 19% as compared to 10% & 9% of growth in shipping and railways. In the context of Rajasthan, one of the most industrialized states in India, government wishes to encourage private players to utilize the air-cargo route and include suitable provisions for making a world class cargo hub in Rajasthan. Air cargo hubs are the engines of growth for aviation industry. Rajasthan has the largest consumer base in India. State government is committed towards the growth of aviation sector with a focus on employment generation and industrial development. Concessions and incentives on investment will be admissible, as per eligibility, for investment to develop air cargo hubs and related facility development and logistics infrastructure in Rajasthan. State government will provide enabling infrastructure, support in development of fulfillment centers and support to attract new trending e-commerce businesses etc. Special facilitation centers with single window clearance facility for promotion of air cargo and logistics businesses will be provided.

6.1 The CAD shall facilitate in developing cold storage chains and facilities to handle perishable goods, durables and non-perishable commodities at State airports, as per demand.

6.2 GoR along with CAD shall explore the requirement and possibilities for developing a Cargo Hub at newly planned Airports.

7. **Aircraft manufacturing and procurement**

Towards promotion of “Make in India” and “Make in Rajasthan.”, for all aircraft/helicopters manufactured or assembled in Rajasthan, the corresponding S-GST receivable to Govt. of Rajasthan will be reimbursed for 10 years up-to a maximum of 10 units. In case airlines purchase aircraft/helicopter, which is manufactured or assembled in Rajasthan and deployed primarily on routes in Rajasthan (*route where at least 50% of takeoffs are from airports in Rajasthan.*), **for at least five years, will be eligible for the following incentives:**

7.1 **Aviation Support Infrastructure.**

Concessions and incentives (including capital interest subsidy on loan taken for plant and machinery and infrastructure interest subsidy for loan taken on infrastructure development as the case may be) will be admissible, as per eligibility, for capital investment for creating Aviation Support Infrastructure including aircraft maintenance, ground handling facilities, air cargo and warehouse facilities and passenger transport facilities at any airport in Rajasthan.

7.2 **Connecting Rajasthan with international destinations.**

The state government, to promote international connectivity with its airports will facilitate the inclusion of its airports under bilateral rights for airlines desirous of
linking airports in Rajasthan with international destinations.

8 Aviation Turbine Fuel (ATF) Trading.

ATF is a major cost component of Airline operations and the price is comparatively very high in India for all consumers. Almost 70-75% loading on the Refinery Transfer Price (RTP) makes the ATF price levels high compared to other countries in Asia region. Specific steps are proposed to be taken to reduce various add-ons and make ATF available at Rajasthan at much affordable price than other Asia-pacific locations. For this purpose, Civil Aviation Department proposes to encourage setting up of ATF Trade Co.

9 Regional Connectivity Scheme

Government of India has launched Regional Connectivity Scheme 2016 with the objective of connecting underserved and unserved locations in India at affordable rates to bring air travel close to common person. The theme of RCS scheme is Ude Desh Ka Aam Naagrik (UDAN).

The terms used in this policy will have the same meaning as defined in the RCS policy of GoI. Any change in definition in RCS scheme of GoI will automatically become applicable to this policy unless otherwise specified.

**Underserved Airports** are considered as those airports at which, there are not more than 7 scheduled commercial departures/week as per latest flight schedule approved by DGCA.

**Unserved Airports** are those where there had been no scheduled flights during the last two flight schedules approved by DGCA.

Under RCS, State governments are expected to play a pivotal role to promote regional air connectivity by giving incentives to air operators to make business viable and simultaneously bring down the airfare on RCS flights to affordable levels. Only airlines/air operators fulfilling DGCA norms and standards shall be covered under this scheme. All mandatory provisions of RCS with respect to obligations of state government will be applicable as such.

Additional state incentives will only be applicable to single flight per route to the first bidder. In case of multiple bidders in the same bidding process, one with proposal of least incentives in monetary terms will be considered:

9.1 RCS scheme - Expectations from state governments

As per para 2.1.2.3 of the RCS policy 2016 states concessions/ support offered by the respective State Governments at RCS Airports within their States, which shall be as follows:

*Reduction of VAT to 1% or less on ATF at RCS Airports located within the State for a period of ten (10) years from the date of notification of this Scheme. Upon transition to GST, rates*
will be applicable as determined under GST and exemptions/ concessions shall be given as permissible so that such a reduced level of taxation could ideally be continued.

Coordinating with oil marketing companies for provision of fueling infrastructure on best effort basis.

Provision of minimum land, if required, free of cost and free from all encumbrances for development of RCS Airports and also provide multimodal hinterland connectivity (road, rail, metro, waterways, etc.) as required;

Provision of security and fire services free of cost at RCS Airports through appropriately trained personnel and appropriate equipment as per applicable standards and guidelines by relevant agencies;

Provision of, directly or through appropriate means, electricity, water and other utility services at substantially concessional rates at RCS Airports; and

Provision of a certain share (20%) towards VGF for respective RCS Routes (pertaining to the State), provided the share of States in the northeast region of India and Union Territories would be (10%).

State Governments are encouraged to also consider extending any additional incentives like underwriting of passenger seats to encourage operators additionally support. Selected Airline Operators in undertaking operations under this Scheme. For avoidance of doubt, the Selected Airline Operators shall not be debarred under the Scheme from getting any additional concessions/incentives as may be offered by the State Governments from time to time.

9.2 RCS MoU between State Government and Government of India and Airport Authority of India.

The main objective of the scheme is to fly the common people of the country. An M.O.U. has been signed on 20.03.2017 with the Government of India for participation in this scheme by the State Government. According to MoU, 20% percent of VGF, part of the security of the airport and the arrangement of fire extinguishers and the power and water facility at concessional rate, will be provided at the level of the State Government.

Rajasthan is the first state in the country, which agreed to the different exemptions / facilities as per MOU and released the first information regarding reducing the rate of VAT on aviation fuel.

9.2.1 The state government will provide the following at RCS airports in Rajasthan.

a Security arrangements at RCS airports
b Fire services free of cost
c Electricity at substantially subsidized rates
d Water free of cost
e Provision of ATF fueling facilities at RCS airports in coordination with Oil Marketing Companies
f Ambulance and Medical facilities
g Bus connectivity with the nearby main city

9.3 Enabling eco-system

The government will facilitate the air travel by allowing the following categories of officers and employees to travel on RCS+Intra/Inter State flights for all official purposes or for LTC travel purpose

9.3.1 All India Service officers (IAS, IPS, IFS) on any RCS flight across country.
9.3.2 PCS and PPS officers on all RCS flights with origin and destination of Rajasthan.
9.3.3 Group “A” officers on all RCS flights with origin and destination of Rajasthan.
9.3.4 Any other officer / employee (who is not entitled for air travel) with the approval of competent authority on all RCS flights with origin and destination of Rajasthan.
9.3.5 Publicity support for RCS routes will be provided by state government through information and tourism department.
9.3.6 Ambulance services and medical facilities at the airports will be provided by Department of Medical and Health of state govt. free of cost.
9.3.7 Dedicated bus service to and fro from airport will be provided by Rajasthan State Transport Corporation.
9.3.8 Road connectivity of all RCS airports will be ensured and maintained by PWD department on priority.
9.3.9 To promote medical tourism in Rajasthan - the Department of Tourism and Department of Medical and Health of state government will facilitate airlines to collaborate with reputed medical institutions and hospitals.

9.4 Incentives for flights originating from or terminating at an RCS airport in Rajasthan under RCS provisions:

9.4.1 VAT on ATF will be waived off for ten years on all RCS flights that commence after 01.04.2017.

9.4.2 State’s share of 20% on VGF seats (50% (<20 seats) of total seats (<40 seats)) will be provided for a duration as stipulated under RCS.

9.5 Fiscal incentives.

Director, Civil Aviation, GoR will be the implementing agency for this purpose. He will develop required forms, maintain documentation, receive the proposals, will process and
take decisions. State government will appoint a Nodal Officer-DCA for allocation of non VGF seats on RCS routes.

9.6 Seat underwriting

A: Provisions:

a) For aircraft under Category-1 as per RCS categories (passenger seat capacity <= 20) and connecting Jaipur with Divisional headquarters through a direct flight on RCS routes, **100% of non-VGF seats** (up to maximum of 300 seats per month per one way trip) shall be eligible for seat underwriting by state government initially for three years from date of operation.

b) For aircraft under Category-2 and 3 (passenger seat capacity > 20), or connecting RCS airports other than as indicated in clause(1) above; **30% of non-VGF seats** (up to maximum of 360 seats per month per one way trip) shall be eligible for seat underwriting by state government initially for three years from the date of operation.

B: Mechanism for implementation

a) Seat underwriting will be calculated on monthly basis *(and not on daily basis)* i.e **total monthly vacant seats** in a month will be calculated and seat underwriting will be applicable on **total monthly vacant seats**

b) If airline operator is willing to avail the benefit of seat underwriting then State Government shall underwrite non-VGF seats as indicated before with a condition of reimbursement of vacant seats at the rate of Rs 2500/- per seat.

c) The State Government shall utilize these underwritten non-VGF seats towards fulfillment of travel requirements of State government’s officials at no additional cost.

d) The following operational mechanism will be adopted for sale/allocation of non VGF seats:

9.7 Software will be developed to provide the necessary interface for airlines and state government, to aid seats underwriting provisions for airlines in the event of unsold non-VGF seats. These will be conducted and monitored as follows.

9.7.1 The airlines will try to sell all non-VGF seats at any rate in open market.

9.7.2 24 hours prior to the time of departure the airlines are expected to indicate, through the software, the unsold seats on which they wish to avail seat underwriting facility (To the extent of seat underwriting provisions)

9.7.3 On such indication these seats will be made available for allocation by the state government through a **Nodal Officer of state government**.

9.7.4 **Nodal Officer of state government** will allocate these seats to the government
officials if they require so. They will indicate the seats as ‘Allocated’ if they use, otherwise the seats will remain Unsold and Unallocated. Such unsold and unallocated seats can be withdrawn and sold by the airlines at any time before departure, if they can sell it in open market. In such case of withdrawal from the underwriting the State Government will not compensate for such seats.

9.7.5 The no. of seats which are allocated by Nodal Officer of state government or remain vacant finally, will be deemed to have been sold to state government at the rate applicable for underwriting.

9.7.6 The payment towards availing underwritten provisions from state govt. by an airline would be done on monthly basis.

9.8 **Reimbursement of S-GST on sale of air tickets on RCS flights**

The airlines will be reimbursed S-GST received by State Government on account of sale of air tickets on RCS flights on monthly basis.

9.9 **Airport parking / night halts at RCS airports**

On all the RCS airports managed by State Government, airlines will not be charged any fee or charges for parking aircraft or night halts at RCS airports.

9.10 **Free office space at RCS airports:**

Office space of about 100 sqm will be provided on lease basis, free of cost at No-Frills RCS Airports in Rajasthan.

9.11 **Route Navigation and Facilitation Charges (RNFC)**

50% of RNFC upto Rs 2000 will be reimbursed on RCS airports or flights connecting divisional hqrs to Jaipur (initially for 3 years).
### Summary of Incentives and Concessions for RCS Airports/Routes

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Description of Incentive/Concession</th>
<th>Incentives/Concessions for RCS Routes/Airports</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mandatory Support by State Government under RCS and MoU</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>VAT on ATF</td>
<td>Zero for 10 years</td>
</tr>
<tr>
<td>2</td>
<td>Viability Gap Funding (for 50% of total seats)</td>
<td>20% state share as per RCS</td>
</tr>
<tr>
<td>3</td>
<td>Security arrangements at RCS Airports [Mandatory support by State Government under RCS]</td>
<td>Will be provided by the State Government</td>
</tr>
<tr>
<td>4</td>
<td>Fire Services</td>
<td>Will be made available by the State Government free of cost</td>
</tr>
<tr>
<td>5</td>
<td>Electricity</td>
<td>Will be made available by the State Government at concessional rate (Rate of subsidy will be Rs 4/Unit upto 30000 units per month)</td>
</tr>
<tr>
<td>6</td>
<td>Water</td>
<td>Will be made available by the State Government free of cost</td>
</tr>
<tr>
<td>7</td>
<td>Provision of ATF fueling facilities at RCS airports</td>
<td>The State Government will facilitate and provide necessary land at zero rental to Oil Marketing Companies to develop ATF fueling facilities at RCS Airports owned by the State Government</td>
</tr>
<tr>
<td>8</td>
<td>Road Connectivity</td>
<td>Road Connectivity for all RCS airports will be ensured and maintained by the PWD Department of GoR from its own resources.</td>
</tr>
<tr>
<td>9</td>
<td>Bus service to the nearby main city</td>
<td>Bus Service to all RCS airports will be ensured and maintained by RSRTC.</td>
</tr>
<tr>
<td>10</td>
<td>Ambulance and Medical facilities</td>
<td>Will be made available by the Medical &amp; Health Department of the State Government</td>
</tr>
<tr>
<td><strong>Additional support by state government</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| 11 | Underwriting of Non VGF Seats (from remaining 50% of Total seats) @Rs 2500/underwritten seat | 100% - For category-1 Aircraft connecting Jaipur with Divisional Headquarters (initially for 3 years)
30% - for other categories of Aircraft or on other routes (initially for 3 years) |
| 12 | Reimbursement of S-GST on sale of air tickets on RCS flights as applicable | 100% reimbursement initially for 3 years |
| 13 | Airport Parking / Night Halts at Airports/Airstrip | Zero Charges (initially for 3 years) at Airports/Airstrips owned by the State Government |
| 14 | Space at No-Frills Airports for office of airlines upto 100 sqm and aircraft maintenance engaged in Rajasthan. | Zero Rental (initially for 3 years) at Airports/Airstrips owned by the State Government |
| 15 | Route Navigation and Facilitation Charges (RNFC) | 50% of RNFC (upto Rs 2000) will be reimbursed on RCS Airports or flights connecting Divisional Headquarters (initially for 3 years) |
10 **Aero-sports and other relevant activities like Medical and Disaster Operations.**

GoR intends to encourage more private participation in this segment to make Rajasthan a popular destination for various aero-sports, aero-modeling activities also Vocational Training & Skill Development provided the minimum investment as decided by HPC. The Policy would also address to aviation needs in regards to disasters like; flood relief, earth quake, cyclone and causality evacuation from remote and inaccessible places.

11 **Tourism & Trade Promotion**

Tourism and trade sectors are closely linked to civil aviation sector. Therefore, it is important that airport infrastructure and air services are planned keeping in view the requirement and promotion of these sectors. Encouraging private sector participation in building tourist infrastructure near airports like transport services from airports to nearby cities, golf courses, amusement park, business centers, duty free shopping complexes of international class, aviation recreation activities, adventure aviation, hang-gliding, micro light aircraft, parachuting etc.

12 **Formation of Aviation Turbine Fuel Trading Company (ATF Trading Co.)**

5) GoR would promote ATF trading through promotion of an "ATF Trading Company" under State Government in to cut down on the import parity, marketing expenses and thus making ATF available in Rajasthan with a price advantage.

6) This initiative is targeted to increase the aviation activities in the State manifold and in future to provide integrated aviation services at a price advantage to all stakeholders. The proposed company itself may generate profits and contribute to the State coffers from the business it undertakes. The detailed plan of action and process towards implementing this initiative shall be worked out separately. Necessary permissions for this company shall be obtained from concerned authority in State or Central Government.
III ROLE OF THE STATE GOVERNMENT.

The role and functions of the GoR as contained in the various statutes and the preceding sections extend to the following matters:

1) Investment in airport infrastructure. The term airport would also include Airstrip/Heliport for all purposes.

2) Clearance of Greenfield and expansion of Brownfield airport projects at State level after recommendations from the HPC.

3) Environmental aspects and removal of obstructions around airports.

4) Approval of aeronautical charges not under the purview of central agencies like AAI, DGCA etc.

5) Acquisition of private land under Land Acquisition Act or through consent awards and allotment of Government land.

6) Coordination with local urban/ administrative and planning bodies for provision of surface access through multi-modal linkages to the aviation facilities.

7) Maintenance of security within the premises under state government control and coordinate with security agencies for security of surrounding areas including protection of airports from encroachments and vandalism.

8) State Government Civil Aviation department will have offices in different cities of state.

9) State government will have reserve space for office & One hanger in each Government Airport /Airstrip and whenever state government will allot land to AAI, to develop Airport have reserve space for office & One hanger.
IV

1. Incentives/Financial assistances or benefits under civil aviation policy of Rajasthan

1.1 Government shall provide single window clearances for all permissions and approvals under the State Government purview for all aviation related activities in Rajasthan. This shall be ensured through setting up of Single Window Clearance Cell under CAD.

1.2 Private sector participation shall be encouraged in all segments of aviation industry in Rajasthan.

1.3 Government shall extend maximum possible help to all feasible proposals where participation of government shall enhance the viability of the project.

1.4 The various incentives and concessions under this policy to the eligible companies will be as per the Annexure – ‘A’ of this policy.

1.5 Viability Gap Funding (VGF) for various aviation ventures will be screened on case to case basis by CAD, which may undertake VGF for projects like Airport Development both Cargo and Passenger or any low traffic airport for Intra State air connectivity, services for aviation training institutes (flying & ground training), for medical and disaster management services, for assistance to Agricultural facilities like crop spraying and cloud seeding for heli tourism etc. or any other projects other than listed above which may need such assistance of VGF may be screened and approved by HPC on case to case basis.

1.6 Human resource development for aviation sector- Accreditation certificates to the institutes for academic excellence in Aviation. DCA may seek partnering with bodies like the IATA, ICAO or CAPA for doing this. Scholarships for deserving students for CPL course and AME course from each accredited institute may be encouraged through suitable schemes.

1.7 The Government of Rajasthan through CAD shall reimburse the fare upto maximum of 4 seats per sector to airlines for operating flights from one airport within Rajasthan to another airport within the State, without landing at an airport outside the State. This benefit shall not be available for flight from any airport from outside the state to an airport within
Rajasthan and flights which are going out of Rajasthan to either Madhya Pradesh, Maharashtra, Gujarat, etc. (neighbouring states) and coming back to Rajasthan. Therefore only a flight between two airports both of which fall within Rajasthan shall be eligible for reimbursement. The reimbursement for such flights shall be provided by CAD for initial period of 5 years. For availing this facility, the operator will have to enter into an agreement with CAD prior to commencing the operation and will have to submit passenger manifest for each leg of the flight for reimbursement of fare for a maximum of 4 seats per sector, only if seats were not occupied or were occupied by State Government staff on duty. The State Government staff upto a maximum of 4 persons be allowed to travel on such sector with prior booking of seat through CAD.

2  **Safety and Security**

2.1 Looking at the present scenario, safety and security is a major aspect in the Civil Aviation industry. The Directorate of Civil Aviation shall be empowered to ensure adherence to the international norms prescribed by ICAO and DGCA. Also Air Control towers to be set by Civil aviation department on Airports / Airstrip.

3. **Environmental Issues**

3.1 Civil Aviation Department shall encourage and enforce implementation of Green technologies in airport and aviation infrastructure projects, with focus to large scale plantations and other eco-friendly activities like execution of setting up rain water harvesting facility and setting up Solar electricity plants at the State Government owned airfield with private partners.

3.2 CAD shall maintain cleanliness, remove encroachment and also prevent bird hit in airports and surrounding areas including Aviation academy & MROs outside area. These crucial activities shall be the responsibility of the developers and operators for any privately developed and operated airports.
4. **Legal Framework**

4.1 GoR proposes that a State Aviation Facilitation Act shall be drafted and enacted with due consultative process, towards empowering Civil Aviation department, Rajasthan and GoR to enhance the aviation infrastructure in the state of Rajasthan without any legal impediments.

5. **Policy review mechanism**

5.1 All policies have to be contextual to be time relevant. A periodic review of policies is hence necessary to examine whether the policy objectives are being achieved or progress is being made in their direction. Such review can also reveal if the policy measures are promoting or unwittingly impeding some growth. This policy shall be reviewed by HPC at least every three years to make it more sector and economy friendly without discontinuing any benefits previously conferred.
This order has been issued as per concurrence of Finance Department in the respective file of even number dated ________.

By the order and in the name of Governor of Rajasthan.

Additional Chief Secretary/Principal Secretary (Civil Aviation)
Government of Rajasthan

Encl.: Annexure A, B, C.
To,

- The Principal Secretary to H.E. Governor of Rajasthan,
- The Principal Secretary to Hon'ble Chief Minister,
- The Personnel Secretary to Hon’ble Minister of State (Civil Aviation),
- The Chief Secretary, Government of Rajasthan,
- The Additional Chief Secretary (Civil Aviation)
- The Additional Chief Secretary (Finance Department)
- The Principal Secretary (Revenue).
- The Principal Secretary (Expenditure).
- The Principal Secretary (EA).
- The Secretary (P.S.U) of Finance Department.
- The Managing Director, Tourism Corporation of Rajasthan Ltd.,
- The Director (Civil Aviation)
- The Accountant General, Rajasthan,
- The Director of Accounts & Treasury, Rajasthan State,
- Finance Branch/ Budget Branch/Planning Branch, Industries & Mines Dept.
- Branch select/file/personnel file,
- All Boards & Corporations.
- All Departments.
- Secretary (Civil Aviation, Government of India)
- Chairman, AAI.
## INCENTIVES AND CONCESSIONS BY STATE GOVERNMENT

<table>
<thead>
<tr>
<th>Incentives/ Concessions/ Benefits</th>
<th>Eligibility criteria</th>
<th>Eligible stakeholder</th>
<th>Approval procedure</th>
</tr>
</thead>
</table>
| State VAT on ATF waived off to 1% for 10 years for RCS | Operating and connecting RCS/Non RCS locations within Rajasthan (only to the extent of such usage) | • All RCS /Non RCS connectivity services  
• All air-charter or air-taxi/ heli-taxi  
• All sorties for training and aero-sport purposes |                    |
| State VAT on ATF waived off to 5% for 10 years for Non-RCS |                                                                                  |                                                                                      |                    |
| Navigation, landing and parking charges shall not be levied at State Government owned airports. | Operating and connecting intra-state/RCS locations within Rajasthan & for non-commercial purposes | • All intra state air/RCS connectivity services  
• All air-charter and air-taxi/ heli-taxi  
• All aircrafts for training and private ownership |                    |
- ANNEXURE – ‘B’

The land presently in use and earmarked for development of airports/airstrips in State of Rajasthan are mentioned below which shall stand transferred to CAD for future development.

**LIST OF AIRPORTS/AIRSTRIPS LOCATED IN THE STATE OF RAJASTHAN**

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of the Airport / Air strip</th>
<th>District</th>
<th>Track &amp; Distance Ex-Jaipur</th>
<th>Co-Ordinates Latitude Longitude</th>
<th>Dimension of Runway (in feet)</th>
<th>Surface Type</th>
<th>Runway Direction</th>
<th>Owner/Operator</th>
<th>Boundary</th>
<th>Terminal Building</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>Abu Road</td>
<td>Sirohi</td>
<td>[232 nm]</td>
<td>N24°29'66&quot; E72°46'89&quot;</td>
<td>3800x50</td>
<td>BT</td>
<td>08/26</td>
<td>State Govt.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>02</td>
<td>Banasthali</td>
<td>Tonk</td>
<td>176/25 nm</td>
<td>N26 42' E75 52'</td>
<td>3600x59</td>
<td>MUD</td>
<td>09/27</td>
<td>Private</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>03</td>
<td>Dabok (VAUD)</td>
<td>Udaipur</td>
<td>ATS/172nm (W 13 S)</td>
<td>N24°39' E73°53'</td>
<td>7484x150</td>
<td>BT</td>
<td>08/26</td>
<td>AAI</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>04</td>
<td>Dowra</td>
<td>Dungarpur</td>
<td>[218 nm]</td>
<td>N23°51'10&quot; E73°50'40&quot;</td>
<td>4900x100</td>
<td>BT</td>
<td>03/21</td>
<td>State Govt.</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>05</td>
<td>Hamirgarh</td>
<td>Bhilwara</td>
<td>213°/121 nm</td>
<td>N25°08'51.9 6&quot; E74°36'37.93&quot;</td>
<td>6000 x100</td>
<td>BT</td>
<td>17/35</td>
<td>-do-</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>06</td>
<td>Jaipur</td>
<td>Jaipur</td>
<td>-</td>
<td>N26°49' E75°48'</td>
<td>9000x150</td>
<td>BT</td>
<td>09/27</td>
<td>AAI</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>07</td>
<td>Jaisalmer (VIJR)</td>
<td>Jaisalmer</td>
<td>335/46 nm from Shiv point [290 nm]</td>
<td>N26°53' E70°52'</td>
<td>9000x150</td>
<td>BT</td>
<td>04/22</td>
<td>IAF</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>08</td>
<td>Jhunjhunu</td>
<td>Jhunjhunu</td>
<td>341/81 nm</td>
<td>N28°06'35&quot; E075°22'10&quot;</td>
<td>5000x100</td>
<td>BT</td>
<td>10/28</td>
<td>State Govt.</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>09</td>
<td>Jodhpur (VIJO)</td>
<td>Jodhpur</td>
<td>257° 154 NM (W 58)</td>
<td>N26°15' E73°03'</td>
<td>9000x150</td>
<td>BT</td>
<td>05/23</td>
<td>IAF</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>No</td>
<td>Location</td>
<td>Code</td>
<td>Distance</td>
<td>Position</td>
<td>Size</td>
<td>Date</td>
<td>Owner</td>
<td>Completed</td>
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</tr>
<tr>
<td>10</td>
<td>Kankroli</td>
<td>Rajsaman d</td>
<td>225/148 nm</td>
<td>N25°01'16&quot; E73°53'59&quot;</td>
<td>3600x75</td>
<td>BT</td>
<td>12/30</td>
<td>Private J.K Group</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>11</td>
<td>Kishangarh</td>
<td>Ajmer</td>
<td>254/54 nm R JJO 077°137NM</td>
<td>N26°35'28.4&quot; 2&quot; E74°48'58.10 &quot;</td>
<td>6500x147</td>
<td>BT</td>
<td>03/21</td>
<td>AAI</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>12</td>
<td>Kota VIKO</td>
<td>Kota</td>
<td>179/98 nm</td>
<td>N25°09'36&quot; E75°50'49&quot;</td>
<td>4080x100</td>
<td>BT</td>
<td>08/26</td>
<td>AAI</td>
<td>Yes</td>
<td>Yes</td>
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<td>13</td>
<td>Kolana</td>
<td>Jhalawar</td>
<td>171/137 nm</td>
<td>N24°35.36 E76°13.22</td>
<td>5700x100</td>
<td>BT</td>
<td>31/13</td>
<td>State Govt</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>14</td>
<td>Lalkarh</td>
<td>Shriganga Nagar</td>
<td>332/204 nm</td>
<td>N29°51 E74°02'</td>
<td>4200x100</td>
<td>BT</td>
<td>06/24</td>
<td>-do-</td>
<td>Incompl ete</td>
<td>Incompl ete</td>
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<td>15</td>
<td>Nagaur</td>
<td>Nagaur</td>
<td>JJP R-282/111 nm</td>
<td>N27°12.525 E073°42.732'</td>
<td>5000x100</td>
<td>BT Extn.BT</td>
<td>05/23</td>
<td>-do-</td>
<td>Fancying</td>
<td>Yes</td>
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<tr>
<td>16</td>
<td>Nal VIBK</td>
<td>Bikaner</td>
<td>297/159 Nm</td>
<td>N28°04' E73°12'</td>
<td>9000x150</td>
<td>BT</td>
<td>05/23</td>
<td>IAF</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>17</td>
<td>Noon</td>
<td>Jalore</td>
<td>243/190 nm</td>
<td>N25°09'35&quot; E72°31'77&quot;</td>
<td>5000x100</td>
<td>BT</td>
<td>15/33</td>
<td>State Govt.</td>
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<td>Yes</td>
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<td>18</td>
<td>Phalodi</td>
<td>Jodhpur</td>
<td>276°/184 NM</td>
<td>N27°07'17&quot; E72°23'00&quot;</td>
<td>5000x100</td>
<td>BT</td>
<td>12/30</td>
<td>State Govt.</td>
<td>Yes</td>
<td>No</td>
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<td>19</td>
<td>Phalodi</td>
<td>Jodhpur</td>
<td>275°/195 NM</td>
<td>N27°07 E072 12 R/W 23 N2706.78 E07213.26</td>
<td>10000x150</td>
<td>BT</td>
<td>05/23</td>
<td>IAF</td>
<td>Yes</td>
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<tr>
<td>20</td>
<td>Pilani</td>
<td>Jhunjhunu</td>
<td>354/88</td>
<td>N28°06'35&quot; E75°22'10&quot;</td>
<td>5000x100</td>
<td>BT</td>
<td>29/11</td>
<td>Private Birla Group</td>
<td>Yes</td>
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<td>21</td>
<td>Sirohi</td>
<td>Sirohi</td>
<td>233°226 NM</td>
<td>72°50'42.76&quot; E24°53'45.48&quot;</td>
<td>5904 x100</td>
<td>BT</td>
<td>13/31</td>
<td>State Govt.</td>
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<td>Yes</td>
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<td>Location</td>
<td>District</td>
<td>Coordinates</td>
<td>Area (ha)</td>
<td>Status</td>
<td>Operator</td>
<td>Notes</td>
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<td>22</td>
<td>Sojat</td>
<td>Pali</td>
<td>N25°55'58&quot; E73°41'08&quot;</td>
<td>3600x50</td>
<td>BT</td>
<td>10/19 State Govt.</td>
<td>Yes No</td>
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<td>23</td>
<td>Suratgarh VISG</td>
<td>Shriganga nagar</td>
<td>327°/184 NM N 29°24' E 73°54'</td>
<td>9000x150</td>
<td>BT</td>
<td>05/23 IAF</td>
<td>Yes Yes</td>
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<td>24</td>
<td>ChakChain pura</td>
<td>Sawai Madhopur</td>
<td>146/56 N26° 02' 19.90&quot; E76° 21'36.03&quot;</td>
<td>3700x100</td>
<td>BT</td>
<td>18/36 State Govt</td>
<td>No No</td>
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<td>25</td>
<td>Tarpura</td>
<td>Sikar</td>
<td>331/62 N27°43'49.59&quot; E75°14'52.17&quot;</td>
<td>5023x100</td>
<td>BT</td>
<td>09/27 State Govt</td>
<td>Yes No</td>
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<td>26</td>
<td>Thanagazi</td>
<td>Alwar</td>
<td>039/39 NM N27°48'40&quot; E76°15'58&quot;</td>
<td>3445x100</td>
<td>BT</td>
<td>16/34 State Govt</td>
<td>No No</td>
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<td>27</td>
<td>Tilwara</td>
<td>Banswara</td>
<td>202°/211 N23°35'15.50&quot; E74°19'27.8&quot;</td>
<td>6100x100</td>
<td>BT</td>
<td>28/10 -do-</td>
<td>Yes No</td>
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<td>28</td>
<td>Uttarlai (VIUT)</td>
<td>Barmer</td>
<td>256°/244 nm N25°44'09&quot; E71°26'08&quot;</td>
<td>9000x150</td>
<td>BT</td>
<td>02/20 IAF</td>
<td>Yes Yes</td>
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<td>29</td>
<td>BARAN (ATRU)</td>
<td>Baran</td>
<td>N24° 49.14 E076°43.27 4960 x 104 BT 130/310 Private Adani power project</td>
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<td>30</td>
<td>PARIHARA (Ratangarh)</td>
<td>Churu</td>
<td>313/95 nm N27° 55.10 E74°33.15</td>
<td>5000x100</td>
<td>BT</td>
<td>06/240 State Govt</td>
<td>Yes Yes</td>
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<td>31</td>
<td>Kumher</td>
<td>Bharatpur</td>
<td>68°/88 nm N27°21'42.41&quot; E77°21'13.11&quot;</td>
<td>3200x100</td>
<td>BT</td>
<td>10/28 State Govt</td>
<td>No No</td>
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<td>32</td>
<td>Pratapgarh</td>
<td>Pratapgarh</td>
<td>197°/173 nm N24°01'37&quot; E74°49'22&quot;</td>
<td>5200x100</td>
<td>BT</td>
<td>13/31 State Govt</td>
<td>Under Construction Yes</td>
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</table>
TERMS AND CONDITIONS (For Reference only)

1.0 **Concession Agreement:** will be decided by HPC.

1.1 The successful bidder(s) shall enter into an agreement with the Department of Civil Aviation which sets out the mutual rights and responsibilities of the parties, operational framework and arrangement of the concession, containing inter alia procedure which is to be adopted in the event of breach of terms and concession.

2.0 **Concession Period:**

2.1 Concession would be granted for a period of 5 years initially & in case located in most backward area for period of 7 years as incentive to develop most backward area, which may or may not be extended for another 5 years, at the sole discretion of the department.

3.0 **User Charges:**

To promote quotation activity in most backward area & development users charges will be free **for 7 years as initiative to develop all backward area.** For rest

3.1 The following are the charges involved for operating a Flying Training Institute:

i. User Charges: Rs. __________/- per annum for operation.

3.2 The above user charges shall be subject of revision on annual basis. The Annual increase in the charges shall be as under:

i. User Charges - 10% per annum, and

3.3 The party will have to deposit a sum of Rs.__________lacs as EMD.

3.4 The party will have to deposit two months advance as user charges at the time of award of contract with Department of Civil Aviation, Government of Rajasthan.

4.0 **Performance terms for the concessionaire:**

4.1 Besides starting flying training operations for a period of 6 months from a given airfield, the concessionaire is expected to meet certain minimum performance requirements in terms of number of flying hours and commercial pilot license holders trained within a period of one year from the signing of the concession agreement.
5.0 **Minimum number of aircrafts, flying hours and commercial pilot licenses (CPLs):**

5.1 The department proposes to utilize the airfields, in the first instance, for flying training operations leading to at least the following number of hours of flying and training of pilots per annum.

Jhalawar: ________hrs of flying and ________ CPLs per annum.

6.0 **Penalty:**

If the party is not able to start its full-fledge operational activities within 6 months in rest develop/Developing area & 2 year in backward area from the date of its commencement of contract. The party would be liable to pay a fine of 50% of per annum user charges and the Government will have the right to terminate the contract if it is desired.

7.0 **Flying Training and allied activities:**

**(A) Flying Training Institute – Role and Responsibilities:**

i. The selected institute shall set-up a facility with the requisite infrastructure of plant and equipment, instructors and other manpower to impart training within a period of 2 years from the signing of concession agreement. This should include:

   a) Firefighting equipment and fire brigade vehicles to be posted permanently at the airport/airstrip round the clock.

   b) Signal panel and airport identification marking in accordance with Aircraft Rule 1937.

   c) Maintenance and upkeep of facilities at Jhalawar on regular basis. However, major reconstruction work would be required due to natural calamities like Floods, Earthquake etc. it would be the responsibility of DCA.

   d) Medical First Aid.

   e) Wind Sock

   f) Necessary support, construction and infrastructure to be created at their cost

ii. The selected bidder shall bear the energy bill & water charges.
iii. The private flying training institute shall comply with the requirements laid down by the DGCA, New Delhi, Ministry of Civil Aviation, Govt. of India and Department of Civil Aviation, Rajasthan from time to time.

iv. It shall be the responsibility of the institute to obtain the necessary permissions/clearances/approvals/licences etc from different statutory authorities and the department will in no way be responsible for procuring them for the institute. However the department will issue a letter of intent (LoI) to the successful bidder to facilitate for obtaining the required licences etc.

v. It shall obtain requisite clearances of operational safety and other aspects from Director General of Civil Aviation (DGCA) and Airports Authority of India (AAI), before commencement of flight training activities.

vi. It shall ensure adherence to all Civil Aviation safety norms for conducting smooth flying training operation as directed by DGCA, Government of India.

vii. The institute shall have their own arrangements for security; fire safety measures etc at their own expense and shall provide essential security of the airstrip during the whole concession period.

viii. It shall adhere to the minimum statutory cover as prescribed by the Government in respect of the trainee insurance and a copy of the same has to be submitted to CAD/DCA. It shall also undertake comprehensive insurance for covering all types of risk including third party.

ix. The institute shall obtain appropriate insurance cover for all the facilities, staff and trainees at the airfield, and the department shall not be liable for any claims arising from out of the operation of private flying training institute from its airfield in relation to any incident/accident involving any financial or legal liability pertaining to the life and property of any one.

x. Ensuring the availability of healthy Drinking water, Sanitation and other preliminary facilities would be the responsibility of the selected bidder.

xi. The airfield shall be used only for imparting training in aviation related training activities permitted by the DGCA and none else. The control and complete ownership of the airfield would remain with the state government and no one else.

xii. The institute shall have no legal right to object to the use of the airfield for purposes related to other commercial/recreational aviation activities as may be permitted by the department from time to time. When an airfield is put to uses other than flying training, or when multiple operators for imparting flying training are allowed from a given airstrip, the department would
undertake to coordinate the use of the airspace and ground space at the airfields through appropriate administrative/technical arrangements.

xiii. State or Union Government aircrafts/VVIP/VIP aircraft landing/ takeoff/ movement shall always have precedence over flying training.

xiv. The department may allow the use of the existing hangars / other facilities at the airfields at its discretion by the flying training institutes. If there is no spare capacity in the existing facilities or if their use cannot be permitted in department’s view, in such an event, the training institute will be allowed to set up such facilities at their own cost in the premises of the airfield by the department.

xv. User Charges in both the cases shall remain the same as per the agreement and it will be determined by the department that the flying training institute shall be liable to pay the charges. Where the concessionaire constructs the hangars and other structures, at the end of the concession period, the operator shall restore the site leased by the department for raising the structures to its original condition. Alternatively, such structures would stand reverted to the state government at the discretion of the Civil Aviation Department. The institute shall maintain the facilities at their own expense and use them strictly as per the terms of allotment.

xvi. The club shall ensure that it adheres to all NOTAMs and will co-ordinate to see that the flight safety is not overlooked.

xvii. The RT Communication from ground to air, if needed will be responsibility of the concessionaire and it shall get necessary clearance from Ministry of Communication. The clearance shall be submitted to CAD/DCA prior to commencement of flying activities.

xviii. The Government of Rajasthan through its CAD/DCA will reserve right to allow any other operator to utilize the airfield for the above purpose and the decision of the CAD/DCA will be binding to the concessionaire.

xix. In case the plane belonging to the club is required for purposes other than training such as medical aviation, flower dropping, charter operation and general aviation flights a prior permission in writing as per rule, would be required from CAD/DCA, GOR and no violation in this regards would be accepted.

xx. The concessionaire shall give monthly update to Aviation Department of GOR about all its GA activities in writing.

xxi. In case any flight safety violation is brought to the notice of the Government the matter shall be referred to CAD/DCA, GOR for decision and CAD/DCA decision shall be binding.
xxii. The flying training shall be conducted during day only and in VFR condition, in future if night facilities are made, the night activities will only be initiated with prior approval of DGCA & CAD/DCA (GOR).

xxiii. In case of foreign national being employed by the club, a prior approval will have to be obtained from DGCA and submitted to CAD/DCA, GOR.

xxiv. No photography shall be permitted from the Aircraft in air.

xxv. For solo cross country flight of trainee pilots a copy of flight plan shall be forwarded to CAD/DCA (GOR).

xxvi. The Jaipur International Airport being the closest control zone, all activities will have to be co-ordinate with them and CAD/DCA will be informed in this regards.

8.0 Steering Committee:

8.1 A steering committee whose final composition would be decided by the department would consist of at least one representative each of the civil aviation department and the concessionaire(s) for a given airfield would meet once every three months or earlier, if needed, to operationalize or remove the difficulties in the concession agreement.

8.2 The steering committee with a view to optimally utilize any facility created either by the department or the concessionaire, or to regulate the use of any shared facility, can structure auxiliary agreements/arrangements.

9.0 Cancellation of Concession:

9.1 The concession agreement can be cancelled by either party by giving a notice of 3 months.

9.2 If the department were to revoke the agreement, in that event, the department would pay to the party the cost of structures any raised by the party as assessed by the Department of Civil Aviation. Besides, outstanding deposits of rent and other balances held by the department would also be returned.

9.3 If the concessionaire seeks to terminate the concession prematurely, he would forego the user charges for one calendar year. He would also forego the right to use any structure(s) he may have erected and would firstly offer the said structure(s) to the department, which, if it is decided to retain, would pay to the party the value of the structure(s) as assessed by the Department of Civil Aviation. If that option is not exercised, the concessionaire shall remove the whole of the superstructure(s) at his own cost and leave the land unencumbered.
9.4 If felt by the State Government that the terms and condition of agreement are not being followed or any gross violation is taking place, then Government will have right to suspend the contract agreement, without notice.

10.0 Dispute settlement:

If there is any dispute it shall be referred to the Government of Rajasthan, whose decision shall be final and binding to concessionaire.

11.0 Jurisdiction:

All disputes shall be subject to the jurisdiction of Courts of Law in Jaipur.