

GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO : 489**  
(TO BE ANSWERED ON THE 12<sup>th</sup> December 2022)

**INCREASE IN REGIONAL CONNECTIVITY SCHEME (RCS) CHARGES**

489. SHRI M. SHANMUGAM

Will the Minister of CIVIL AVIATION be pleased to state:-

- (a) whether Government has proposed to increase Regional Connectivity Scheme (RCS)- UDAN charges three times w.e.f. 1st of April, 2023;
- (b) if so, the reasons therefor;
- (c) whether airlines are going to increase the total air fares from passengers, making the air travel unaffordable to the common people; and
- (d) whether Government would reconsider increasing RCS charges, in the interest of common people who are forced to travel by air for various exigencies?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

(GEN. (DR) V. K. SINGH (RETD))

(a) to (d): UDAN (Ude Desh ka Aam Nagrik) is a self-financing scheme. Regional Connectivity Fund (RCF) is created by levying Rs.5,000/- on each departure of flights on aircraft having MTOW (Maximum Take-Off Weight) above 40 Tonnes except for the departure of flights on routes in North East Region, Himachal Pradesh, Uttarakhand, Union Territories of Jammu & Kashmir, Ladakh, Andaman & Nicobar Islands and Lakshadweep Islands. Airports Authority of India (AAI), the Implementing Agency provides Viability Gap Funding (VGF) to the Selected Airline Operators(SAOs) from this RCF for operation of flights as per the provisions of the UDAN document. The Viability Gap Funding (VGF) is disbursed to the Selected Airline Operator (SAOs) under UDAN.

To meet the liability of higher VGF outgo to the SAOs due to increased operationalization of UDAN routes, the Ministry of Civil Aviation vide its order no. AV-13011/12/2022-DT dated 21.10.2022, revised the RCS (Regional Connectivity Scheme) levy to Rs.10,000/- from 01.01.2023 and to Rs. 15,000/- from 01.04.2023 upto 30.04.2027. The revised levy order has the provision for true-up, if any surplus is accrued in the Regional Air Connectivity Fund. Airlines are free to pay the levy as per mechanism devised by them.

RCS-UDAN has been launched to stimulate Regional Connectivity on 21.10.2016 from underserved and unserved airports and to make air travel affordable for the masses.

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