

GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO : 14**  
(TO BE ANSWERED ON THE 4<sup>th</sup> December 2023)

**REGIONAL AIR CONNECTIVITY SCHEME**

14. SHRI R. DHARMAR

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

- (a) features of the Regional Air Connectivity Scheme;
- (b) the details of the funds sanctioned, allocated and utilized under this Scheme during the last three years and the current year across the country including Tamil Nadu;
- (c) details of the target set and achievements made so far along with its response within the country;
- (d) whether Government has planned to revive additional airports, heliports, water aerodromes and advanced landing grounds for improving regional air connectivity within the country;
- (e) if so, details thereof including Tamil Nadu;
- (f) details of the funds estimated for this revival; and
- (g) time by when these are likely to be revived?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

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

(a) Regional Connectivity Scheme (RCS) - UDAN (Ude Desh ka Aam Nagrik) seeks to stimulate regional air connectivity at affordable rates for the masses. The scheme envisages providing connectivity to unserved and underserved airports of the country through revival of the existing airstrips and airports. The scheme would be in operation for a period of ten years. The salient features of the UDAN scheme are as under:

- i) The Regional Connectivity Scheme - UDAN is designed to enable air operations on underserved / unserved routes connecting regional areas, promote balanced regional growth and make flying affordable for masses.
- ii) Financial incentives in terms of concessions from Central, State Governments and airport operators are extended to Selected Airline Operators to encourage operations from unserved/underserved airports / heliports / water aerodromes and to keep the air fare affordable.
- iii) Financial Support to the Selected Airline Operators is in the form of Viability

Gap Funding (VGF). State Governments provide 20% share towards VGF for RCS flights pertaining to their states. However, the share of VGF for North-Eastern states and the Union Territories is 10%.

iv) Excise Duty at the rate of 1% / 2% is levied on Aviation Turbine Fuel (ATF) drawn by Selected Airline Operators at RCS Airports for RCS Flights for a period of three (3) years from the date of commencement.

v) Airlines are required to commit certain number of the seats as RCS seats depending on the type and size of aircraft on RCS flights.

vi) Regional Connectivity Fund (RCF) is created by a levy 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.

vii) For balanced regional growth, route allocations are spread equitably across five regions in the country viz. North, South, East, West and North East (with a cap of 30% in a given region).

viii) RCS-UDAN is a market driven scheme. Interested airlines based on their assessment of demand on particular routes submit proposals at the time of bidding under RCS - UDAN.

**Tenure of the Scheme:** The scheme to be applicable for a period of 10 years, subjected to periodic review.

VGF support for the RCS route is available for a period of three years only.

**Type of aircraft / helicopter:** The Scheme allows operation through various type of aircraft including sea planes and helicopters.

**Eligible operators:** A valid Scheduled Operator Permit (SOP) or a Scheduled Commuter Operator (SCO) permit for scheduled air transport service (passenger) issued by the DGCA

(b) Rs.4500 Crores have been allocated for development of airports in the country under the Scheme, out of which Rs. 3751 Crores have been utilised since inception of the scheme. VGF amounting to Rs. 3020 crores has been disbursed to the Selected Airline Operators as of 28.11.2023.

Out of Rs. 97.88 Crores sanctioned to develop the airports in the state of Tamil Nadu, an expenditure of Rs 94.51 crore has been incurred so far.

(c) Under the UDAN Scheme, the Government has set a target to operationalise 1000 UDAN routes during the currency of the scheme and to revive/develop 100 unserved & underserved airports/heliports/water aerodromes in the country by 2024 for operation of UDAN flights. 517 RCS routes have so far commenced operations connecting 76 airports, including 9 Heliports & 2 Water Aerodrome. More than 130 lakh people have availed of the benefits of the scheme so far.

(d) to (g) : An amount of Rs. 1000 crore has been allocated under Phase II of the Scheme during the period 2023-26 for development and operationalisation of 50

new airports/heliports/water aerodromes in the country, including Tamil Nadu.

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