

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 2719
(To be answered on the 16th March 2023)**

OPERATIONAL ROUTES UNDER RCS-UDAN

2719. SHRI BENNY BEHANAN

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) whether it is a fact that only 415 routes of the total 948 routes sanctioned have been operational under the Regional Connectivity Scheme - Ude Desh Ka Aam Naagrik (RCS-UDAN) as of March 2022 and if so, the details thereof and the reasons therefor;
- (b) the details of the steps taken by the Government to incentivise the planned routes under the RCS-UDAN scheme to make their business profitable; and
- (c) the status of the development of the new seaplane routes and water aerodomes under the RCS-UDAN scheme?

ANSWER

Minister of CIVIL AVIATION

नागर विमानन मंत्री

(Shri Jyotiraditya M. Scindia)

(a) & (b): Ministry of Civil Aviation has launched Regional Connectivity Scheme (RCS) - UDAN (Ude Desh ka Aam Nagrik) on 21-10-2016 to stimulate regional air connectivity and making air travel affordable to the masses. UDAN is a self-financing scheme. Under UDAN, 469 routes connecting 74 unserved and underserved airports including 9 Heliports & 2 water aerodromes have been operationalized as on 28.02.2023.

Promoting affordability of regional air connectivity is envisioned under UDAN by supporting Selected Airline Operators (SAOs) through concessions by Central Government, State Governments/UTs and airport operators to reduce the cost of airline operations on regional routes and providing financial (Viability Gap Funding or VGF) support to meet the gap, if any, between the cost of airline operations and expected revenues on such UDAN routes.

The concessions offered under the scheme are as under:

Airport operators:

- i) Airport operators shall not levy Landing and Parking Charges on RCS Flights.**
- ii) AAI shall not levy any Terminal Navigation Landing Charges (TNLC) on RCS**

Flights.

iii) Route Navigation and Facilitation Charges (RNFC) will be levied by AAI on a discounted basis @ 42.50% of Normal Rates on RCS Flights.

iv) Selected Airline operators shall be allowed self-ground handling for operations under the Scheme at all airports.

Central Government:

i) Excise Duty at the rate of 2% shall be levied on Aviation Turbine Fuel (ATF) purchased by selected Airlines Operators from RCS Airports for initial period of three (3) years from the date of notification of this scheme.

ii) Selected Airline Operators will have the freedom to enter into code sharing arrangements with both domestic as well as international airlines.

States Government at RCS Airports within their States:

i) Reduce VAT to 1% or less on ATF at RCS Airports located within the states for a period of 10 years.

ii) Provide minimum land, if required, free of cost and free from encumbrances for development of RCS Airports and provide multi-modal hinterland connectivity as required.

iii) Provide security and fire services free of cost at RCS Airports.

iv) Providing, or cause to be provided, electricity, water and other utility services at substantially concessional rates at RCS Airports.

v) Provide a certain share (20% for States other than North-Eastern States where the ratio will be 10%) of determined VGF.

(c): During various rounds of bidding under UDAN, 56 seaplane routes connecting 25 water aerodromes are identified in the States/UTs of Gujarat, Assam, Telangana, Andhra Pradesh, Andaman and Nicobar Islands, Goa, Himachal Pradesh and Lakshadweep.
