

**GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
LOK SABHA  
UNSTARRED QUESTION NO. : 914  
(To be answered on the 6<sup>th</sup> February 2020)**

**NEW ROUTES UNDER RCS SCHEME**

914. **SHRI VINOD KUMAR SONKAR  
SHRIMATI SANGEETA KUMARI SINGH DEO  
DR. SUKANTA MAJUMDAR  
SHRI RAJA AMARESHWARA NAIK  
DR. JAYANTA KUMAR ROY  
SHRI BHOLA SINGH**

**Will the Minister of CIVIL AVIATION**

नागर विमानन मंत्री

**be pleased to state:-**

- (a) whether the Government has recently launched the Regional Connectivity Scheme (RCS), Version 4.0 and if so, the details thereof;
- (b) whether the Government has introduced some new routes under the above RCS 4.0 and if so, the details thereof;
- (c) whether most of the routes have been withdrawn from various private Airlines under RCS 3.0 because of their inability to launch flights and if so, the details thereof; and
- (d) the other measures taken by the Government to attract more private airline operators for increasing air connectivity in the Country?

**ANSWER**

**Minister of State (IC) in the Ministry of CIVIL AVIATION**

नागर विमानन मंत्रालय में राज्य मंत्री (स्वतंत्र पक्ष)

**(Shri Hardeep Singh Puri)**

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(a) and (b): The Government has commenced fourth round of bidding under Regional Connectivity Scheme (RCS)- UDAN (Ude Desh ka Aam Nagrik). RCS-UDAN is a market driven mechanism. Under the scheme, airlines assess demand and nature of supply required on particular route and based on their analysis, participate in the bidding process for operations under RCS - UDAN. On completion of 4th round of bidding process, route(s) connecting cities/towns will be awarded to Selected Airline Operators (SAOs). SAOs are

obligated to commence RCS flight operations on a RCS route within a period of six months from the issuance of Letter of Award or within two months from the readiness of airport, whichever is later, unless any extension is granted by the Implementing Agency.

(c): Out of the 335 routes awarded under RCS-UDAN 3.0, 18 routes have been cancelled due to non-compliance by SAOs.

(d): Government has launched RCS - UDAN on 21.10.2016 to stimulate regional air connectivity by making it affordable. The steps taken by the Government to improve regional connectivity under RCS - UDAN, are as under:

- i. The RCS - UDAN intends to enable air operations on 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. Support to the Selected Airline Operators in the form of Viability Gap Funding (VGF). State Governments concerned 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 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 of RCS flight.
- v. The airlines are required to commit around 50% of the seats as RCS seats (limited to 40 seats) on RCS flights.
- vi. Regional Connectivity Fund (RCF) is created by levying Rs.5000/- 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 mechanism. Development of regional air connectivity routes is left to market forces. The interested airlines based on their assessment of demand on particular routes submit proposals at the time of bidding under RCS - UDAN from time to time.

Besides RCS-UDAN, Government has also laid down Route Dispersal Guidelines (RDGs) with a view to achieve better air transport services to different regions of the country. As per the RDGs, all scheduled operators are required to deploy in the North Eastern Region, Jammu & Kashmir, Ladakh, Andaman & Nicobar Islands, Himachal Pradesh, Uttarakhand, and Lakshadweep (Category-II routes) at least 10% of their deployed capacity on

**trunk routes (Category-I routes). Further, the operator will deploy at least 1% in Category-IIA Routes (within the North-Eastern Region, Jammu and Kashmir, Ladakh, Himachal Pradesh, Uttarakhand, Andaman & Nicobar, Lakshadweep and Cochin-Agatti-Cochin) of the capacity deployed on Category-I routes. On other routes classified as Category-III, operator(s) are required to deploy at least 35% of the capacity, deployed on Category-I routes**

**Also, Meeting with airlines are held regularly to encourage them to operate new flights.**

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