



Regional Connectivity Scheme Ude Desh ka Aam Naagrik (UDAN)

2nd Round of Bidding

**Ministry of Civil Aviation
Government of India**

August 24, 2017

Stakeholders' Consultation Process under RCS-UDAN Round 2

- ▶ In pursuance to the vision of Government to provide impetus to the RCS-UDAN, MoCA had organized several interactive events to further widen the consultative process with the Stakeholders
- ▶ Stakeholders were encouraged to share their views / suggestions along with justification / rationale for the proposed changes to enable MoCA / AAI make informed decisions on various matters.
- ▶ **13th April, 2017:** Workshop for Stakeholders' of RCS-UDAN was held in Vigyan Bhawan for State Governments / UTs, Selected Airline Operators, Airport operators, NSOP holders, Oil Companies, etc.
- ▶ **19th May, 2017:** Internal review of RCS document with active participation of Hon'ble Ministers of Civil Aviation, Secretary, CA and Senior Officers of MoCA, DGCA, BCAS, AI and PHL.
- ▶ **24th May, 2017:** Press briefing was conducted by Hon'ble Ministers of Civil Aviation to cover outcome of the 1st Round of Bidding under RCS- UDAN and announcing the Invitation of Stakeholders inputs before the launch of the 2nd Round of Bidding for certain key issues.

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Stakeholders' Consultation Process under RCS-UDAN Round 2

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7th June, 2017: Stakeholders' Consultation Meet before launch of 2nd Round of Bidding under RCS-UDAN was held at FICCI Auditorium. Presentation was made covering the outcome of the 1st Round of Bidding and proposed amendments in the RCS documents.



7th July, 2017: MoCA had organized the Event '**WINGS 2017**' "**Sab Uden, Sab Juden**". This event created a unique platform as an enabler for the Aviation industry, States/UTs and other stakeholders to come together for making flying accessible to citizens across the country.



17th July, 2017: Internal meetings were conducted from time to time to discuss the implementation issues relating to the 1st Round of bidding and proposed corrective action to be considered for 2nd Round of bidding including proposed changes under RCS document based on inputs received from Stakeholders' Consultation Meets and Workshops.

Salient Features of the Scheme Document

1. Key Revisions under RCS-UDAN Round 2



S.N.	Scheme Aspect	Scheme revision	Remarks
1.	Consideration of routes with stage length less than 150 Kms for operations through fixed wing aircraft as RCS Routes	Accepted – Such routes permitted under the Scheme. Separate VGF for Cat-1A, 1, 2 & 3 prepared.	To provide enhanced connectivity and ease the formation of networks under the Scheme.
2.	Exclusivity of operations under the Scheme	No Change – Exclusivity of operations shall be applicable for a period of 3 years. However, Selected Airline Operator may issue No-Objection Certificate (NOC) to other airline operator(s) willing to operate on the respective RCS Route	To provide comfort to airline operators for assured revenues / possible network development and ensure sustainable operations on RCS Routes. NOC provision to ensure there is no supply constraint on RCS Route(s)

1. Key Revisions under RCS-UDAN Round 2 Contd..



S.N.	Scheme Aspect	Scheme Revisions	Remarks
3.	Minimum Performance Specification – Number of RCS Flights in a week to be translated to the number of RCS Seats in a week	No. of RCS Flights per week can be a maximum of 14 departures for Priority RCS Routes and 7 departures for RCS Routes other than Priority RCS Routes	To provide more flexibility to Selected Airline Operators (SAO), maximum number of flights with VGF have been increased to 14 for Priority Areas. Further, the SAOs can anytime increase the number of flights on RCS Routes to any number.
4.	No obligations on Non-RCS Route(s) as part of Network Proposals under the Scheme	Accepted – No minimum performance specifications applicable on Non-RCS Routes	To provide operational flexibility to Selected Airline Operators
5.	VGF Caps for Helicopters	VGF Caps for Helicopters increased and 10% of the estimated annual inflows in the RCF earmarked for operations through helicopters	To encourage helicopter operations under the Scheme

2. Impetus to Helicopter Sector under RCS-UDAN Round 2



1. Revised VGF Caps for Helicopter operations under the Scheme



2. All seats up to 13 passenger seats for Helicopters shall be considered as RCS Seats and accordingly, VGF shall be provided



3. 10% of the estimated annual inflows in the RCF shall be earmarked for operations through helicopters



4. Methodology for computing Flight duration for helicopters revised based on the recommendation of Expert Committee.

3. Special focus on priority areas-Expanding Remote Area connectivity

S.N.	Item	Provision
1.	Definition of Priority Areas	'Priority Area(s)' shall mean the states of Jammu and Kashmir, Himachal Pradesh & Uttarakhand, North Eastern Region of India, Andaman and Nicobar Islands and Lakshadweep Islands.
2.	Definition of Priority RCS Route	'Priority RCS Route' shall mean an RCS Route in which <ul style="list-style-type: none"> • At least one of the origin and destination airport is an RCS Airport located in Priority Area(s). • RCS Airport in priority areas satisfies definition of Underserved Airport or Unserved Airport under the Scheme.
3.	Definition of Underserved Airport for Priority Areas	'Underserved Airport' shall mean any airport which is <ul style="list-style-type: none"> • Not an Unserved Airport and • There are no more than fourteen (14) scheduled commercial flight departures per week as per the latest flight schedule published by the DGCA on its website.
4.	Maximum Number of Flights for Priority RCS Routes	Minimum Performance Specifications: <ul style="list-style-type: none"> • Number of RCS Flights/week with VGF, shall be a minimum of three (3) and a maximum of fourteen (14) departures per week from the same RCS Airport. • RCS Flights are operated on at least three (3) days of the week.

3. Special focus on priority areas-Expanding Remote Area connectivity

S.N.	Item	Provision
5.	Additional category of aircraft permitted for operations on Priority RCS Route	Operations through Category-1A aircraft will be permitted only for Priority RCS Routes.
6.	Prioritization of Proposals	In case of shortfall in available VGF amount (such that while all Network Proposals can be considered, only some of the Individual Route Proposals can be considered): <ul style="list-style-type: none"> Prioritization based on nature of connectivity (Priority Areas / unserved regions) will be applied.
7.	VGF Caps	Enhanced VGF Caps for operations through Category-1 A and Category-1 Fixed-wing aircraft for Priority RCS Routes
8.	Helicopter operations under the Scheme	Helicopter operations under the Scheme are limited to Priority Areas (intra) only. <p>VGF Caps for helicopter operations</p> <ul style="list-style-type: none"> 10% of the estimated annual inflows in the RCF shall be earmarked for operations through helicopters.

Tentative Time Lines for the 2nd Round of Bidding under RCS-UDAN

Sr. N	EVENT	Date	Day
1	Opening of window for 2 nd Round.	24 Aug	1
2	½ day pre bid meeting with stakeholders	05 Sep	13
3	Date of submission of query	Upto 8 Sep	16
4	Final Bidding Documents on e-bid portal;	18 Sep	26
5	Date of submission of request for stage length/Flight Duration	Up to 27 Sep	35
6	Declaration of stage length/flight duration.	04 Oct	42
7	Last Date for submission of Initial Proposals.	Upto 26 Oct	64
8	Opening of RCS route/network received	27 Oct	65
9	Invitation for submission of Counter Proposals.	2 Nov	71
10	Last Date for submission of Counter Proposals.	16 Nov	86
11	Opening of Technical Proposals (Initial & Counter)	17 Nov.	87
12	Date of opening of financial proposal	23 Nov	94
13	Date of declaration of Selected Airline Operator.	30 Nov	101

Highlights of 1st Round of Bidding under RCS-UDAN

- ▶ RCS Flights commenced under 8 Proposals.
- ▶ Flights commenced from underserved airports: Gwalior, Kadapa, Pondicherry and Porbandar.
- ▶ Flights commenced from unserved airports: Bhatinda, Kandla, Nanded and Shimla.
- ▶ No. of unserved/ underserved Airports to be connected by Sept. 2017 : 21 (Agra, Pathankot, Shillong, Bikaner, Ludhiana, Durgapur, Vidyanagar, Salem, Mysore, Jamshedpur, Cooch behar, Kullu, Bhavnagar, Jalgaon, Jamnagar, Kolhapur, Pantnagar, Diu, Nasik (Ozar) Raigarh, Mundra)
- ▶ No. of Airports under progress/ upgradation: 14. (Kanpur, Jaisalmer, Adampur, Raurkela, Burnpur, Utkela, Jeypore, Jharsuguda, Bilaspur, Ambikapur, Jagdalpur, mithapur, Neyveli, Solapur)

RCS Routes Operational under 1st Round of bidding

<u>Sr. No</u>	<u>Dep Airport</u>	<u>Destination</u>	<u>RCS Seats</u>	<u>Freq/week</u>	<u>Operator</u>
1	Kadapa*	Hyderabad	36	7	Trujet
2.	Bhatinda	Delhi	35	7	Alliance Air
3.	Nanded	Hyderabad	36	7	Trujet
4	Gwalior*	Indore	35	3	Alliance Air
5	Porbandar	Mumbai	10	7	Spicejet
6	Pondicherry*	Hyderabad	39	7	Spicejet
7	Shimla	Delhi	24	7	Alliance Air
8	Kandla	Mumbai	10	7	Spicejet

Progress of 1st Round of Bidding under RCS-UDAN

S.No	Name of Selected Airline Operator	Number of proposal awarded	Number of airports involved	Number of routes operated	Number of Routes to be commenced	Total
1	M/s Alliance Air	8	Underserved-2 Unserved-5	7	8	15
2	M/s SpiceJet	6	Underserved-2 Unserved-4	5	6	11
3	M/s True jet	4	Underserved-1 Unserved-4	4	14	18
4	M/s Deccan Air	4	Underserved-4 Unserved-10	nil	34	34
5	M/s Air Odisha	5	Underserved-6 Unserved-5	nil	50	50
	Total	27		16	112	128

Thank You

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www.airportsindia.org.in

www.mstcecommerce.com