Regional Connectivity Scheme (RCS or the Scheme) Ministry of Civil Aviation, Government of India

Version 3.0 – October 2018

Contents

1. Scheme Objectives and Guiding Principles 5
1.1 Background 5
1.2 Scheme Objective 6
1.3 Guiding Principles of the Scheme 7
1.4 Definitions 8
2. Features of the Scheme 11
2.1 Key Constructs 11
2.2 Airports / Water Aerodromes to be covered under the Scheme 14
2.3 Airfare Caps 15
2.4 Aircraft Categories 16
2.5 VGF Cap 16
2.6 RCF Allocation 18
2.7 ASKMs on RCS Flights 19
2.8 Exclusivity of operations 19
2.9 Miscellaneous 20
3. Operating Mechanism of the Scheme 21
3.1 Introduction 21
3.2 Eligibility Criteria for Proposals 21
3.3 Minimum Performance Specifications for an RCS Flight 22
3.4 Submission of Initial Proposals 23
3.5 Network Proposal 24
3.6 Proposal submission requirements 24
3.7 Identification of RCS Routes as part of Initial Proposal(s) 26
3.8 Selection of proposals for counter bidding 26
3.9 Invitation of Counter Proposals 27
3.10 Evaluation of proposals and Applicant selection 28
3.11 Evaluation of Financial Proposal for an Individual Route Proposal 29
3.12 Evaluation of Financial Proposals for a Network Proposals 29
3.13 Evaluation of Financial Proposals for Simultaneous Proposals 30
3.14 Right to Match 32
3.15 Performance Guarantee 33
3.16 Change in deployed capacity 34
3.17 Prioritisation Framework 36
3.18 Exit from the Scheme 37
3.19 Reporting Obligations for a Selected Airline Operator 37
3.20 Disbursement of Funds 37
Annexure – 1A: List of Underserved Airports / Airstrips in the country 39

FINAL

Annexure – 1B: List of Unserved Airports / Airstrips in the country 41
Annexure – 1C: List of Water Aerodromes 47
Annexure – 2: Airfare Cap under RCS 48
Annexure – 3: VGF Cap under RCS 49
Annexure – 4: Airfare Cap Indexation Formula 52
Annexure – 5: VGF Cap Indexation Formula 53
Annexure – 6A: List of routes proposed by the Ministry of Tourism that qualify as RCS Routes 55
Annexure – 6B: List of Tourism Routes 57
Annexure – 7: List of North Eastern Region (NER) Routes 59

FINAL

List of Abbreviations

i. AAI: ..... Airports Authority of India
ii. AOP: ..... Air Operator Permit
iii. ATF: ..... Aviation Turbine Fuel
iv. CPI: ..... Consumer Price Index
v. DF: ..... Development Fee
vi. DGCA: ..... Directorate General of Civil Aviation
vii. GDP: ..... Gross Domestic Product
viii. GST ..... Goods and Service Tax
ix. ICAO: ..... International Civil Aviation Organization
x. INR: ..... Indian Rupees
xi. IT: ..... Information Technology
xii. MoCA: ..... Ministry of Civil Aviation
xiii. NCAP: ..... National Civil Aviation Policy
xiv. PLF: ..... Passenger Load Factor
xv. PSF: ..... Passenger Service Fee
xvi. PSU: ..... Public Sector Undertaking
xvii. RCF: ..... Regional Connectivity Fund
xviii. RCS: ..... Regional Connectivity Scheme
xix. RDG: ..... Route Dispersal Guidelines
xx. RNFC: ..... Route Navigation Facility Charges
xxi. RTM: ..... Right To Match
xxii. TNLC: ..... Terminal Navigation Landing Charges
xxiii. UDF: ..... User Development Fee
xxiv. VAT: ..... Value Added Tax
xxv. VGF: ..... Viability Gap Funding

FINAL

1. Scheme Objectives and Guiding Principles[1]

1.1 Background

1.1.1 The Ministry of Civil Aviation (MoCA), Government of India released the National Civil Aviation Policy 2016 (NCAP 2016). One of the objectives of NCAP 2016 is to "enhance regional connectivity through fiscal support and infrastructure development".

1.1.2 As per an ICAO study - "Economic benefits of civil aviation: ripples of prosperity", the output and employment multipliers of aviation are 3.25 and 6.10 respectively. This implies that every 100 Rupees spent on air transport contributes to 325 Rupees worth of benefits, and every 100 direct jobs in air transport result in 610 jobs in the economy as a whole. In fact, the study attributes over 4.5% of the global Gross Domestic Product (GDP) to civil air transport.

1.1.3 As the Indian economy grows, consumption-led growth in populated metros is expected to spill over to hinterland areas. This is also expected to be on account of factors of production (land, labor, etc.) becoming costlier in the densely populated metro cities. In this scenario, air connectivity can provide required impetus to the economic growth of regional centers (towns / cities).

1.1.4 In this context, one of the key objectives of NCAP 2016 is to "establish an integrated eco-system which will lead to significant growth of civil aviation sector, which in turn would promote tourism, increase employment and lead to a balanced regional growth".

1.1.5 NCAP 2016 also seeks to sustain and nurture a competitive market environment in the civil aviation sector. While it would be best for growth in the sector and establishment of regional air connectivity to materialize through open market mechanisms in terms of airlines assessing demand on various routes, developing networks through deployment of appropriate capacities & technologies, infrastructure developing in sync with demand, etc. it was felt that facilitating / stimulating regional air connectivity would be desirable from a public policy perspective and may need financial support, at least in the initial period, to trigger participation of players. It is in this context that NCAP 2016 provides for a Regional Air Connectivity Scheme (RCS or the Scheme).

1.1.6 The operation of the Scheme is proposed to be through a market mechanism where operators will assess demand on routes; submit proposals for operating / providing connectivity on such route(s); seek VGF, if any, while committing to certain minimum operating conditions; and the same shall be finalized in interaction with other market participants as provided for in this Scheme.

1.1.7 MoCA acknowledges that different / same aircraft operated by different operators for the same stage lengths can have different cost of operations because of differences in inherent economics of aircraft types for various stage lengths, cost of operations specific to operators in terms of various business parameters such as business models, fleet utilization, scale of operations, etc. Specification of (normative) VGF Caps upfront has, therefore been considered important to ensure transparent operation of a market based mechanism under this Scheme rather than through determination subsequent to receipt of varied proposals.

[1] This document is not a contract and does not create any enforceable rights and obligations. Terms and conditions of operations under the scheme would be contained in a suitable contract to be signed between the Implementing Agency and the Selected Airline Operator.

FINAL

1.1.8 While, it is the intent and focus of the Scheme that operation of a market based mechanism facilitates discovery of the optimum VGF requirements within specified VGF Caps, MoCA recognizes that in certain cases it is possible that a market based discovery of optimum VGF requirements may not happen due to lack of competition / uncertainty in market conditions and ex-post, the specified (normative) VGF Caps may end up seeming to be higher than the actual VGF requirement in future on account of factors like higher airfares for Non-RCS Seats, higher load factors, etc. Given that the focus of the Scheme is to provide air connectivity where it does not exist, the quantum or probability of such eventualities / outcomes in future cannot be ascertained by MoCA and potentially even the market ex-ante on account of the multiplicity of unascertainable factors. Further, the Scheme is premised on and continuing to encourage an open market mechanism where operators will be assessing demand on routes, developing networks through deployment of appropriate capacities & technologies, and take risks on account of factors like marketing of capacities, realizable demand, effect of ATF prices on costs / fares for Non-RCS Seats, etc. Accordingly, in consultation with stakeholders, MoCA recognizes that the risks retained with the operators have to be seen in their entirety.

1.1.9 MoCA had earlier released two versions of the Scheme, on 05 December 2016 ("Version 1.0"), and on 18 September 2017 ("Version 2.0"). Subsequently, MoCA and AAI conducted bidding processes and awarded a number of RCS Routes to the Selected Airline Operators. It is hereby clarified that the provisions contained under this Scheme document shall be applicable to:

1.1.9.1 any bidding process which may be conducted by MoCA, the Implementing Agency or the RCS Trust, as the case may be; and

1.1.9.2 any Selected Airline Operator Agreement and any other agreement(s) which may be entered into by the Implementing Agency or the RCS Trust, as the case may be, with any Selected Airline Operator,

on or after the date of notification of this Scheme for awarding the concessions/support provided in this Scheme.

For the avoidance of any doubt, the bidding processes conducted, and the Selected Airline Operator Agreements and any other agreements/documents executed, pursuant to the Scheme Version 1.0 or Scheme Version 2.0 shall continue to be governed under and in accordance with the provisions of the such Scheme Version 1.0 or Scheme Version 2.0 and any other document(s) issued by MoCA and/or the Implementing Agency pursuant to the Scheme Version 1.0 or Scheme Version 2.0.

1.2 Scheme Objective

1.2.1 The primary objective of RCS is to facilitate / stimulate regional air connectivity by making it affordable.

1.2.1.1 Promoting affordability of regional air connectivity is envisioned under RCS by supporting airline operators through (1) concessions by Central Government, State Governments (reference deemed to include Union Territories as well, unless explicitly specified otherwise) and airport operators to reduce the cost of airline operations on regional routes / other support measures and (2) financial (viability gap funding or VGF) support to meet the gap, if any, between the cost of airline operations and expected revenues on such routes.

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1.3 Guiding Principles of the Scheme

1.3.1 Given the focus and objectives of NCAP 2016, the key guiding principles for RCS would be:

1.3.1.1 **State Governments' buy-in and support to determine eligibility**: In view of the fact that (1) NCAP 2016 is seeking to make regional air connectivity affordable and (2) limited financial (VGF) support is being generated from within the sector, it is important that cost of operations are minimized for air transport operators to the extent possible through concessions from State Governments - especially in view of economic benefits (regional development as well as output & employment related) to the local catchments / economies through provision of such air transport services.

RCS is accordingly to be made operational only in States and at airports/ Water Aerodromes (irrespective of ownership by AAI / State Governments / private entities / Ministry of Defence, Government of India) which demonstrate their commitment and support to regional air transport operations by providing concessions / support as required under the Scheme.

1.3.1.2 **Rationale of Regional Connectivity Fund (RCF)**: RCS is one of the key elements of NCAP 2016, which envisions domestic ticketing of 30 crores by 2022 and 50 crores by 2027. RCS as well as NCAP 2016 would eventually promote growth of the entire civil aviation sector.

1.3.1.3 RCS would lead to creation of regional air connectivity / services that would have spin-off benefits within the sector in terms of passengers taking other flights (not under RCS) and using airports / airport services that are not at concessional rates under RCS. Accordingly, the Regional Connectivity Fund (RCF) is to be funded through application of a levy on scheduled flights being operated within India or through any other sources, as per notifications issued by the Ministry of Civil Aviation from time to time. The RCF would thus channel funds generated from the sector to stimulate further growth and development of the sector and the operators (/ passengers) providing (/ using) services on domestic routes where such fee per departure is levied would be eligible to avail benefits under the Scheme for providing (/ using) services pursuant to this Scheme.

1.3.1.4 **Demand driven mechanism:** The MoCA would like to see airlines operating in a competitive environment and accordingly development of regional air connectivity routes is proposed to be left to market forces such that airlines undertake assessment of demand and nature of supply required on particular routes and lead the process under RCS.

1.3.1.5 **Sustainability of operations:** A key guiding principle would be to encourage sustainability of operations under RCS in the long term – such that the connectivity established is not dependent on VGF in perpetuity. Accordingly, under RCS, VGF is proposed to be provided for a limited period to facilitate / stimulate regional air connectivity to un-served / under-served areas. However, it is recognized that for select Priority Areas, funding may need to be provided for longer periods of time to support provision of air transport services to such areas.

1.3.1.6 **Periodic review of RCS**: Acknowledging the fact that market dynamics will change over time, MoCA may amend various Scheme provisions from time to time as and when necessary for efficacy in accomplishment of objectives and undertake a review at least once every 3 years.

FINAL

1.4 Definitions

1.4.1 In line with NCAP 2016 and in order to operationalize the Scheme, unless the context requires otherwise, following terms under the Scheme shall have the meanings ascribed below:

1.4.1.1 **'Additional Performance Guarantee'** shall mean a security in the form of an unconditional and irrevocable bank guarantee for an amount of INR one (1) crore to be submitted by a Selected Airline Operator to the Implementing Agency pursuant to Section 3.15.3 within six months from the date of issuance of Letter of Intent (LOI) to such Selected Airline Operator or as extended from time to time by the Implementing Agency, provided that for operations through seaplanes under the Scheme, Additional Performance Guarantee shall not be applicable.

1.4.1.2 **'Airfare Cap'** shall mean the all-inclusive maximum permissible airfare for an RCS Seat as specified under the Scheme and as published / updated on AAI / MoCA website from time to time.

1.4.1.3 **'Financial Quarter'** shall mean a continuous period of three (3) calendar months ending on 30th June, 30th September, 31st December and 31st March, as the case may be.

1.4.1.4 **'Implementing Agency'** shall be as defined under Section 2.1.1.

1.4.1.5 **'Minimum Performance Specifications'** shall mean the service conditions mentioned in Section 3.3 which must be met by a Selected Airline Operator for operation of RCS Flights.

1.4.1.6 **'Non-RCS Route'** shall mean a route, which is not an RCS Route.

1.4.1.7 **'Non-RCS Seat(s)'** shall mean revenue passenger seat(s) on an RCS Flight, which are not RCS Seats within the RCS Flight Capacity. Further, such seats can be offered/ deployed as per the commercial operations of the Selected Airline Operator.

1.4.1.8 "**North Eastern Region Route**" or "**NER Route**" shall mean the routes listed in Annexure 7, as updated by the Implementing Agency from time to time.

1.4.1.9 **'Performance Guarantee'** shall mean performance security in the form of an unconditional and irrevocable bank guarantee to be submitted by a Selected Airline Operator to the Implementing Agency pursuant to Section 3.15.2, within six months from the date of issuance of Letter of Intent (LOI) to such Selected Airline Operator or as extended from time to time by the Implementing Agency.

1.4.1.10 **'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.

1.4.1.11 **'Priority RCS Route'** shall mean an RCS Route in which, at least one of the origin and destination airport is an RCS Airport located in Priority Area(s), satisfying the definition of Underserved Airport or Unserved Airport under the Scheme.

1.4.1.12 **'Regional Connectivity Fund (RCF)'** shall mean the fund / corpus created through application of a levy on scheduled flights being operated within India or through any other sources, as per the notifications issued by the Ministry of Civil Aviation from time to time.

1.4.1.13 **'RCS Airport'** shall mean any airport (whether under the ownership of the AAI, State Governments, private entities or the Ministry of Defence, Government of India) licensed / approved by DGCA, for which the State Government and airport

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owner / operator have extended concessions / support measures as specified under NCAP 2016 and presented under Section 2.1.2 of this Scheme.

1.4.1.14 **'RCS Flight'** shall mean a domestic flight using a fixed wing aircraft (including seaplanes), operated by a Selected Airline Operator pursuant to this Scheme on an RCS Route and satisfying the conditions specified in Section 3.3.

1.4.1.15 **'RCS Flight Capacity'** shall mean the maximum number of passenger seats per RCS Flight offered on an RCS Route, provided that such number of passenger seats offered cannot be less than 70% of aircraft's passenger seating capacity, i.e., the total number of passenger seats onboard for an aircraft. The remaining seats, i.e., aircraft passenger seating capacity other than RCS Flight Capacity, if any, can be offered/ deployed as per the commercial operations of the Selected Airline Operator.

1.4.1.16 '**RCS Route'** shall mean:

(1) a non-stop air service connection (also referred to as a 'route') between an identified pair of origin and destination airports / Water Aerodromes within India proposed / operated pursuant to the Scheme, satisfying all of the following conditions:

a) at least one of the origin or destination points is either (a) an RCS Airport satisfying the definition of Underserved Airport or Unserved Airport on the first day of each proposal window in which an application is made pursuant to this Scheme; or (b) an RCS Water Aerodrome;

b) for fixed wing aircraft there have been no scheduled commercial flights on such a route for the last two (2) flight schedules as published by the DGCA on its website, OR in case of operations through Seaplanes, there have not been more than 50 commercial operations, whether scheduled or otherwise, on such a route for the last 1 year as certified by the Airports Authority of India as provider of the Air Navigation Services – such time periods to be reckoned with respect to the first day of each proposal window in which an application is made pursuant to this Scheme.

Provided that, for route(s) which have been awarded under the Scheme as RCS Routes as part of an Individual Route Proposal or a Network Proposal where (i) the Selected Airline Operator has not yet commenced operations and / or (ii) where the Letter of Intent issued to the Selected Airline Operator or the Selected Airline Operator Agreement for such route(s) is in force, shall not be considered for bidding under the Scheme.

c) for a route where the condition specified in Sub-Section b) is satisfied on the first day of a proposal window for bidding under the Scheme and subsequently at any stage during the bidding process, an airline / seaplane operator commences operation on such route without any support/concession under the Scheme, such route shall be treated as per the provisions of Section 3.2.2;

d) the stage length (in km as per the flight path declared by AAI) between the origin and destination airports is not more than 500 kms for operations through Category-1 and Category–1A fixed wing aircraft (including seaplanes).

(2) any Tourism Route; and/or

(3) on and from April 01, 2019, any North Eastern Region Route

Provided that Tourism Routes shall also be considered as RCS Routes even if they do not satisfy the conditions listed at (a), (b) and (d) above.

1.4.1.17 **'RCS Seat(s)'** shall mean the number of passenger seats to be sold at or below the applicable Airfare Cap by the Selected Airline Operator within the RCS Flight Capacity and shall be subject to Section 3.3 of the Scheme.

FINAL

1.4.1.18 **'RCS Water Aerodrome'** shall mean Water Aerodromes which the Implementing Agency notifies as being a RCS Water Aerodrome from time to time., and for which the State Government has extended concessions / support as specified under NCAP 2016 and presented under Section 2.1.2 of this Scheme, and the Water Aerodrome Operator has extended concessions / support as specified under Section 2.1.2 of this Scheme.

1.4.1.19 **'Selected Airline Operator'** shall mean a fixed wing aircraft or seaplane operator selected pursuant to the mechanism specified under the Scheme for providing air connectivity on an RCS Route.

1.4.1.20 **'Tourism Routes'** shall mean the routes as listed in Annexure 6B, as updated by the Implementing Agency from time to time.

1.4.1.21 **'Underserved Airport'** shall mean any airport which is not an Unserved Airport and at which, there are no more than seven (7) scheduled commercial flight departures per week as per the latest flight schedule published by the DGCA on its website.

Provided that, for airports in Priority Area(s), the above definition shall read as:

'Underserved Airport' shall mean any airport which is not an Unserved Airport and at which, 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.

Provided further that, for determination of number of scheduled commercial flight departures per week from an airport, route(s) which have been awarded under the Scheme as RCS Routes as part of an Individual Route Proposal or a Network Proposal where (i) the Selected Airline Operator has not yet commenced operations and / or (ii) where the Letter of Intent issued to the Selected Airline Operator or the Selected Airline Operator Agreement for such route(s) is in force, shall also be considered.

1.4.1.22 **'Unserved Airport'** shall mean any airport at which, there have been no scheduled commercial flights during the last two (2) flight schedules published by the DGCA on its website.

1.4.1.23 **'Viability Gap Funding or VGF'** shall mean the financial support provided to the Selected Airline Operator for operation of RCS Flight(s) from the Regional Connectivity Fund pursuant to this Scheme.

1.4.1.24 **'Tenure of VGF Support'** shall have the meaning as ascribed in Section 2.1.5 of this Scheme.

1.4.1.25 "**Water Aerodrome**" shall mean a designated area for landing and take-off of seaplane(s) (whether under the operation of the AAI, State Governments, private entities or the Ministry of Defence, Government of India) where scheduled commercial seaplane operations can be permitted as per DGCA regulations and applicable law.

1.4.1.26 "**Water Aerodrome Operator**" shall mean, with respect to any Water Aerodrome, the entity operating the Water Aerodrome

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2. Features of the Scheme

2.1 Key Constructs

2.1.1 Designation of Implementing Agency and its responsibilities

2.1.1.1 The Ministry of Civil Aviation may designate any entity as the Implementing Agency under this Scheme and such entity shall be responsible for undertaking tasks and activities for implementation of the Scheme. As provided in NCAP 2016, the Implementation Agency shall be provided appropriate administrative charges for implementing the Scheme, as may be determined by MoCA from time to time. The Implementing Agency has been permitted to form a trust for performing its responsibilities under the Scheme (hereinafter referred to as "Regional Air Connectivity Fund (RACF) Trust").

2.1.1.2 Responsibilities of the Implementing Agency shall include inter alia:

a) Receiving proposals submitted by the Applicants and taking necessary administrative actions for identification of Selected Airline Operator pursuant to the Scheme;

b) Acting for and on behalf of MoCA for collection and disbursement of funds - In order to facilitate the collection and disbursement of funds under the Scheme, a bank account shall be established for this purpose with an identified bank. The Implementing Agency through the RACF Trust shall be authorized to deposit funds into, and withdraw funds from, the bank account for disbursement of VGF to Selected Airline Operators in accordance with this Scheme;

c) As provided in NCAP 2016, payment of VGF will be made to the Selected Airline Operator from the RCF and the State Governments will be asked to reimburse the applicable share (20% for states other than for North-Eastern States and Union Territories of India, where the ratio will be 10%) towards VGF for respective RCS Routes. The Ministry of Tourism shall be responsible to reimburse 100% of the VGF amount for the routes proposed by the Ministry of Tourism (as listed in Annexure 6A and Annexure 6B) which are awarded pursuant to the bidding process under the Scheme. The Implementing Agency shall be responsible for managing accounts / statements with respect to RCF collections, payments to Selected Airline Operators and reimbursements from State Governments and the Ministry of Tourism including, inter alia, any required communications seeking payments, reimbursements, reconciliation of accounts, etc.;

d) The Implementing Agency shall be responsible to compute and notify revision of Airfare Caps and VGF Caps as well as approved airfare and VGF as part of various Selected Airline Operator Agreements in accordance with the Scheme on quarterly basis; and

e) Any other tasks and activities required for implementation of the Scheme.

2.1.1.3 The Airports Authority of India (AAI) is being designated as the Implementing Agency under this Scheme.

2.1.2 Mechanism for Provision of Financial Support

2.1.2.1 Under this Scheme, support shall be provided to Selected Airline Operator(s) in the form of VGF and other concessions / support offered by the Central Government, State Governments and airport / Water Aerodrome operators as detailed below.

2.1.2.2 Concessions offered by the Central Government shall be as follows:

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a) Excise Duty at the rate of 2% shall be levied on Aviation Turbine Fuel (ATF) drawn by Selected Airline Operators at RCS Airports / RCS Water Aerodromes for RCS Flights for a period of three (3) years from the date of notification of this Scheme. Upon transition to GST, rates will be applicable as determined under GST and exemptions/ concessions shall be given as permissible so that such a reduced level of taxation could ideally be continued.

b) Selected Airline Operators will have the freedom to enter into code sharing arrangements with domestic as well as international airlines pursuant to applicable regulations and prevailing air service agreements. For avoidance of doubt, the concessions and VGF under the Scheme shall be available only to the Selected Airline Operator for the RCS Route and shall continue as finalized pursuant to the mechanism outlined under the Scheme.

c) Concession on GST on tickets will be as mentioned in Section 2.3.3.

2.1.2.3 Concessions / support offered by the respective State Governments at RCS Airports / RCS Water Aerodromes within their States shall be as follows:

a) Reduction of VAT to 1% or less on ATF at RCS Airports / RCS Water Aerodromes located within the State for a period of ten (10) years from the date of notification of this Scheme. Upon transition to GST, rates will be applicable as determined under GST and exemptions/ concessions shall be given as permissible so that such a reduced level of taxation could ideally be continued.

b) Coordinating with oil marketing companies for provision of fueling infrastructure on best effort basis.

c) Provision of minimum land, if required, free of cost and free from all encumbrances for development of RCS Airports / RCS Water Aerodromes and also provide multi-modal hinterland connectivity (road, rail, metro, waterways, etc.) as required;

d) Provision of security and fire services free of cost at RCS Airports / RCS Water Aerodromes through appropriately trained personnel and appropriate equipment as per applicable standards and guidelines by relevant agencies;

e) Provision of, directly or through appropriate means, electricity, water and other utility services at substantially concessional rates at RCS Airports / RCS Water Aerodromes; and

f) Provision of a 20% share towards VGF for respective RCS Routes pertaining to the State, provided the share of States in the North-Eastern region of India and Union Territories would be 10%.

2.1.2.4 State Governments are also encouraged to consider extending any additional incentives like underwriting of passenger seats to encourage operators / additionally support Selected Airline Operators in undertaking operations under this Scheme. For avoidance of doubt, the Selected Airline Operators shall not be debarred under the Scheme from getting any additional concessions/incentives as may be offered by the State Governments from time to time.

2.1.2.5 Concessions offered by the airport / Water Aerodrome operators shall be as follows:

a) Airport / Water Aerodrome operators (whether under the ownership of the AAI, State Governments, private entities or the Ministry of Defence, Government of India) shall not levy Landing Charges and Parking Charges or any other charge subsuming a charge for such aspects in future on RCS Flights.

b) Selected Airline Operators shall be allowed to undertake ground handling for their RCS Flights at all airports / Water Aerodromes.

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c) AAI shall not levy any Terminal Navigation Landing Charges (TNLC) on RCS Flights.

d) Route Navigation and Facilitation Charges (RNFC) will be levied by AAI on a discounted basis @ 42.50% of Normal Rates on RCS Flights. Normal Rates refer to applicable rates specified by the AAI on its website from time to time without any discounts or concessions.

Provided that the concessions offered by the airport operator shall not be available for RCS Flights on Tourism Routes.

2.1.3 Incentives for Cargo Operations under this Scheme shall be as follows:

2.1.3.1 As provided for in NCAP 2016, air freighter operations at RCS Airports / RCS Water Aerodromes shall be entitled to the following under the Scheme for a period of up to 10 years from the date of notification of this Scheme:

a) Excise Duty at the rate of 2% shall be levied on ATF drawn for air freighter operations at RCS Airports / RCS Water Aerodromes for a period of three (3) years from the date of notification of this Scheme. Upon transition to GST, rates will be applicable as determined under GST and exemptions/ concessions shall be given as permissible so that such a reduced level of taxation could ideally be continued.

b) Airport / Water Aerodrome operators (whether under the ownership of the AAI, State Governments, private entities or the Ministry of Defence, Government of India) shall not levy Landing Charges and Parking Charges or any other charge subsuming a charge for such aspects in future;

c) AAI shall not levy any Terminal Navigation Landing Charges (TNLC);

d) Route Navigation and Facilitation Charges (RNFC) will be levied by AAI on a discounted basis @ 42.50% of Normal Rates. Normal Rates refer to applicable rates specified by the AAI on its website from time to time without any discounts or concessions.

2.1.3.2 Under this Scheme, VGF support shall not be provided for cargo operations.

2.1.4 Tenure of the Scheme

2.1.4.1 In line with NCAP 2016, the Scheme will be applicable, subject to periodic review, for a period of 10 years from the date of its notification by the MoCA.

2.1.4.2 Consistent with the objectives of the Scheme, it is the intent of the MoCA and the Implementing Agency to continue with the Scheme for the period specified in 2.1.4.1 above unless unforeseen or exceptional circumstances - such as a court order or other factors beyond the control of the MoCA, constrain the ability of the MoCA and/or the Implementing Agency to continue with the Scheme. In the aforesaid circumstances, the Implementing Agency shall endeavour to honour agreements already entered into with Selected Airline Operators for the remaining term of such agreements.

2.1.4.3 If however, the MoCA and / or the Implementing Agency is required to immediately withdraw the Scheme and / or suspend or cancel agreements entered into pursuant to the Scheme, in such an event, notwithstanding anything mentioned in this Scheme, the MoCA, the Implementing Agency, concerned State Governments, concerned airport / Water Aerodrome operators, or any other agency supporting any of these entities shall not be liable for any loss or damage suffered by the Selected Airline Operator, save and except for the obligation of the Implementing Agency to disburse the applicable VGF amount for RCS Flight operations already undertaken prior to withdrawal / discontinuation of the Scheme.

2.1.5 Tenure of VGF Support

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2.1.5.1 Subject to Section 2.1.4.2 above, VGF will be provided for RCS Flights for a period of three (3) years from the date of commencement of RCS Flight operations on any RCS Route under a Selected Airline Operator Agreement (Tenure of VGF Support). Accordingly, proposals for provision of VGF under the Scheme will be considered until the end of 7 years from the date of notification of this Scheme such that financial support as mentioned in Section 2.1.2 is available for the Tenure of VGF Support to all Selected Airline Operators.

2.1.5.2 Even if during such period of three (3) years, an RCS Route ceases to satisfy any of the conditions for an RCS Route as specified under this Scheme, payment of VGF, exclusivity of operations and other concessions, as mentioned in Section 2.1.2.2, Section 2.1.2.3 and Section 2.1.2.5 respectively, to the Selected Airline Operator under an existing agreement shall continue to be provided till the expiry of such period of three (3) years. Subsequent to the completion of such period of three (3) years, such benefits to the Selected Airline Operator shall be discontinued.

2.1.5.3 If subsequent to the completion of such period of three (3) years, the route ceases to have any scheduled commercial flights of fixed wing aircraft or commercial flights of seaplanes, as the case maybe, further provision of VGF on such route shall be considered pursuant to provisions of this Scheme after a period of one (1) year from the date the route ceases to have such operations, i.e., the date of the last scheduled commercial flight for fixed-wing aircraft / seaplane operation, as the case maybe. For avoidance of doubt, such period of one year as mentioned above shall be applicable even for an RCS Route where the Selected Airline Operator had quoted a zero (0) VGF at the time of bidding.

2.1.6 Inclusion of certain specific tourism routes under the Scheme

2.1.6.1 The Ministry of Tourism, Government of India intends to enhance point-to-point air connectivity of tourism destinations in the country. Accordingly, the Ministry of Tourism has identified certain routes to incentivize airlines to commence operations on such routes, as listed in Annexure 6A and Annexure 6B.

2.1.6.2 Given that RCS aims to promote growth of air connectivity within the country, such routes shall be governed under the Scheme.

2.1.7 Inclusion of certain specific North East Region (NER) Routes under the Scheme

2.1.7.1 Certain routes in the North East Region of the country are currently operated under an arrangement with the Ministry of Development of North Eastern Region and Ministry of Civil Aviation, as listed in Annexure 7. The said arrangement for such routes is set to expire on 31st March 2019.

2.1.7.2 Given that RCS aims to promote growth of air connectivity within the country and to ensure continuity of operations, such routes shall be governed under the Scheme.

2.2 Airports / Water Aerodromes to be covered under the Scheme

2.2.1 The Scheme will be applicable with respect to RCS Airports / RCS Water Aerodromes.

2.2.2 The list of RCS Airports / RCS Water Aerodromes as finalized in consultation with the State Governments, will be published for information of stakeholders from time to time.

2.2.2.1 Additionally, certain airports which were awarded to Selected Airline Operators (SAO) through the first round of bidding under UDAN, but have witnessed unreliable or no operations will also be included for bidding under this Scheme. Such airports along with their status are presented as part of Annexure 1A and 1B.

FINAL

2.2.3 In case any airline operator wishes to connect an airport / Water Aerodrome that is not an RCS Airport / RCS Water Aerodrome, it may approach the Implementing Agency and submit an expression of interest based on which the Implementing Agency will coordinate with the concerned agencies for extending the relevant concessions specified under the Scheme. In case any such airport is a defence airport, approval from the Ministry of Defence, Government of India will need to be obtained for permitting joint use / civil operations under the Scheme.

2.2.4 In case any rehabilitation / upgradation of infrastructure is required at airports / Water Aerodromes to make them operational / suitable for proposed RCS Flight operations, the same can be undertaken by AAI upon payment of appropriate costs of such rehabilitation / upgradation works from respective State Government/airport/Water Aerodrome operator. In such cases, the ownership and operatorship of such airport(s) / Water Aerodrome(s) will continue with the State Government / existing airport / Water Aerodrome operator. Such airports / Water Aerodromes shall be operationalized subject to extant laws and after obtaining any No Objection Certificate, if required, from existing airport operators pursuant to existing contracts awarded by Central Government / State Government / PSUs or any other stipulations in this regard.

2.2.5 An indicative list of Underserved Airports and Unserved Airports in India is placed at Annexure – 1A and Annexure – 1B respectively. An indicative list of Water Aerodromes in India is provided at Annexure – 1C.

2.3 Airfare Caps

2.3.1 In line with NCAP 2016, Airfare Caps will be applicable for operations under the Scheme.

2.3.2 Airfare for all passenger seats on an RCS Flight will not be subject to any levies or charges imposed by the airport / Water Aerodrome operators (whether under the ownership of the AAI, State Governments, private entities or the Ministry of Defence, Government of India) including charges such as PSF, DF and UDF.

2.3.3 The Airfare Caps specified for various stage lengths in this Scheme, as may be indexed pursuant to provisions herein, would be considered inclusive of applicable GST, provided that the GST component on airfares of RCS Seats sold in a RCS Flight will be reimbursed to the Selected Airline Operator at actuals from the RCF, upon submission of appropriate evidence of payment of such GST.

2.3.4 Considering that operating costs for a flight vary with stage length, Airfare Caps have been specified for various stage lengths for fixed wing aircraft (including seaplanes), and placed at Annexure-2 to this Scheme. As mentioned above, Airfare Caps specified for various stage lengths are inclusive of applicable GST.

2.3.5 MoCA recognizes that changes in ATF prices and inflation have a bearing on cost of operations of airlines and in a market-based pricing scenario airlines can vary airfares in response to changes in these parameters. In the context of RCS and specification of Airfare Cap, it was considered important to the operation of RCS that changes to Airfare Caps as well as Maximum Airfare in future are also specified. Given the volatility in ATF prices, linking the Airfare Cap and Maximum Airfare to changes in ATF prices could introduce volatility in fares for RCS Seats potentially impacting the primary objective of the RCS to make regional air connectivity more affordable. Accordingly, as provided for in NCAP 2016, Airfare Cap(s) and Maximum Airfare(s) have been specified in terms of indexation only to inflation, i.e., Consumer Price Index – Industrial Workers (CPI-IW), such indexation to be reviewed on a quarterly basis.

2.3.6 MoCA also recognizes that airlines will need advance notice for effecting changes in their systems for revision in fares and has considered a one (1) month notice period for

FINAL

revision of Airfare Caps and Maximum Airfare(s) approved under the Scheme. The Airfare Caps and Maximum Airfare(s) applicable for a Financial Quarter will be published by the Implementing Agency one (1) month in advance (i.e. on 01st March for the Financial Quarter starting 1st April).

2.3.7 It may be noted that currently CPI-IW data is released by the Government of India with a lag of one (1) month (e.g. CPI-IW for the month of October is released on 30th November), it being recognized that such lag period may vary over time. Considering the notice period of one (1) month mentioned above and lag of 1 month in publishing of CPI-IW data currently, it may be noted that the three (3) month period for which CPI-IW data will be considered for review of indexation will not correspond to the three (3) months of that Financial Quarter. However, on account of the review being undertaken every quarter, CPI-IW data for almost all months will eventually get considered. Such revision will be applicable prospectively and no adjustments will be made for the past period.

To illustrate, Airfare Cap for the Financial Quarter from 1st April to 30th June will be announced on 1st March. CPI-IW data to be considered for reviewing indexation of Airfare Cap will be the CPI-IW data for the months of November, December and January.

2.3.8 Indexation of Airfare Cap(s) and Maximum Airfare(s) will be based on the formula provided at Annexure – 4: Airfare Cap Indexation Formula.

2.3.9 Airfare Cap(s) and Maximum Airfare(s) shall not include charges for optional/unbundled services as listed by DGCA[2] from time to time.

2.4 Aircraft Categories

2.4.1 Different fixed wing aircraft (including seaplanes), based on their seating capacity, have been classified into the following four (4) categories for the purpose of this Scheme,

S.No.	Category	Passenger Seating Capacity
1.	Category-1A	<9
2.	Category-1	9 – 20
3.	Category-2	21 – 80
4.	Category-3	> 80

2.5 VGF Cap

2.5.1 The MoCA acknowledges that different / same aircraft operated by different operators for the same stage lengths can have different cost of operations on account of differences in inherent economics of aircraft types for stage lengths, cost of operations specific to operators in terms of various business parameters such as business models, fleet utilization, scale of operations, etc. Specification of (normative) VGF Caps upfront has therefore been considered important to ensure transparent operation of a market based mechanism under this Scheme rather than through determination subsequent to receipt of varied proposals.

2.5.2 Specifying VGF Caps that satisfy all players would inevitably end up being high and therefore uneconomical from the perspective of Scheme outcome. Accordingly, VGF Caps have been specified with reference to a broad representative data set / typical cost of operations and estimated revenue potential for operations on a typical RCS Route for a particular stage length.

2.5.3 VGF to be provided for each RCS Seat under the Scheme will be capped for different stage lengths for fixed wing aircraft (including seaplanes).

[2] http://dgca.nic.in/circular/ATC2_2015.pdf

FINAL

2.5.4 The applicable VGF caps for operations through Category-1A, Category-1, Category-2 and Category-3 fixed wing aircraft for a particular stage length ("**VGF Cap**") have been specified at Annexure - 3 to this Scheme. As mentioned in Section 1.4.1.16d), for operations through a Category-1 and Category-1A fixed wing aircraft (including seaplanes), the stage length for an RCS Route shall be limited to 500 km.

2.5.5 Airline operators must refer to VGF Cap(s) before submitting proposals, as support requirement in excess of such cap for a particular stage length will not be considered under the Scheme. Any proposal not complying with this aspect will be disqualified.

2.5.6 As mentioned earlier, VGF is proposed to be provided for a limited period to facilitate / stimulate regional air connectivity to un-served / under-served areas such that the connectivity established is not dependent on VGF in perpetuity.

2.5.7 It is expected that competition between players and differences in expectations on business parameters like airfares on Non-RCS Seats, load factors, etc. could lead to variations in proposals by different players. While, it is the intent and focus of the Scheme that operation of a market based mechanism facilitates discovery of the optimum VGF requirements within specified VGF Caps, MoCA recognizes that in certain cases it is possible that a market based discovery of optimum VGF requirements may not happen due to lack of competition / uncertainty in market conditions and ex-post, the specified (normative) VGF Caps may end up seeming to be higher than the actual VGF requirement in future on account of factors like higher airfares for Non-RCS Seats, higher load factors etc. Given that the focus of the Scheme is to provide air connectivity where it does not exist, the quantum or probability of such eventualities / outcomes in future cannot be ascertained by MoCA and potentially even the market ex-ante on account of the multiplicity of unascertainable factors. Further, the Scheme is premised on and continuing to encourage an open market mechanism where operators will be assessing demand on routes, developing networks through deployment of appropriate capacities & technologies, and take risks on account of factors like marketing of capacities, realizable demand, effect of ATF prices on costs / fares for Non-RCS Seats, etc. Accordingly, in consultation with stakeholders, MoCA recognizes that the risks retained with the operators have to be seen in their entirety.

2.5.8 MoCA also recognizes that Selected Airline Operators may sometimes choose to sell tickets for Non-RCS Seats at prices below the Airfare Caps applicable for RCS Seats on account of a number of business considerations like marketing / promotion of a route, responding to demand in certain lean periods of the year, as a strategy to recover a small proportion of fixed costs (as opposed to operating idle capacity), etc. Provision of VGF may facilitate / promote such outturns, and in such a scenario, the VGF amount for specified number of RCS Seats shall be deemed to have been applied or distributed over all such passenger seats (including non-RCS Seats) for which airfares were at or below the Airfare Caps.

2.5.9 Moreover, as per NCAP 2016 and considering various factors that impact the cost of operations of an airline, the VGF Caps as well as approved VGF amounts payable to the Selected Airline Operator(s), determined for specific stage lengths / RCS Routes will be indexed to inflation, ATF prices and exchange rate of INR vis-à-vis United States Dollar to offset changes in uncontrollable cost of operations of players in future. Such revision will be applicable prospectively and no adjustments will be made for the past period.

2.5.10 The indexation of VGF to inflation, ATF prices and exchange rate of INR vis-à-vis United States Dollar will be based on the formula specified in Annexure – 5: VGF Cap Indexation Formula and determined for every Financial Quarter. The proportions in the formula have been determined with reference to a broad representative data set / typical cost of operations for airline operators.

FINAL

2.5.11 The VGF Caps specified for various stage lengths in this Scheme as well as approved VGF amounts payable to the Selected Airline Operator(s), as may be indexed pursuant to provisions herein, would be considered inclusive of applicable GST, provided that the GST component on VGF amounts paid to the Selected Airline Operator, if any, will be reimbursed to the Selected Airline Operator at actuals from the RCF, upon submission of appropriate evidence of payment of such GST[3].

2.6 RCF Allocation

2.6.1 Regions-wise allocation of RCF

2.6.1.1 It is proposed that RCF allocation to regions will be made in a manner that promotes balanced growth / regional connectivity in different parts of the country in line with the objective and provisions of NCAP 2016.

2.6.1.2 Accordingly, to have an equitable distribution of RCF and enhanced air connectivity across the country, the country will be divided into five (5) regions based on Flight Information Regions (Regions) as currently defined by the DGCA.

2.6.1.3 From the date of notification of the Scheme, proposals in a particular Region can be approved such that up to 30% of the estimated annual inflows in the RCF can be committed to such proposals. MoCA may consider revising such limit from time to time as may be required.

2.6.1.4 Where a particular RCS Route connects airports / Water Aerodromes in two (2) different Regions, the VGF for such RCS Route will be divided equally between the two (2) Regions for the purpose of the above determination.

2.6.2 RCF Allocation for Underserved Airports

2.6.2.1 To promote connectivity to Unserved Airports, proposals connecting Underserved Airports will be approved such that only up to 30% of the estimated annual inflows in the RCF can be committed to such proposals. For the purpose of the above determination, a proposal for an RCS Route connecting an Unserved Airport or a Water Aerodrome to an Underserved Airport shall be considered as a proposal connecting Unserved Airports, and a proposal for an RCS Route connecting an Underserved Airport to another Underserved Airport or any other airport, which is not an Unserved Airport or a Water Aerodrome, shall be considered as a proposal connecting Underserved Airports.

2.6.2.2 MoCA may consider revising such limit from time to time as may be required based on the assessment undertaken by MoCA / Implementing Agency.

2.6.3 RCF Allocation Cap for Airline operators

2.6.3.1 To limit large systemic exposure to any single airline operator, the total VGF approved for a particular airline operator under the Scheme will be capped to an annual limit.

2.6.3.2 Accordingly, the total VGF approved for a particular airline operator under the Scheme will be capped to an annual limit corresponding to 30% of the estimated annual inflows in the RCF, provided further that the VGF approved to such airline operator in any given Region does not exceed 50% of the allocation cap for such Region (refer Section 2.6.1.3 above). MoCA may consider revising such limit from time to time as may be required based on the assessment undertaken by MoCA / Implementing Agency.

[3] The airlines may have reference to the latest version of Notification No. 12/2017- Central Tax (Rate) dated 28th June 2017 for applicability of GST on VGF

FINAL

2.7 ASKMs on RCS Flights

2.7.1 The Selected Airline Operators shall be permitted to set-off / trade their Available Seat Kilometers (ASKMs) generated on Non-RCS Seats under RDG guidelines as per the existing DGCA rules. For avoidance of doubt, Available Seat Kilometers (ASKMs) generated on RCS Seats will not be allowed for set-off / trading under RDG guidelines.

2.8 Exclusivity of operations

2.8.1 As mentioned earlier, sustainability of operations is one of the key guiding principles for RCS. The MoCA recognizes that traffic demand on RCS Route(s) will be uncertain, and with most of such routes being untested/non-operational, the market risk for Selected Airline Operator(s) could be significant. Such market risk would tend to be accentuated on account of possible competition from other airline operators – especially in the early stages of route development. Such competition in the early stages of development of such routes, especially given the demand uncertainty, could ultimately impact achievement of Scheme objectives.

2.8.2 Accordingly, to encourage development of such routes by airline operators, Selected Airline Operators shall, subject to Section 3.13, be granted exclusivity for operating air transport services / flights on an RCS Route (hereinafter referred to as "**Exclusivity Period**") under the Scheme. Such Exclusivity Period shall commence from the date of the Letter of Intent and end on the earliest to occur of: (a) the expiry or lapse of the time period (including any extension thereof) specified in the Letter of Intent for execution of the Selected Airline Operator Agreement and such agreement not having been executed by the Selected Airline Operator within the specified or extended period, (b) expiry of three (3) years from the date of commencement of RCS Flight operations on any RCS Route forming part of an Individual Route Proposal or a Network Proposal, and (c) termination of the relevant Selected Airline Operator Agreement.

Provided that such exclusivity shall not be available for air transport services / flights on Tourism Routes.

2.8.3 The exclusivity of operations shall be granted to a Selected Airline Operator only for the specific RCS Route as part of Individual Route Proposal or a Network Proposal for which the bidding has been undertaken and such operator has been identified as the Selected Airline Operator. For instance, if an airline operator has been designated as the Selected Airline Operator for an RCS Route connecting point A to point B and another RCS Route connecting point B to point C, the exclusivity of operations shall be granted to such Selected Airline Operator only on RCS Routes A-B and B-C and not for a direct (non-stop) route connecting point A to point C.

2.8.4 During such Exclusivity Period, if any other airline operator(s) intends to operate flights on an RCS Route forming part of Individual Route Proposal or a Network Proposal, it shall be required to obtain a No Objection Certificate (NOC) from the Selected Airline Operator,

Provided that, such NOC shall only be issued after a period of 180 days from the date of commencement of RCS Flight operations on any RCS Route by the Selected Airline Operator and shall be subject to no default in performance of obligations of the Selected Airline Operator subsisting under the respective Selected Airline Operator Agreement;

Provided further that such NOC shall only be valid as long as the Selected Airline Operator Agreement is valid and subsisting for such RCS Route. The Selected Airline Operator shall be required to incorporate such condition as part of the NOC being issued.

FINAL

Provided further that such airline operator(s), which have obtained a NOC from the Selected Airline Operator for an RCS Route, shall not be provided any benefits or concessions under the Scheme on such RCS Route.

2.8.5 Subsequent to completion of the Exclusivity Period, any airline operator may operate flights on that route subject to the prevailing applicable law, including but not limited to civil aviation rules and regulations.

2.9 Miscellaneous

2.9.1 MoCA has the authority to issue such directions from time to time, as may be necessary for smooth implementation of the Scheme.

2.9.2 The details of bidding process shall be notified by the Implementing Agency through Notice Inviting Proposal for Selection of Airline Operators under Regional Connectivity Scheme from time to time.

FINAL

3. Operating Mechanism of the Scheme

3.1 Introduction

3.1.1 The Scheme envisages a market based mechanism for selection of an airline operator to operate on an RCS Route or a network, wherein the Initial Proposal and counter proposal(s) will be evaluated as per the mechanism presented herein. Pursuant to such evaluation of proposals, a Selected Airline Operator will be identified and the Implementing Agency will enter into a three (3) year agreement with the Selected Airline Operator for operations on the RCS Route ("Selected Airline Operator Agreement").

3.2 Eligibility Criteria for Proposals

3.2.1 In order to be eligible for support under this Scheme:

3.2.1.1 A proposal shall either be for an individual RCS Route ("Individual Route Proposal") or for a set of connected routes ("Network Proposal");

3.2.1.2 Operations under the Scheme will be permitted through fixed wing aircraft (including seaplanes),

provided that operations through Category 1A aircraft (other than seaplanes) will be permitted only for Priority RCS Routes;

provided further that operations through seaplanes will be permitted only if there is at least one (1) Water Aerodrome as origin or destination for every route proposed in the Individual Route Proposal or Network Proposal.

3.2.1.3 Bidding under the Scheme shall be permitted only by the airline operators having:

a) A valid Scheduled Operator's Permit (SOP) or a Scheduled Commuter Operator (SCO) permit for scheduled air transport service (passenger) issued by the DGCA, or

b) A valid Non-Scheduled Operator's Permit for non-scheduled air transport service (passenger) or a valid Scheduled Regional Air Operator's Permit (passenger) issued by the DGCA, or

c) A valid air operator permit or equivalent permit issued by the competent civil aviation regulatory authority of any foreign country, or

d) Entities which do not have a valid AOP at the time of bidding under the Scheme, but which have applied for an initial No Objection Certificate (NOC) from MoCA, as per applicable regulations, for obtaining Air Operator Certificate (AOC) for Scheduled Operator Permit (SOP) or Scheduled Commuter Air Transport Services before the last date of Submission of Initial Proposals of the respective bidding cycle.

3.2.1.4 Entities who have been designated as Selected Airline Operators (SAO) and awarded RCS Routes by the Implementing Agency pursuant to bidding undertaken for Scheme Version 1.0, and have not completed their commitments under the Selected Airline Operator Agreements, as determined by the Implementing Agency, will not be eligible for the bidding.

3.2.1.5 In the event that any of the Applicant eligible under Section 3.2.1.3b), 3.2.1.3c), and 3.2.1.3d) above is identified as the Selected Airline Operator, such Applicant must obtain a valid AOC for Scheduled Operator Permit or Scheduled Commuter Air Transport Services from DGCA before commencement of operations under RCS. MoCA may examine, from time to time, the abovementioned eligibility

FINAL

conditions and may issue appropriate guidelines / directions/clarifications in this regard.

3.2.1.6 The Selected Airline Operator shall be obligated to commence RCS Flight operations on an RCS Route, as part of Individual Route Proposal or a Network Proposal within a period of 180 days from the issuance of Letter of Intent for such Individual Route Proposal or a Network Proposal unless any extension is granted by the Implementing Agency.

Provided that, RCS Flight operations on an RCS Route as part of Individual Route Proposal or a Network Proposal, as listed in Annexure 7, shall need to commence on 1st April 2019, unless any extension is granted by the Implementing Agency.

3.2.1.7 Failure by a Selected Airline Operator (SAO) to commence flights within six (6) months from the date of issuance of Letter of Intent (LOI) or any extension as granted by the Implementing Agency, would be an event of default which entitles the Implementing Agency to terminate the Selected Airline Operator Agreement (SAOA). In such an event, the Implementing Agency may consider identifying Selected Airline Operator(s) for such routes through a separate process, which shall be notified later by MoCA.

3.2.1.8 DGCA may also examine, from time to time, permitting operations under the Scheme using foreign registered aircraft and may issue appropriate guidelines / directions in this regard.

3.2.2 In the event that an RCS Route is proposed for bidding under the Scheme such that it satisfies the condition as provided in Section 1.4.1.16b) on the first day of a proposal window in which an application is made and subsequently at any stage during the bidding process, an airline / seaplane operator commences operation on such route without availing any support/concession under the Scheme, such route shall not be considered for award under the RCS.

3.3 Minimum Performance Specifications for an RCS Flight

3.3.1 Under the Scheme, a Selected Airline Operator will be required to meet the following Minimum Performance Specifications with respect to its RCS Flight operations.

3.3.1.1 For Category-1A aircraft (including seaplanes), a Selected Airline Operator shall be required to provide hundred percent (100%) of RCS Flight Capacity as RCS Seats such that the Selected Airline Operator provides at least twenty-seven (27) RCS Seats per week.

3.3.1.2 For Category 1, Category 2 and Category 3 fixed wing aircraft (including seaplanes), a Selected Airline Operator shall be required to provide fifty percent (50%) of RCS Flight Capacity as RCS Seats,

provided that where fifty percent (50%) of RCS Flight Capacity exceeds forty (40) passenger seats, the RCS Seats shall be capped at forty (40) passenger seats,

provided further that where fifty percent (50%) of RCS Flight Capacity is less than nine (9) passenger seats, the minimum number of RCS Seats shall not be less than nine (9). For avoidance of doubt, an airline operator can operate an RCS Flight with a fixed wing aircraft with 9 passenger seats only when all passenger seats of the aircraft are proposed as RCS Seats;

3.3.2 In addition to the above, a Selected Airline Operator will be required to meet the following Minimum Performance Specifications with respect to the number of RCS Flight operations per week.

FINAL

3.3.2.1 For Priority RCS Routes, the number of RCS Flights to be operated in a 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 Water Aerodrome such that the RCS Flights are operated on at least three (3) days of the week.

3.3.2.2 For RCS Routes other than Priority RCS Routes, the number of RCS Flights to be operated in a week with VGF shall be a minimum of three (3) and a maximum of seven (7) departures per week from the same RCS Airport / RCS Water Aerodrome such that the RCS Flights are operated on at least three (3) days of the week.

3.3.3 An Applicant may submit an Initial Proposal for either one-way connectivity (a route) or to-and-fro connectivity (two routes) between two airports / Water Aerodromes.

By way of an illustration, an RCS Flight operating from point A (say an RCS Airport) to point B and returning to point A (to and fro operation) shall be considered as one departure from an RCS Airport but two routes for the purpose of VGF provision such that for both the routes (i.e. from point A to point B and from point B to point A), the Selected Airline Operator shall be required to satisfy the conditions provided in Section 3.3.1 and be eligible for payment of corresponding VGF.

3.4 Submission of Initial Proposals

3.4.1 An airline / seaplane operator (hereinafter called an "Applicant") can submit proposals satisfying the eligibility conditions and minimum performance specifications provided in Section 3.2 and Section 3.3 respectively ("Initial Proposal") to the Implementing Agency in the form and manner specified in Section 3.6 hereto and would need to have reference to specified Airfare Caps and VGF Caps.

3.4.2 Upon notification of the Scheme by MoCA, prospective Applicant(s) can submit Initial Proposals as per the timelines indicated by the Implementing Agency from time to time.

3.4.3 Applicants are advised to undertake their own due diligence including assessment of pay load restrictions at various airports / Water Aerodromes, market assessment, investigations and analyses including the suitability of the airports / Water Aerodromes for RCS Flight operations being proposed by them and would bear full responsibility for the accuracy, adequacy, correctness, reliability and completeness of the assumptions, data & information considered by them. The MoCA, Implementing Agency, concerned State Governments, concerned airport / Water Aerodrome operators, or any other agency supporting any of these entities shall not bear any responsibility for any inaccuracy or lack of data / information for the proposed RCS Flight operations by the Applicants.

3.4.4 Applicants alone shall bear all costs associated with or relating to the preparation and submission of their proposals or any other costs incurred in connection with or relating to their proposals. All such costs and expenses will remain with the Applicants and the MoCA and/or the Implementing Agency or any other agency shall not be liable in any manner whatsoever to bear or reimburse any costs or other expenses incurred by the Applicants in preparation or submission of proposals, regardless of the conduct or outcome of the selection process specified under the Scheme.

3.4.5 Initial Proposals received till the respective specified deadlines shall be considered by the Implementing Agency for proceeding with further steps.

3.4.6 After receiving Initial Proposal(s), the Implementing Agency with reference to the mechanism specified in Section 3.8, shall release RCS Route(s) as part of Initial Proposals, and will invite counter proposals from other airline operators against such Initial Proposal(s) ("**Counter Proposals**") with reference to a prioritization framework specified in Section 3.17.

FINAL

3.5 Network Proposal

3.5.1 An Applicant may submit an Initial Proposal which is a Network Proposal wherein it proposes to connect a minimum of three (3) and up to a maximum of seven (7) distinct airports / Water Aerodromes in a single day, through a network, as part of the same proposal.

3.5.2 A Network Proposal shall have multiple routes and can be a combination of RCS Routes and Non-RCS Routes such that there are at least two RCS Routes connecting distinct set of airports / Water Aerodromes. Provided that, a Network Proposal proposed to be connected using Category 1A, except for Category 1A seaplanes, shall only be permitted if all RCS Routes as part of such Network Proposal are Priority RCS Routes.

By way of an illustration, a proposal with A-B-C and A-B-C-A routes where, A-B and B-C are two RCS Routes connecting distinct set of airports (A,B and C) and C-A is a Non-RCS Route, shall be considered as Network Proposals. However, a proposal with A-B-A-C routes where A-B and B-A are RCS Routes and A-C is a Non-RCS Route shall not be considered as a Network Proposal.

3.5.3 The Applicants shall be required to ensure that all RCS Routes in a Network Proposal are connected using the same aircraft type through the same number of flights per week.

3.5.4 In case of a Network Proposal, all benefits and conditions under the Scheme such as VGF support, exclusivity of operations, Airfare Cap etc. shall be applicable only on the RCS Routes forming part of the Network Proposal.

For further clarity, a Selected Airline Operator for a particular Network Proposal will not get any exclusivity of operations or VGF support or other benefits for the Non-RCS Route(s) proposed in its network and its operations on such Non-RCS Routes will not be subject to any Airfare Caps.

3.5.5 The Airfare Cap for every RCS Route in a Network Proposal shall be based on the respective stage length of such RCS Route and Airfare Caps specified under this Scheme. Further VGF per RCS Seat for each RCS Route in a Network Proposal shall be based on the respective stage length of such RCS Route & corresponding VGF Caps specified under this Scheme for a particular aircraft category and the VGF per RCS Seat bid / quoted by the Selected Airline Operator.

3.5.6 After receiving the Initial Proposal(s), the Implementing Agency with reference to the mechanism specified in Section 3.8, shall release RCS Route(s) to be connected as part of a Network Proposal, for inviting Counter Proposals.

3.6 Proposal submission requirements

3.6.1 As part of the proposal submission, an Applicant shall be required to submit information under following categories, as may be specified in detail from time to time:

3.6.1.1 Information about the Applicant

3.6.1.2 Technical Proposal

3.6.1.3 Financial Proposal

3.6.2 Applicant Information - An Applicant shall provide the following information:

3.6.2.1 Registered name of the Applicant

3.6.2.2 Name of the airline

FINAL

3.6.2.3 Date of incorporation

3.6.2.4 Certificate of incorporation

3.6.2.5 Copy of a valid Scheduled Operator's Permit or Scheduled Commuter Operator Permit or Non Scheduled Operator's Permit or Scheduled Regional Air Operator's Permit, as the case may be, issued by the DGCA or equivalent permit issued by the competent civil aviation regulatory authority of any foreign country or a copy of initial No Objection Certificate (NOC) from MoCA for obtaining Air Operator Certificate (AOC) for Scheduled Operator Permit (SOP) or Scheduled Commuter Air Transport Services.

3.6.3 **Technical Proposal** - As part of the technical proposal, an Applicant shall submit the following information about a proposed RCS Route:

3.6.3.1 Proposal Security as indicated by the Implementing Agency from time to time

3.6.3.2 Proposed RCS Route on which the Applicant would want to operate i.e. the origin and destination airports / Water Aerodrome proposed to be connected through the RCS Route.

3.6.3.3 Proposed aircraft / seaplane category to be deployed on the RCS route

3.6.3.4 Seating capacity of the proposed aircraft/ seaplane

3.6.3.5 RCS Flight Capacity proposed to be deployed on the RCS Route with breakdown of number of RCS Seats per RCS Flight and number of Non-RCS Seats per RCS Flight

3.6.3.6 Number of RCS Flights per week.

3.6.4 The stage length for a particular RCS Route shall be based on the determination undertaken by the Airports Authority of India.

3.6.5 In case of a Network Proposal, the Applicant shall submit the above information for each of the proposed RCS Routes in the Network Proposal along with the proposed network path.

Additional information requirement for Initial Proposals with no VGF requirement

3.6.6 In the event that an Applicant does not require any VGF support under the Scheme for undertaking RCS Flight operations as part of its Individual Route Proposal or Network Proposal (i.e. for all RCS Routes proposed under the network), such an Applicant will be required to mention the same as part of its Technical Proposal.

For avoidance of doubt, the Technical Proposal as part of an Initial Proposal would otherwise not be required to share any details on the VGF amount requested (which is to be submitted as part of the Financial Proposal). Only in cases where there is no VGF requirement, the same should be mentioned as part of the Technical Proposal by the Applicant.

Financial Proposal Information

3.6.7 As part of the Financial Proposal when VGF is sought, the Applicant shall submit the following information.

3.6.7.1 VGF per RCS Seat sought under the Scheme for RCS Flight;

3.6.7.2 All-inclusive maximum airfare pursuant to Section 2.3.5 for an RCS Seat that the operator, if selected under RCS, will charge for RCS Seats on an RCS Flight ("Maximum Airfare").

FINAL

3.6.8 As part of the Financial Proposal when no VGF is sought, the Applicant shall submit the following information.

3.6.8.1 All-inclusive maximum airfare pursuant to Section 2.3.5 for an RCS Seat that the operator, if selected under RCS, will charge for RCS Seats on an RCS Flight ("Maximum Airfare");

such that in 3.6.7 and 3.6.8, the VGF per RCS Seat or maximum airfare proposed by an Applicant is not more than the VGF Cap and the Airfare Cap respectively, as indicated in the Scheme for the applicable stage length of the proposed RCS Route.

3.6.9 In case of a Network Proposal, the Applicant shall submit the above information for each of the proposed RCS Route(s) in the Network Proposal.

3.7 Identification of RCS Routes as part of Initial Proposal(s)

3.7.1 The Implementing Agency shall acknowledge or cause to acknowledge the receipt of Initial Proposal(s) after the deadline for submission of Initial Proposal(s).

3.7.2 The Implementing Agency shall identify the RCS Routes proposed as part of an Individual Route Proposal or a Network Proposal. The technical details of the Individual Route Proposal or the Network Proposal such as name of applicant, aircraft type, RCS Flight Capacity, etc. shall not be opened at this stage.

3.7.3 The Implementing Agency shall finalise and declare the list of RCS Route(s) as part of Individual Route Proposal(s) or Network Proposal(s) against which Counter Proposals shall be invited. Such assessment shall be based on various parameters such as the availability of funds, readiness of the airport, priority of routes etc. Decision of the Implementing Agency in this regard shall be final and binding on all parties. At the time of inviting Counter Proposals, the Implementing Agency shall consider an airport / Water Aerodrome proposed as part of Initial Proposal as RCS Airport / RCS Water Aerodrome even if the respective State Government has not extended the concessions required under the Scheme, provided such airport / Water Aerodrome satisfies all other requirements under the Scheme to be qualified as a RCS Airport / RCS Water Aerodrome. Based on the Initial Proposal, MoCA shall approach the respective State Government for providing benefits/concessions specified under the Scheme. In the event that the respective State Government does not notify the benefits/concessions specified under the Scheme, the proposed RCS Route shall not be considered for further stages of bidding process.

3.8 Selection of proposals for counter bidding

3.8.1 Individual Route Proposals

3.8.1.1 All Individual Route Proposals, identified in Section 3.7, shall be put up for inviting Counter Proposals along with the details mentioned in Section 3.8.3 below.

3.8.2 Network Proposals

3.8.2.1 MoCA notes that there can be instances, where in a particular bidding cycle, the Initial Proposals pertaining to Network Proposals are received such that:

a) Only one Network Proposal is received for a particular set and sequence of RCS Routes such that there is no overlap of any of the RCS Routes with any other Initial Proposal.

b) More than one Network Proposals are received having exactly the same set and sequence of RCS Routes in their networks and there is no partial overlap of RCS Routes with any other Initial Proposal. Such Network Proposals shall

FINAL

be considered identical ("Identical Networks") and such set and sequence of RCS Routes shall be bid out as one network.

c) More than one Network Proposals are received which have one or more but not all common RCS Route(s). Such Network proposals shall be considered non-identical ("Non-Identical Networks") and all such networks shall be bid out as separate proposals.

3.8.2.2 As mentioned in Section 3.5, a Network Proposal may be a combination of both RCS Routes as well as Non-RCS Routes. For the purpose of inviting Counter Proposals, the Implementing Agency shall only consider the RCS Routes proposed to be connected as part of the network and their proposed sequence / network path. The Non-RCS Route(s) in a Network Proposal shall not be considered by the Implementing Agency for the purpose of bidding. A Counter Proposal to such Network Proposal shall have the same RCS Routes for its network as are there in the Initial Proposal and published by the Implementing Agency. However, there shall be no restriction on the Non-RCS Routes as part of such Counter Proposal.

By way of an illustration, for a network proposed as A-B-C-D-E (where A,B,C,D and E are airports), having B-C and C-D as Non-RCS Routes and A-B and D-E as RCS Routes, the Implementing Agency will consider the RCS Routes A-B and D-E for the purpose of inviting Counter Proposals and publish the same. The counter-bids to such Network Proposal shall have only A-B and D-E as RCS Routes in the network, but will be allowed to have any set and sequence of Non-RCS Routes. For instance, a bidder can submit a Counter Proposal as a network of A-B-F-G-D-E, where B-F, F-G and G-D are Non-RCS Routes. Provided that, once A-B-F-G-D-E is proposed as the network, the conditions of aircraft type and number of RCS Flights per week as provided in Section 3.5 shall apply only to the RCS Routes i.e. (A-B & D-E).

3.8.3 In publishing the list of Individual Route Proposals / Network Proposals for which Counter Proposals would be invited, the Implementing Agency will publish details such as the following:

Sl. No.	**Individual Route / Network**	**Details**	**VGF Requested**	**Applicable Airfare Caps**	**Applicable VGF Caps**	**Stage length** *(in km) of flying path declared by AAI.*
1	*Individual Route*	*RCS Route A - B*	*Yes / No*			
2	*Network*	*RCS Routes in the following sequence A – B, C – D and so on..*	*Yes / No*			
…	….	…	…			

3.9 Invitation of Counter Proposals

3.9.1 The procedure defined in Section 3.8, shall be followed for selecting Initial Proposals for inviting Counter Proposals. No changes shall be proposed to the routes offered as part of the Initial Proposal.

FINAL

3.9.2 From the date of release of invitation for Counter Proposals, the Implementing Agency will provide a defined period (to be specified separately) to all other interested airline operators to submit Counter Proposals against an Initial Proposal provided that after receiving Initial Proposal(s), the Implementing Agency may, for administrative exigencies, provide a separate schedule for invitation of Counter Proposals.

3.9.3 All Counter Proposals shall include information as required under Section 3.6 and shall be subject to the Minimum Performance Specifications as specified in Section 3.3.

3.9.4 VGF Cap and Airfare Cap to be considered for submission of Counter Proposals should be the same as that applicable during the Financial Quarter in which the Initial Proposal was submitted.

3.9.5 For inviting Counter Proposals against a Network Proposal received as an Initial Proposal, the Implementing Agency shall only release the set and sequence of RCS Routes proposed as part of the Initial Proposal, as mentioned in Section 3.8.3 and Applicants shall be required to submit their Counter Proposals for such network of RCS Routes subject to the following conditions:

3.9.5.1 Any Counter Proposal (Network Proposal) shall not be allowed to add/ delete/ propose any new RCS Route(s) other than the RCS Route(s) proposed as part of the Initial Proposal and released by the Implementing Agency;

3.9.5.2 Any Counter Proposal (Network Proposal) must connect exactly the same set of RCS Routes in the same sequence proposed as part of the Initial Proposal and released by the Implementing Agency and shall satisfy conditions mentioned under Section 3.5.

3.10 Evaluation of proposals and Applicant selection

3.10.1 After the receipt of Counter Proposal(s) against the Initial Proposals, the Implementing Agency shall undertake assessment of information mentioned under Section 3.6.2 and Section 3.6.3 in terms of compliance with Section 3.2 and Section 3.3 and other conditions specified herein for both Initial Proposals as well as Counter Proposals and advise the Applicant(s) whether the proposal is complete or incomplete. The Financial Proposals as part of the Initial Proposal(s) or the Counter Proposal(s) shall not be opened at this stage. For the purpose of smooth implementation of the Scheme, the Implementing Agency may from time to time, issue such directions as may be necessary in consultation with MoCA.

3.10.2 In an event the information provided by the Applicant(s) is incomplete, the Implementing Agency may seek clarifications from the Applicant(s) indicating the incorrect / missing information. In an event any of the Initial Proposal is found to be invalid at this stage, the Implementing Agency shall not consider such Initial Proposal as well as Counter Proposal(s), if any, against such Initial Proposal for further stages of bidding process. The decision of the Implementing Agency in this regard shall be final and binding on all parties.

3.10.3 In the event that there is no Counter Proposal against a valid Initial Proposal, the Implementing Agency shall open the Financial Proposal submitted as part of the Initial Proposal.

3.10.3.1 In such an event, if the Financial Proposal of an Applicant satisfies the conditions as specified in Section 3.6.7 and Section 3.6.8, the Applicant who has submitted the Initial Proposal shall be identified as the “Selected Airline Operator”. In case of more than one Initial Proposal for the same RCS Route, the procedure specified in Section 3.11 shall be followed to evaluate such Initial Proposals.

FINAL

3.10.3.2 In case of a Network Proposal, the conditions as specified in Section 3.5.5 shall need to be satisfied for each of the RCS Routes in the Network.

3.10.4 In the event, the Implementing Agency receives one or more than one Counter Proposals against an Initial Proposal, the Implementing Agency shall, for all eligible Counter Proposals and the corresponding Initial Proposal, undertake opening of the Financial Proposal at a pre-specified date in the presence of Applicants who choose to be present, and for all Financial Proposal(s) that satisfy the conditions as specified in Section 3.6.7, Section 3.6.8 or Section 3.5.5 as may be applicable, the preferred applicant shall be determined based on the mechanism specified in Section 3.11 and Section 3.12.

3.11 Evaluation of Financial Proposal for an Individual Route Proposal

3.11.1 For Initial Proposals where the Applicant(s) have not requested any VGF as part of the bid, the evaluation of a Counter Proposal vis-à-vis the Initial Proposal shall be done on the basis of number of RCS Seats per week quoted by the Applicants. The Applicant quoting the maximum number of RCS Seats per week shall be declared as the "Preferred Individual Route Applicant".

3.11.1.1 In the event that two or more Applicants are determined as the Preferred Individual Route Applicants, (the "**Tied Preferred Route Applicants**"), the evaluation of Tied Preferred Route Applicants shall be done on the basis of lowest Maximum Airfare for each RCS Seat to be quoted by the Applicants. The Applicant quoting the lowest Maximum Airfare for each RCS Seat shall be declared as the "Preferred Individual Route Applicant".

3.11.1.2 In the event that such Tied Preferred Route Applicants have quoted the same Maximum Airfare, the Implementing Agency shall specify a separate procedure for breaking the tie at that stage.

3.11.2 For Initial Proposals, where the Applicant(s) have requested VGF, the evaluation will be done on the basis of VGF per RCS Seat ("hereinafter referred to as Bidding Parameter") such that the Applicant who has quoted the lowest VGF per RCS Seat for the proposed RCS Route shall be selected as the "Preferred Individual Route Applicant" for such RCS Route.

3.11.2.1 In the event that two or more Applicants are determined as the Preferred Individual Route Applicants, (the "**Tied Preferred Route Applicants**"), identification of the Preferred Individual Route Applicant will be as per the process mentioned in Section 3.11.1.1.

3.11.3 The Applicant submitting the Initial Proposal for a particular RCS Route shall have the option of Right to Match as per Section 3.14. Provided that in the event of Tied Preferred Route Applicants as explained above, the Applicant who has submitted the Initial Proposal for a particular RCS Route shall be given the Right to Match option through participation in the tie breaker process if its proposal is within a range of 10% of the financial proposal submitted by such Tied Preferred Route Applicants. During the tie-breaker process, the Applicant which submits the best proposal at end of the process, shall be identified as the Preferred Individual Route Applicant. For avoidance of doubt, in the event of Tied Preferred Route Applicants, no further RTM Option shall be available to the Applicant who has submitted the Initial Proposal for a particular RCS Route after the commencement of tie breaker process.

3.12 Evaluation of Financial Proposals for a Network Proposals

FINAL

3.12.1 For Initial Proposals pertaining to Network Proposals where the Applicant(s) (or at least one of the Applicant in case of Identical Networks) have not requested any VGF as part of the bid, the evaluation of a Counter Proposal vis-à-vis the Initial Proposal shall be done using the process specified in Section 3.11.1 above based on the total number of RCS Seats per week across all RCS Routes in the network or the lowest total of Maximum Airfares for all RCS Routes as quoted by the Applicant, as the case may be. The identified preferred applicant based on such process shall be declared as the "Preferred Network Applicant".

3.12.2 For Initial Proposals pertaining to Network Proposals satisfying the conditions given in Section 3.8.2.1a) and Section 3.8.2.1b), where the Applicant(s) have requested VGF, the evaluation of Counter Proposal(s) vis-à-vis the initial Network Proposal shall be done on the basis of total of VGF per RCS Seat for all RCS Routes proposed in the network such that the Applicant who has quoted the lowest total of VGF per RCS Seat for all RCS Routes proposed in the network shall be selected as the "Preferred Network Applicant" for such Network Proposal.

3.12.2.1 In the event that two or more Applicants are determined as the Preferred Network Applicants, (the "**Tied Preferred Network Applicants**"), identification of the Preferred Network Applicant will be as per the process mentioned in Section 3.11.1.1.

3.12.2.2 The Applicant submitting the Initial Proposal pertaining to such Network Proposal will have the option of Right to Match as per Section 3.14. Provided that in the event of Tied Preferred Network Applicants as explained above, the Applicant who has submitted the Initial Proposal pertaining to such Network Proposal shall be given the Right to Match option through participation in the tie breaker process if its proposal is within a range of 10% of the financial proposal submitted by such Tied Preferred Network Applicants. During the tie-breaker process, the Applicant which submits the best proposal at end of the process, shall be identified as the Preferred Network Applicant. For avoidance of doubt, in the event of Tied Preferred Network Applicants, no further RTM Option shall be available to the Applicant who has submitted the Initial Proposal pertaining to such Network Proposal after the commencement of tie breaker process.

3.12.3 The total of VGF per RCS Seat for all RCS Routes proposed in the network for an Applicant shall be calculated as:

$$\sum_{i=1}^{m} V_i$$

Where:

m is the number of RCS Routes in the Network Proposal of the Applicant

V_i is the VGF per RCS Seat quoted by the Applicant for RCS Route i

3.13 Evaluation of Financial Proposals for Simultaneous Proposals

3.13.1 In case of Initial Proposals which are Non-Identical Proposals as defined in Section 3.8.2.1c) or where an RCS Route proposed as part of an Individual Route Proposal is common with an RCS Route proposed as part of a Network Proposal (such proposals being hereafter referred as "Simultaneous Proposals"), the evaluation of financial proposals shall be undertaken in the manner as specified below.

3.13.2 The Implementing Agency shall evaluate respective Counter Proposals vis-à-vis the Initial Proposals for such Simultaneous Proposals as per the process specified in

FINAL

Section 3.11 and Section 3.12 above and shall identify Preferred Individual Route Applicant and Preferred Network Applicant for such Simultaneous Proposals, as the case may be.

3.13.3 Subsequent to the identification of the Preferred Individual Route Applicant (if any) and Preferred Network Applicant(s), their respective proposals shall be compared to identify the Applicant(s) with lowest VGF per RCS Seat for such common RCS Route(s).

3.13.4 In the event that a Preferred Individual Route Applicant (if any) has submitted the lowest VGF per RCS Seat for a common RCS Route, all other identified Preferred Network Applicant(s) shall be provided the opportunity to match the lowest VGF per RCS Seat for such common RCS Route.

3.13.5 However, in the event that a Preferred Network Applicant has submitted the lowest VGF per RCS Seat for a common RCS Route, only the other identified Preferred Network Applicant(s) shall be provided the opportunity to match the lowest VGF per RCS Seat for such common RCS Route. In such an event, if there is a Preferred Individual Route Applicant for such common RCS Route, its proposal shall not be considered further for award.

3.13.6 In both the above scenarios, all Applicants who match the lowest VGF per RCS Seat shall be selected for operating such common RCS Routes(s) and shall be identified as the Selected Airline Operator for their respective Network Proposal(s) / Individual Route Proposal. Proposals of Applicants who decide not to match the VGF per RCS Seat for such common RCS Routes(s) shall not be considered further for award. For avoidance of doubt, all such Applicants who match the lowest VGF per Seat for such common RCS Route shall have the right to undertake operations on that common RCS Route and will be provided VGF on such common RCS Route.

By way of an illustration, say the Implementing Agency receives Initial Proposals (Simultaneous Proposals) for the following Individual Route Proposal / Network Proposals: A-B, A-B-C-D and A-B-E-F, where all the proposed routes are RCS Routes. The following steps will be undertaken by the Implementing Agency for evaluation of such proposals:

Step 1 – RCS Routes as part of all Initial Proposals shall be identified.

Step 2 - After identification of RCS Routes proposed under Initial Proposals, Counter Proposals shall be invited against the proposed Individual Route Proposal for A-B and Networks Proposals for A-B-C-D and A-B-E-F respectively.

Step 3 – All Initial Proposals and Counter Proposals shall be scrutinized as per the eligibility conditions and minimum performance specifications provided in Section 3.2 and Section 3.3 respectively. In an event any of the Initial Proposal is found to be invalid at this stage, the Implementing Agency shall drop such proposal from the prevailing bidding round under the Scheme and likewise, not consider the Counter Proposal(s) received against such an Initial Proposal.

Step 4 – On the basis of procedure mentioned in Section 3.11 and Section 3.12 above, the Preferred Individual Route Applicant for the route A-B and the Preferred Network Applicants for the networks A-B-C-D and A-B-E-F shall be selected. It is to be noted that while making this selection, the RTM Option as per Section 3.14 shall be provided to the bidders who have submitted respective Initial Proposals for A-B, A-B-C-D and A-B-E-F.

Step 4 - Subsequently, the Applicant with the lowest VGF per RCS Seat for the common RCS Route, i.e., A-B shall be identified.

Step 5 – Assuming the Preferred Individual Route Applicant (i.e. the Applicant with Individual Route Proposal for A-B) has quoted the lowest VGF per RCS Seat for A-B,

FINAL

the Preferred Network Applicants for the networks A-B-C-D and A-B-E-F shall be asked to match the VGF per Seat quoted by the Preferred Individual Route Applicant.

Step 6 – Assuming the Preferred Network Applicant for the network A-B-C-D decides to match the lowest VGF per RCS Seat for A-B and the Preferred Network Applicant for the network A-B-E-F decides not to match the lowest VGF per RCS Seat for A-B, the Preferred Individual Route Applicant and the Preferred Network Applicant for the network A-B-C-D shall be identified as the Selected Airline Operators for A-B and the network A-B-C-D respectively. The proposal for network A-B-E-F shall not be considered further.

In the above illustration, the Selected Airline Operator for the network A-B-C-D shall have the exclusivity of operations on the network A-B-C-D except for the RCS Route A-B for which the other Selected Airline Operator for the Individual Route Proposal shall also be permitted to operate.

In the above illustration, if say the Preferred Network Applicant for the networks A-B-C-D has quoted the lowest VGF per RCS Seat for A-B, only the Preferred Network Applicant for the networks A-B-E-F shall be asked to match the lowest VGF per Seat for A-B. The proposal submitted by the Preferred Individual Route Applicant shall not be considered further.

3.13.7 MoCA recognizes that such award of Simultaneous Proposals to more than one bidder will result in loss of exclusivity of operations on the common RCS Routes for an individual operator. However, the Selected Airline Operators will jointly have exclusivity of operations for a period of three (3) years in accordance with the Scheme vis-à-vis any other operator.

3.13.8 For the purposes of this Section 3.13.8, in the event an Applicant has submitted an Individual Route Proposal for an RCS Route with only a one-way connectivity proposed between two airports/Water Aerodromes and there is another Individual Route Proposal for the same RCS Route with a to-and-fro connectivity proposed between such airports/Water Aerodromes such that the two proposals are Simultaneous Proposals, for the purpose of evaluation, the Individual Route Proposal providing a to-and-fro connectivity shall be treated as a Network Proposal.

3.14 Right to Match

3.14.1 MoCA recognizes that given the present lack of adequate regional connectivity and uncertainty in market conditions, incentivizing operators to invest efforts & resources in exploring the market potential on various routes, undertaking associated due diligence and submitting Initial Proposals for RCS Routes may be necessary to encourage market participation. In this context, a Right to Match is proposed to be provided to the Applicant submitting an Initial Proposal if its proposal is within a certain range of the preferred proposal. Such a mechanism would continue to incentivise the operators to quote an optimal value even as part of their Initial Proposals since if their value is beyond the specified range of the preferred proposal, they will not be able to exercise such a right and not be able to derive benefits for their initial efforts.

3.14.2 The Applicant submitting an Initial Proposal shall be given a Right to Match (RTM) against the respective Preferred Individual Route Applicant or Preferred Network Applicant, as the case may be. In the event that the Applicant which submitted an Initial Proposal is not the Preferred Individual Route Applicant / Preferred Network Applicant, but whose financial proposal is within a range of 10% of the financial proposal submitted by such Preferred Individual Route Applicant or Preferred Network Applicant, as the case may be, the Applicant will have the option of matching such preferred applicant in terms of its financial proposal (RTM Option). If the Applicant exercises its

FINAL

RTM Option, it will be declared as the Preferred Individual Route Applicant / Preferred Network Applicant, as the case may be.

3.14.3 In the event that the Applicant that submitted the Initial Proposal does not exercise its RTM Option, the Preferred Individual Route Applicant / Preferred Network Applicant shall continue to be declared as the Preferred Individual Route Applicant / Preferred Network Applicant as the case may be.

3.14.4 In case of more than one Initial Proposal for the same RCS Route or a Network Proposal, the Applicant which has submitted the best financial proposal amongst such Initial Proposals and whose financial proposal is within a range of 10% of the financial proposal submitted by a preferred applicant will have the RTM Option. If such Applicant does not exercise its RTM Option, the Preferred Individual Route Applicant / Preferred Network Applicant shall continue to be declared as the Preferred Individual Route Applicant / Preferred Network Applicant as the case may be.

3.14.5 For Initial Proposals pertaining to an individual RCS Route or Network Proposals satisfying the conditions given in Section 3.8.2.1a) and Section 3.8.2.1b), the Preferred Individual Route Applicant / Preferred Network Applicant identified above shall be declared as the Selected Airline Operator.

3.14.6 In case of Simultaneous Proposals, subsequent to the identification of Preferred Individual Route Applicant / Preferred Network Applicant after the above mentioned process, the Selected Airline Operator shall be identified through the process specified in Sections 3.13.

3.14.7 After identification of a Selected Airline Operator for an RCS Route / Network Proposal, the Implementing Agency will aim to provide / publish details such as the following in respect of each identified Selected Airline Operator.

Sl. No.	Composition of Route / Network	Selected Operator	RCS Seats to be deployed per flight	RCS flights to be operated per week	Airfare Cap for RCS Seats
1					
2					
..					

3.15 Performance Guarantee

3.15.1 As mentioned earlier, the Selected Airline Operator will enter into a Selected Airline Operator Agreement with the Implementing Agency for operating RCS Flights under this Scheme, within a period of six months failing which, the Letter of Intent may be withdrawn by the Implementing Agency. The Selected Airline Operator shall be required to comply with all applicable regulations for such operations under this Scheme including of the DGCA.

3.15.2 At the time of signing the Selected Airline Operator Agreement, the Selected Airline Operator will be required to submit a Performance Guarantee to the Implementing Agency for an amount equivalent to five percent (5%) of the total VGF amount to be provided to such Selected Airline Operator in the first year of its operations, subject to a minimum of Rs. Five lakhs (Rs. 5,00,000/-) per RCS Route.

3.15.3 In addition to the above, in the event that an RCS Airport / RCS Water Aerodrome is non-operational and / or requires investment of INR 50 Crores or more for rehabilitation / upgradation of airport / Water Aerodrome infrastructure (airside or the terminal building) by the respective airport / Water Aerodrome owner/operator to make such RCS Airport / RCS Water Aerodrome operational / suitable for proposed RCS Flight operations through the aircraft proposed by the bidders, the Selected Airline Operator

FINAL

shall be required to submit an Additional Performance Guarantee for an amount of INR One Crore (INR 1,00,00,000/-) to the Implementing Agency as per timelines indicated by the Implementing Agency based on readiness of the airport failing which, the Selected Airline Operator Agreement may be terminated by the Implementing Agency.

Provided that the requirement to undertake rehabilitation / upgradation of the airport / Water Aerodrome infrastructure for the proposed RCS Flight operations shall be indicated by the DGCA as per its licensing requirements based on which, the Airports Authority of India shall be required to undertake an assessment of the likely investment required for such rehabilitation / upgradation. Any additional investment made by the airport / Water Aerodrome owner/operator beyond the investment required to make such airport / Water Aerodrome operational for the proposed RCS Flight operations shall not be considered while calculating the investment requirement of INR 50 crores for Additional Performance Guarantee.

3.15.4 In addition to the provisions mentioned under Section 3.18, the Performance Guarantee and the Additional Performance Guarantee, if any, will be dealt with by the Implementing Agency as follows:

3.15.4.1 Performance Guarantee submitted by the Selected Airline Operator shall be liable to encashment as per the terms and conditions of the Selected Airline Operator Agreement, if the Selected Airline Operator fails to:

a) Ensure integrity of the scheduled flights on routes proposed under the Selected Airline Operator Agreement, i.e. it fails to operate at least 70% of the scheduled flights on routes proposed under the Selected Airline Operator Agreement in a specified period; or

b) Adhere to any other terms and conditions of the Selected Airline Operator Agreement.

c) Upon such encashment, the Selected Airline Operator will be required to replenish the Performance Guarantee within a specified period, failing which the Implementing Agency will be entitled to terminate the Selected Airline Operator Agreement and proceed as per provisions of the Selected Airline Operator Agreement.

3.15.4.2 Performance Guarantee will be returned by the Implementing Agency to the Selected Airline Operator upon completion of one (1) year from date of commencement of RCS Flight operations on any RCS Route as per the terms and conditions of the Selected Airline Operator Agreement;

3.15.4.3 Additional Performance Guarantee, if any, will be returned by the Implementing Agency to the Selected Airline Operator as per the terms and conditions of the Selected Airline Operator Agreement:

a) If the required rehabilitation / upgradation of infrastructure to make such RCS Airport / RCS Water Aerodrome operational / suitable for the proposed RCS Flight operations is not completed by the end of two (2) years from the date of submission of such Additional Performance Guarantee; or

b) Upon completion of one (1) year from the date of commencement of RCS Flight operations to / from the concerned RCS Airport / RCS Water Aerodrome.

3.16 Change in deployed capacity

3.16.1 A Selected Airline Operator for an RCS Route may decide to change the capacity deployed on an RCS Route.

3.16.2 In the event that a Selected Airline Operator for an RCS Route intends to increase the capacity deployed on an RCS Route, it shall be required to inform the Implementing Agency in this regard such that:

FINAL

3.16.2.1 The Selected Airline Operator shall be allowed to (a) change the aircraft type (size) operating on an RCS Route (applicable both for an individual RCS Route or an RCS Route as part of a network) under the Scheme or (b) to increase the number of flights on such RCS Route to any number such that the number of RCS Flights can be a maximum of fourteen (14) departures per week for Priority RCS Routes and a maximum of seven (7) departures per week for RCS Routes other than Priority RCS Routes. The total VGF per week (i.e. a product of number of RCS Seats per RCS Flight, VGF per RCS Seat and number of RCS Flights in a week) as available to the Selected Airline Operator after increase in capacity deployed shall remain the same as permitted at the time of executing the Selected Airline Operator Agreement.

For avoidance of doubt, the Selected Airline Operator shall not be provided any benefits or concessions under the Scheme on any additional flights operated by the Selected Airline Operator on an RCS Route, beyond fourteen (14) departures per week for Priority RCS Routes and seven (7) departures per week for RCS Routes other than Priority RCS Routes.

3.16.2.2 In the event that a Selected Airline Operator changes the aircraft type (size) operating on an RCS Route under the Scheme, the number of RCS Seats to be provided shall have reference to Section 3.3.1.

3.16.2.3 The total VGF per week shall be equally spread over the revised number of RCS Seats in a week (i.e. revised number of RCS Seats per RCS Flight multiplied by the revised number of RCS Flights in a week). The VGF per RCS Seat shall be adjusted accordingly to arrive at the same total VGF per week.

3.16.3 In the event that a Selected Airline Operator for an RCS Route intends to decrease the capacity deployed on an RCS Route, it shall be required to inform the same to the Implementing Agency. Such decrease in capacity deployed on an RCS Route shall only be permitted if (a) such reduction is on account of change in aircraft type and (b) all minimum conditions (such as number of RCS Seats per RCS Flight, number of RCS Flights in a week etc.) as submitted by such Selected Airline Operator at the time of its selection are continued to be met. No reduction in the number of RCS Flights per week or in number of RCS Seats per RCS Flight shall be considered by the Implementing Agency.

3.16.3.1 In an event where due to any orders/guidelines issued by the DGCA, the actual deployed capacity in an RCS Flight by the Selected Airline Operator is less than the RCS Flight Capacity offered, the RCS Flight Capacity for the purposes of calculation of RCS Seats, disbursement of VGF and compliance with the terms and conditions of the Selected Airline Operator Agreement, shall be considered as the actual deployed capacity on such RCS Flight based on DGCA orders/guidelines.

3.16.4 Change in deployed capacity due to operational reasons

3.16.4.1 In an event where due to temporary operational reasons such as availability of the aircraft etc., the actual deployed capacity on a particular RCS Flight is different from the RCS Flight Capacity required under the Selected Airline Operator Agreement, the Selected Airline Operator shall be permitted such change if the actual deployed capacity is at least 90% of the RCS Flight Capacity as per the Selected Airline Operator Agreement and is not more than 110% of the RCS Flight Capacity as per the Selected Airline Operator Agreement. Provided that, in such an event, the number of RCS Seats per RCS Flight shall remain the same as provided in the Selected Airline Operator Agreement. In the event that the actual deployed capacity is less than 90% of the RCS Flight Capacity as per the Selected Airline Operator Agreement or is more than 110% of the RCS Flight Capacity as per the Selected Airline Operator Agreement, it shall be considered as default

FINAL

under the Selected Airline Operator Agreement and the Performance Guarantee of the Selected Airline Operator shall be liable to be encashed and retained as per the terms and conditions of the Selected Airline Operator Agreement.

3.16.5 The Selected Airline Operator shall be allowed to operate charter flights as per the regulations of DGCA, provided that the proposed schedule and service levels or any other conditions under the Scheme are not impacted.

3.16.6 Change in sequence of routes due to operational reasons

3.16.6.1 In an event where due to operational reasons (including but not restricted to slot availability, etc.), the Selected Airline Operator intends to change the sequence of routes as per the Selected Airline Operator Agreement, the Selected Airline Operator (SAO) shall intimate the Implementing Agency in writing before undertaking any such change in sequence of routes.

Provided that, any such change is permitted only for modifying the sequence of RCS Routes in a network but not the direction of routes. For instance, if a network A-B-C-A has A-B and C-A as RCS Routes, a change in sequence to C-A and A-B is permitted. However, a change in direction of routes such as B-A or A-C is not permitted.

3.17 Prioritisation Framework

3.17.1 The Implementing Agency shall have reference to the Scheme objectives at all points of time and prioritize proposals for being supported under the Scheme.

3.17.2 Prioritisation of proposals received under the Scheme shall be based on:

3.17.2.1 Route Categories - Priority RCS Routes as listed in Annexure 7 or routes proposed by Ministry of Tourism as listed in Annexure 6A and Annexure 6B be given highest priority.

3.17.2.2 Number of airports proposed to be connected – Priority shall be given to a Network Proposal against an Individual Route Proposal. The implementation mechanism of this prioritisation will be as follows:

a) At the end of every half-yearly cycle, an assessment will be made with respect to VGF required to be committed for all Network Proposals and all Individual Route Proposals based on final evaluation of financial proposals. Such requirement will be divided into the five Regions;

b) Requirement for an individual Region will be compared against RCF available for supporting new proposals in that Region to estimate an excess or a shortfall of RCF with respect to requirements;

c) In case of an excess, prioritisation of Network Proposals against an Individual Route Proposal will not be required;

d) In case of a shortfall, Network Proposals will be considered on priority;

e) In case the shortfall is such that while all Network Proposals can be considered, only some of the Individual Route Proposals can be considered, prioritisation based on nature of connectivity (Priority Areas / unserved regions) will be applied.

3.17.2.3 Nature of connectivity - In line with Section 2.6.2, allocation of RCF to Individual Route Proposals connecting Underserved Airports will be capped. In case of shortfall as presented in Section 3.17.2.2e), priority shall be given to Individual Route Proposals connecting Priority Areas / unserved regions.

3.17.3 In case any proposal is not considered by the Implementing Agency on account of a shortfall of RCF for a particular half-yearly cycle, the proposal will be considered in the

FINAL

next half-yearly cycle subject to availability of RCF and pursuant to application of the prioritisation mechanism as above.

3.18 Exit from the Scheme

3.18.1 A Selected Airline Operator may cease RCS Flight operations for any reason any time after one (1) year from the date of commencement of RCS Flight operations on any RCS Route. In the event of such cessation of RCS Flight operations, provided there is no default by the Selected Airline Operator under the Selected Airline Operator Agreement, the Performance Guarantee and the Additional Performance Guarantee, if any, shall be returned to the Selected Airline Operator.

3.18.2 If however, a Selected Airline Operator ceases RCS Flight operations before completion of one (1) year from the date of commencement of such RCS Flight operations on any RCS Route, the Performance Guarantee and the Additional Performance Guarantee, if any, shall be liable to be encashed and retained as per the terms and conditions of the Selected Airline Operator Agreement.

3.18.3 If, pursuant to Section 2.1.4.2 of this Scheme, the Scheme is withdrawn at any time, the Performance Guarantee and the Additional Performance Guarantee, if any, shall be returned to the Selected Airline Operator.

3.18.4 Notwithstanding other provisions under this Scheme, a Selected Airline Operator shall be permitted, as per terms and conditions to be specified under the Selected Airline Operator Agreement, to assign its rights under the Scheme to another airline operator having a valid AOP for a similar type of aircraft as required under the Selected Airline Operator Agreement, provided the Selected Airline Operator has completed at least six (6) months of operations from the date of commencement of RCS Flight operations on any RCS Route.

3.19 Reporting Obligations for a Selected Airline Operator

3.19.1 The VGF payment will be made to the Selected Airline Operator from the Regional Connectivity Fund (RCF) on the completion of every month.

3.19.2 Additionally, this fund will be used to provide appropriate administrative charges to the Implementing Agency for implementing the Scheme.

3.19.3 For the sanction of monthly VGF payment, the Selected Airline Operator on an RCS Route will be required to submit information on specified parameters, which will be used by the Implementing Agency to monitor adherence to the agreed terms and conditions of Selected Airline Operator Agreement.

3.19.3.1 The Selected Airline Operator shall be required to submit the Flight Manifest as per Aeronautical Information Publication (AIP) requirements.

3.19.3.2 In addition to this, the Selected Airline Operator will need to submit RCS specific information as specified under the Selected Airline Operator Agreement.

3.20 Disbursement of Funds

3.20.1 The VGF shall be disbursed to the Selected Airline Operator only for RCS Seats pertaining to the RCS Flights that have been operated in a month. In an event, GST is applicable on the VGF disbursed to the Selected Airline Operator, the GST component shall be payable from the RCF.

3.20.2 The Selected Airline Operator(s) will be required to submit to the Implementing Agency, all information pertaining to RCS Flights operated during a month as required in Section 3.19.

FINAL

3.20.3 The Implementing Agency will scrutinize the information received from the Selected Airline Operator(s) for compliance with the conditions of Selected Airline Operator Agreement.

3.20.4 The VGF shall be disbursed by the Implementing Agency to the Selected Airline Operator for all deployed RCS Seats, irrespective of the occupancy, for every RCS Flight operated on the RCS Route during the reporting period, after adjustments for any defaults by the Selected Airline Operator under the Selected Airline Operator Agreement.

3.20.5 The incentives / support provided under the Scheme is based on the premise that a Selected Airline Operator shall sell RCS Seats first before selling any other passenger seats on an RCS Flight (including Non-RCS Seats). Provided that, such restriction shall not be applicable on “business class” seats (or any other term as may be used by the Selected Airline Operator to identify seats which are different from other available seats by design, form, factor and/or arrangement, and having a clear well-defined separate section within the aircraft cabin seating arrangement). Provided that, the passengers at all times have an option to choose between RCS Seat(s) and such “business class” seat(s) and shall not be forced to buy such “business class” seats when RCS Seats are available in the RCS Flight.

The Implementing Agency may undertake a review / audit of the performance of a Selected Airline Operator including *inter alia* on this aspect from time to time through independent auditors. The penalties for breach of such principle shall be specified in the Selected Airline Operator Agreement between the Implementing Agency and the Selected Airline Operator. A Selected Airline Operator shall be required to maintain relevant records for a period of at least 3 years after the expiry of its Selected Airline Operator Agreement to facilitate such monitoring.

3.20.5.1 MoCA recognizes that cancellation of tickets is a normal business phenomenon in aviation industry and certain passengers may cancel their RCS Seats before the flight departure which may not provide sufficient time to a Selected Airline Operator to resell such RCS Seats. In such an event any RCS Seat, which does not get sold due to cancellation by a passenger, shall be considered as sold for the purpose of Sections 3.20.5 above. However, the obligation of proving such cancellation in terms of relevant details (passenger identification, etc.) shall be on the Selected Airline Operator.

FINAL

Annexure – 1A: List of Underserved Airports / Airstrips in the country

Presented below is a tentative list of Underserved Airports. Applicants are advised to check the updates in this regard on AAI / MoCA website from time to time. Further, Applicants are expected to undertake their own due diligence vis-à-vis suitability of these airports for their proposals.

In case any such airport is a defence airport, the approval from Ministry of Defence, Government of India will need to be obtained for permitting joint use / civil operations under the Scheme.

It may be noted that this list does not include RCS Heliports. Applicants interested to submit proposals for Seaplane operations will be required to ascertain eligible RCS Heliports from DGCA.

S.No.	Name of Airport / Airstrip	State / UT (where the Airport / Airstrip is located)
Airports in Priority Areas		
1.	Passighat**	Arunachal Pradesh
2.	Tezu**	Arunachal Pradesh
3.	Rupsi	Assam
4.	Shimla**	Himachal
5.	Kargil	Jammu and Kashmir
6.	Thoise	Jammu and Kashmir
7.	Agatti	Lakshadweep Island
8.	Shillong	Meghalaya
9.	Pantnagar**	Uttarakhand
Airports in areas other than Priority Areas		
10.	Diu*	Daman & Diu
11.	Bhavnagar*	Gujarat
12.	Jamnagar*	Gujarat
13.	Keshod	Gujarat
14.	Hissar	Haryana
15.	Belgaum	Karnataka
16.	Mysore *	Karnataka
17.	Gwalior*	Madya Pradesh
18.	Jalgaon*	Maharashtra
19.	Adampur	Punjab
20.	Ludhiana*	Punjab
21.	Pathankot	Punjab
22.	Kishangarh	Rajasthan
23.	Uterlai	Rajasthan
24.	Tanjore	Tamil Nadu
25.	Agra*	Uttar Pradesh
26.	Aligarh***	Uttar Pradesh
27.	Azamgarh***	Uttar Pradesh
28.	Jhansi***	Uttar Pradesh
29.	Chitrakoot***	Uttar Pradesh
30.	Moradabad	Uttar Pradesh
31.	Muirpur***	Uttar Pradesh
32.	Shravasti	Uttar Pradesh
33.	Burnpur*	West Bengal
34.	Cooch Behar*	West Bengal
35.	Durgapur*	West Bengal

FINAL

* Due to operational issues, certain flights operation at the airport is taken as zero.
** Helicopter operation have been considered Nil at the Airport.
*** Airports in network, are under award.
The list is updated as per winter schedule-2018, published on DGCA website.

FINAL

Annexure – 1B: List of Unserved Airports / Airstrips in the country

Presented below is a tentative list of Unserved Airports. Applicants are advised to check the updates in this regard on AAI / MoCA website from time to time. Further, Applicants are expected to undertake their own due diligence vis-à-vis suitability of these airports for their proposals.

In case any such airport is a defence airport, the approval from Ministry of Defence, Government of India will need to be obtained for permitting joint use / civil operations under the Scheme.

It may be noted that this list does not include RCS Heliports. Applicants interested to submit proposals for Seaplane operations will be required to ascertain eligible RCS Heliports from DGCA.

S.N.	Name of Airport / Airstrip	State (where the Airport / Airstrip is located)
AIRPORTS IN PRIORITY AREA		
1	Campbell Bay	Andaman &Nicobar(UT)
2	Car Nicobar	Andaman &Nicobar(UT)
3	Shibpur	Andaman &Nicobar(UT)
4	Alinya	Arunachal Pradesh
5	Along	Arunachal Pradesh
6	Daparizo**	Arunachal Pradesh
7	Mechuka	Arunachal Pradesh
8	Tuting**	Arunachal Pradesh
9	Vijaynagar	Arunachal Pradesh
10	Walong**	Arunachal Pradesh
11	Yinghiong**	Arunachal Pradesh
12	Ziro	Arunachal Pradesh
13	Chabua	Assam
14	Darrang	Assam
15	Dinjan	Assam
16	Ledo	Assam
17	Misa Mari	Assam
18	Nazira	Assam
19	Sadiya	Assam
20	Sorbhog	Assam
21	Sukerating (Dum Duma)	Assam
22	Akhnur	Jammu and Kashmir
23	Awantipur	Jammu and Kashmir
24	Chamb	Jammu and Kashmir
25	Chushal	Jammu and Kashmir
26	Fukche	Jammu and Kashmir
27	Gurex	Jammu and Kashmir
28	Jhangar	Jammu and Kashmir
29	Miran Sahib	Jammu and Kashmir
30	Panzgam	Jammu and Kashmir

FINAL

S.N.	Name of Airport / Airstrip	State (where the Airport / Airstrip is located)
31	Poonch	Jammu and Kashmir
32	Rajouri	Jammu and Kashmir
33	Udhampur	Jammu and Kashmir
34	Dwara	Meghalaya
35	Shella	Meghalaya
36	Tura	Meghalaya
37	Kailashahar	Tripura
38	Kamalpur	Tripura
39	Khowai	Tripura
40	Chinyalisaur**	Uttarakhand
41	Gaucher**	Uttarakhand
AIRPORTS IN AREA OTHER THAN PRIORITY AREA		
42	Bobbili	Andhra Pradesh
43	Donakonda	Andhra Pradesh
44	Ellore	Andhra Pradesh
45	Arrah	Bihar
46	Begusarai	Bihar
47	Bettiah	Bihar
48	Bhabua(Kaimoor)	Bihar
49	Bhagalpur	Bihar
50	Bihar Shariff	Bihar
51	Bihita	Bihar
52	Birpur	Bihar
53	Buxur	Bihar
54	Chhapra	Bihar
55	Dehri on sonn	Bihar
56	Farbisganj	Bihar
57	Hathwa	Bihar
58	Jehanabad	Bihar
59	Jogbani	Bihar
60	Katihar	Bihar
61	Kishanganj	Bihar
62	Madhubani	Bihar
63	Monghyr	Bihar
64	Motihari	Bihar
65	Munger	Bihar
66	Muzzafarpur	Bihar
67	Naria	Bihar
68	Panchanpur	Bihar
69	Raxaul	Bihar
70	Saharsa	Bihar
71	Valmiki Nagar	Bihar
72	Ambikapur*	Chattisgarh

FINAL

S.N.	Name of Airport / Airstrip	State (where the Airport / Airstrip is located)
73	Bilaspur*	Chattisgarh
74	Jagdalpur*	Chattisgarh
75	Daman	Daman and Diu (U.T.)
76	Amreli (Amroli)	Gujarat
77	Chela	Gujarat
78	Chhand Bet	Gujarat
79	Deesa (Palanpur)	Gujarat
80	Mandvi	Gujarat
81	Mehsana	Gujarat
82	Mithapur	Gujarat
83	Mundra	Gujarat
84	Naliya	Gujarat
85	Ambala	Haryana
86	Bhiwani	Haryana
87	Karnal	Haryana
88	Narnaul	Haryana
89	Sirsa	Haryana
90	Chaibasa	Jharkhand
91	Chakulia	Jharkhand
92	Dalbhundarh	Jharkhand
93	Daltonganj	Jharkhand
94	Deoghar	Jharkhand
95	Dhanbad	Jharkhand
96	Giridhi	Jharkhand
97	Hazaribagh	Jharkhand
98	Jamshedpur*	Jharkhand
99	Sindri	Jharkhand
100	Bellary	Karnataka
101	kalaburgi (Gulbarga)	Karnataka
102	Karwar	Karnataka
103	Kolar	Karnataka
104	Kushalnagar	Karnataka
105	Birwa	Madhya Pradesh
106	Chhindwara	Madhya Pradesh
107	Damoh	Madhya Pradesh
108	Datia	Madhya Pradesh
109	Guna	Madhya Pradesh
110	Khandwa	Madhya Pradesh
111	Khargone	Madhya Pradesh
112	Mandla (Kanha)	Madhya Pradesh
113	Mandsaur (Sitamau)	Madhya Pradesh
114	Nagda (Ujjain)	Madhya Pradesh
115	Neemuch	Madhya Pradesh

FINAL

S.N.	Name of Airport / Airstrip	State (where the Airport / Airstrip is located)
116	Pachmarhi Hoshangabad	Madhya Pradesh
117	Ratlam	Madhya Pradesh
118	Rewa	Madhya Pradesh
119	Sagar	Madhya Pradesh
120	Satna	Madhya Pradesh
121	Seoni	Madhya Pradesh
122	Shahdol	Madhya Pradesh
123	Shivpuri	Madhya Pradesh
124	Sidhi	Madhya Pradesh
125	Ujjain	Madhya Pradesh
126	Umaria	Madhya Pradesh
127	Akola	Maharashtra
128	Amravati	Maharashtra
129	Baramati	Maharashtra
130	Chandrapur	Maharashtra
131	Darna Camp	Maharashtra
132	Deolali	Maharashtra
133	Dhulia	Maharashtra
134	Gondia	Maharashtra
135	Jath	Maharashtra
136	Karad	Maharashtra
137	Kawalpur	Maharashtra
138	Kudal	Maharashtra
139	Latur (MADC)	Maharashtra
140	LonavalaAmby Valley	Maharashtra
141	Osmanabad	Maharashtra
142	Phaltan	Maharashtra
143	Shirpur	Maharashtra
144	Waluj	Maharashtra
145	Amarda Road	Orissa
146	Angul	Orissa
147	Barbil	Orissa
148	Birasal	Orissa
149	Gudari	Orissa
150	Hirakund	Orissa
151	Jayakpur	Orissa
152	Jeypore*	Orissa
153	Jharsuguda*	Orissa
154	Lanjigarh	Orissa
155	Nawapara	Orissa
156	Padampur	Orissa
157	Rairangpur	Orissa
158	Raisuan	Orissa

FINAL

S.N.	Name of Airport / Airstrip	State (where the Airport / Airstrip is located)
159	Rangeilunda	Orissa
160	Sukinda	Orissa
161	Theruboli	Orissa
162	Tushra	Orissa
163	Rourkela*	Orissa
164	Utkela*	Orissa
165	Beas	Punjab
166	Patiala	Punjab
167	Abu Road	Rajasthan
168	Alwar	Rajasthan
169	Banasthali	Rajasthan
170	Banswara (Tilwara)	Rajasthan
171	Bharatpur	Rajasthan
172	Dholpur	Rajasthan
173	Gadra Road	Rajasthan
174	Hamirgarh	Rajasthan
175	Isarda	Rajasthan
176	Jhalawar (Brijnagar)	Rajasthan
177	Jhunjhunu	Rajasthan
178	Kankoroli	Rajasthan
179	Kota	Rajasthan
180	Lalgarh	Rajasthan
181	Malapura	Rajasthan
182	Mathania	Rajasthan
183	Merta Road	Rajasthan
184	Nagaur	Rajasthan
185	Pilani	Rajasthan
186	Salawas	Rajasthan
187	SawaiMadhopur	Rajasthan
188	Shahpur	Rajasthan
189	Sirohi	Rajasthan
190	Suratgarh	Rajasthan
191	Arkonam	Tamil Nadu
192	Chetinad	Tamil Nadu
193	Cholavaram	Tamil Nadu
194	Neyveli*	Tamil Nadu
195	Ramnad	Tamil Nadu
196	Sulur	Tamil Nadu
197	Ulundurpet	Tamil Nadu
198	Adilabad	Telengana
199	Aleru	Telengana
200	Kagazpur (Sirpur)	Telengana
201	Akbarpur	Uttar Pradesh

FINAL

S.N.	Name of Airport / Airstrip	State (where the Airport / Airstrip is located)
202	Etawah (Safai)	Uttar Pradesh
203	Faizabad	Uttar Pradesh
204	Farrukhabad	Uttar Pradesh
205	Fursatganj (Igrua)	Uttar Pradesh
206	Ghazipur	Uttar Pradesh
207	Kasia	Uttar Pradesh
208	Lalitpur	Uttar Pradesh
209	Palia	Uttar Pradesh
210	Rasoolabad	Uttar Pradesh
211	Saharanpur (Sarsawa)	Uttar Pradesh
212	Sultanpur (Amhai)	Uttar Pradesh
213	Ambari	West Bengal
214	Asansol	West Bengal
215	Balurghat	West Bengal
216	Barrackpore	West Bengal
217	Behrampur	West Bengal
218	Bhatpara	West Bengal
219	Bishnupur	West Bengal
220	Dhubalia	West Bengal
221	Digri	West Bengal
222	Dudhkundi	West Bengal
223	Guskhara	West Bengal
224	Hashimara	West Bengal
225	Kalaikunda	West Bengal
226	Kanchrapara	West Bengal
227	Kharagpur	West Bengal
228	Madhaiganj	West Bengal
229	Maheshganj	West Bengal
230	Malda	West Bengal
231	New lands	West Bengal
232	Panagarh	West Bengal
233	Pandeveswar	West Bengal
234	Piardora	West Bengal
235	Rampurhat	West Bengal
236	Sal Bani	West Bengal

FINAL

* Due to operational issues, certain flights operation at the airport is taken as zero.
** Helicopter Routes have not been considered
Private Airports and Airports having no Airstrip have not been considered
The list is updated as per DGCA winter schedule-2018, published on DGCA website.

Annexure – 1C: List of Water Aerodromes

S.No.	Name of Water Aerodrome	State / UT (where the Water Aerodrome is located)
1.	Statue of Unity, Sardar Sarovar Dam	Gujarat
2.	Sabarmati River Front, Ahmedabad.	Gujarat
3.	Dharoj Dam	Gujarat
4.	Shatrunjay Dam	Gujarat
5.	Umrangso Reservoir	Assam
6.	Guwahati River Front	Assam
7.	Tehri Dam	Uttarakhand
8.	Erai Dam, Distt. Chandarpur	Maharashtra
9.	Khindsi Dam, Distt. Nagpur	Maharashtra
10.	Nagarjuna Sagar	Telangana

FINAL

Annexure – 2: Airfare Cap under RCS

Airfare Cap to be considered for respective stage lengths / flight duration are as follows (Refer Section 2.3 above):

Airfare Cap for Fixed-wing aircraft

S.No.	Stage Length (in km)	Airfare Cap per RCS Seat (in INR)
1.	1 – 50	1,504
2.	51 – 75	1,504
3.	76 – 100	1,504
4.	101 – 125	1,504
5.	126 – 150	1,504
6.	151 – 175	1,504
7.	176 – 200	1,589
8.	201 – 225	1,675
9.	226 – 250	1,771
10.	251 – 275	1,856
11.	276 – 300	1,931
12.	301 – 325	2,027
13.	326 – 350	2,112
14.	351 – 375	2,197
15.	376 – 400	2,293
16.	401 – 425	2,378
17.	426 – 450	2,464
18.	451 – 475	2,560
19.	476 – 500	2,645
20.	501 – 525	2,645
21.	526 – 550	2,741
22.	551 – 575	2,837
23.	576 – 600	2,933
24.	601 – 625	3,029
25.	626 – 650	3,125
26.	651 – 675	3,221
27.	676 – 700	3,317
28.	701 – 725	3,413
29.	726 – 750	3,509
30.	751 – 775	3,605
31.	776 – 800	3,701
32.	>800	3,701

FINAL

Annexure – 3: VGF Cap under RCS

VGF Cap to be considered for respective stage lengths / flight duration are as follows (Refer Section 2.5 above).

VGF Cap for operations through Category-1 A and Category-1 Fixed-wing aircraft for Priority RCS Routes

S.No.	Stage Length (in km)	VGF Cap per RCS Seat (in INR)
1.	1 – 50	717
2.	51 – 75	1,303
3.	76 – 100	1,745
4.	101 – 125	2,187
5.	126 – 150	2,618

VGF Cap for operations through Category-1 Fixed-wing aircraft for RCS Routes other than Priority RCS Routes

S.No.	Stage Length (in km)	VGF Cap per RCS Seat (in INR)
1.	1 – 50	496
2.	51 – 75	1,160
3.	76 – 100	1,602
4.	101 – 125	2,044
5.	126 – 150	2,475

FINAL

VGF Cap for operations through Category 1A and Category-1 Fixed-wing aircraft

S.No.	Stage Length (in km)	VGF Cap per RCS Seat (in INR)
1.	151 – 175	2,917
2.	176 – 200	3,207
3.	201 – 225	3,498
4.	226 – 250	3,777
5.	251 – 275	4,079
6.	276 – 300	4,380
7.	301 – 325	4,671
8.	326 – 350	4,950
9.	351 – 375	5,252
10.	376 – 400	5,542
11.	401 – 425	5,833
12.	426 – 450	6,123
13.	451 – 475	6,425
14.	476 – 500	6,704

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VGF Cap for operations through Category-2 and Category-3 Fixed-wing aircraft

S.No.	Stage Length (in km)	VGF Cap per RCS Seat (in INR)
1.	1 – 50	474
2.	51 – 75	1,104
3.	76 – 100	1,524
4.	101 – 125	1,944
5.	126 – 150	2,364
6.	151 – 175	2,784
7.	176 – 200	3,063
8.	201 – 225	3,343
9.	226 – 250	3,601
10.	251 – 275	3,847
11.	276 – 300	3,960
12.	301 – 325	4,063
13.	326 – 350	4,165
14.	351 – 375	4,268
15.	376 – 400	4,371
16.	401 – 425	4,473
17.	426 – 450	4,576
18.	451 – 475	4,679
19.	476 – 500	4,793
20.	501 – 525	4,980
21.	526 – 550	5,083
22.	551 – 575	5,186
23.	576 – 600	5,278
24.	601 – 625	5,381
25.	626 – 650	5,473
26.	651 – 675	5,565
27.	676 – 700	5,679
28.	701 – 725	5,782
29.	726 – 750	5,885
30.	751 – 775	5,977
31.	776 – 800	6,069
32.	>800	6,069

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Annexure – 4: Airfare Cap Indexation Formula

Indexation of Airfare Cap(s) and Maximum Airfare(s) will be based on the following formula based on methodology provided in Sections 2.3.6 and 2.3.7:

$$Airfare\ Cap(Q2) = Airfare\ Cap(Q1) * (1 + \Delta CPI)$$

Where,

Airfare Cap (Q2) is the Airfare Cap or the Maximum Airfare under a Selected Airline Operator Agreement for the present Financial Quarter

Airfare Cap (Q1) is the Airfare Cap or the Maximum Airfare under a Selected Airline Operator Agreement for the Base Financial Quarter

ΔCPI is the change in Consumer Price Index – Industrial Workers (in percentage) based on figures published by the Government of India to be considered for determination of Airfare Cap for the present Financial Quarter. It will be calculated as follows:

$$\Delta CPI\ (in\ \%) = \left[\left\{\left\{\left(\sum_{i=1}^{3}(CPI - IW)_i\right)/3\right\} - \left\{\left(\sum_{j=1}^{3}(CPI - IW)_j\right)/3\right\}\right\} \Big/ \left\{\left(\sum_{j=1}^{3}(CPI - IW)_j\right)/3\right\}\right] \times 100$$

Where,

$(CPI - IW)_i$ is the CPI-IW published by Government of India for month i of the present Financial Quarter

i = 3 for the latest month for which CPI-IW has been published by Government of India at the time of review of indexation

i = 2 for the month prior to the latest month for which CPI-IW has been published by Government of India at the time of review of indexation

and so on..

Where,

$(CPI - IW)_j$ is the CPI-IW published by Government of India for month j of the Base Financial Quarter

j = 3 for the latest month for which CPI-IW was published by Government of India in the first month of the Base Financial Quarter, i.e., July 2018

j = 2 for the month prior to the latest month for which CPI-IW was published by Government of India in the first month of the Base Financial Quarter, i.e., June 2018

and so on.

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Annexure – 5: VGF Cap Indexation Formula

Indexation of VGF Cap(s) will be based on the following:

For Fixed-wing aircraft;

$$VGF(Q2) = [VGF(Q1) + Airfare\ Cap(Q1)] * [1 + \Delta CPI * 50\% + \Delta ATF * 25\% + \Delta XCH * 25\%\ ] - Airfare\ Cap(Q2)$$

For helicopters;

$$VGF(Q2) = [VGF(Q1) + Airfare\ Cap(Q1)] * [1 + \Delta CPI * 15\% + \Delta ATF * 15\%] - Airfare\ Cap(Q2)$$

Where,

- *VGF (Q2) is the VGF Cap or VGF amount, as the case may be, applicable for the present Financial Quarter*
- *VGF (Q1) is the VGF Cap or VGF amount, as the case may be, applicable for the Base Financial Quarter*
- *Airfare Cap (Q2) is the Airfare Cap or the Maximum Airfare under a Selected Airline Operator Agreement for the present Financial Quarter*
- *Airfare Cap (Q1) is the Airfare Cap or the Maximum Airfare under a Selected Airline Operator Agreement for the Base Financial Quarter*
- *ΔCPI is the change in Consumer Price Index – Industrial Workers (in percentage) based on figures published by the Government of India to be considered for determination of VGF Cap for the present Financial Quarter, calculated based on the formula provided in Section 2.3.8. For avoidance of doubt, ΔCPI to be considered for determination of VGF Cap for a Financial Quarter will be same as ΔCPI to be considered for determination of Airfare Cap for that Financial Quarter.*
- *ΔATF is the change (in percentage) in aviation turbine fuel prices measured as per the formula below:*

$$\Delta ATF(in\ \%) = \frac{\left[\left\{\left(\sum_{x=1}^{m} ATF_x\right)/_m\right\} - \left\{\left(\sum_{y=1}^{n} ATF_y\right)/_n\right\}\right]}{\left\{\left(\sum_{y=1}^{n} ATF_y\right)/_n\right\}} \times 100$$

Where,

m = No. of days in the period of three months corresponding to months i = 3, 2, and 1 in the formula for ΔCPI above as given in Annexure – 4: Airfare Cap Indexation Formula

ATF_x = ATF price for the x[th] day in the period of three months corresponding to months i = 3, 2, and 1 in the formula for ΔCPI above as given in Annexure – 4: Airfare Cap Indexation Formula

n = No. of days in the period of three months corresponding to months j= 3, 2, and 1 in the formula for ΔCPI as given above in Annexure – 4: Airfare Cap Indexation Formula

ATF_y = ATF price for the y[th] day in the period of three months corresponding to months j = 3, 2, and 1 in the formula for ΔCPI as given above in Annexure – 4: Airfare Cap Indexation Formula

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For the purpose of above estimation, ATF prices (for domestic operations) prevailing across four stations (Delhi (T3 terminal), Mumbai, Kolkata and Chennai) of oil marketing company – HPCL - as published on its website[4] will be considered. For calculation purposes, for a particular date, the average price of ATF across all the four stations (Delhi (Terminal 3), Mumbai, Kolkata and Chennai) will be considered. In case the ATF price for a particular date is not available on the website of oil marketing company, the ATF price for the previous available date shall be considered.

- *ΔXCH is the change (in percentage) in the exchange rate between Indian Rupees and United States Dollar, as per the formula below:*

$$\Delta XCH(in\ \%) = \frac{\left[\left\{\left(\sum_{b=1}^{m} XCH_b\right)/_m\right\} - \left\{\left(\sum_{a=1}^{n} XCH_a\right)/_n\right\}\right]}{\left\{\left(\sum_{a=1}^{n} XCH_a\right)/_n\right\}} \times 100$$

Where,

XCH = Exchange rate at which 1 USD can be converted into INR, i.e., XCH = Number of INR in 1 USD

m = No. of days in the period of three months corresponding to months i = 3, 2, and 1 in the formula for ΔCPI above as given in Annexure – 4: Airfare Cap Indexation Formula

XCH_b = XCH for the b[th] day in the period of three months corresponding to months i = 3, 2, and 1 in the formula for ΔCPI above as given in Annexure – 4: Airfare Cap Indexation Formula

n = No. of days in the period of three months corresponding to months j= 3, 2, and 1 in the formula for ΔCPI as given above in Annexure – 4: Airfare Cap Indexation Formula

XCH_a = XCH for the a[th] day in the period of three months corresponding to months j = 3, 2, and 1 in the formula for ΔCPI as given above in Annexure – 4: Airfare Cap Indexation Formula

For the purpose of above estimation, Exchange Rates as published by Reserve Bank of India[5] (RBI) shall be taken into account. In case the exchange rate for a particular date is not available on the RBI website, the exchange rate for the previous available date shall be considered.

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[4] HPCL - http://www.hindustanpetroleum.com/hp-aviation-ATF-pricing-india-type2

[5] https://www.rbi.org.in/Home.aspx

Annexure – 6A: List of routes proposed by the Ministry of Tourism that qualify as RCS Routes

S.No.	Route
1.	Bhubaneswar-Bodhgaya
2.	Bodhgaya-Bhubaneswar
3.	Agra-Jhansi
4.	Jhansi-Agra
5.	Agra-Bhopal
6.	Bhopal-Agra
7.	Ahmedabad-Bhavnagar
8.	Bhavnagar-Rajkot
9.	Rajkot-Bhavnagar
10.	Bhavnagar-Ahmedabad
11.	Agar-Indore
12.	Indore-Shahdol
13.	Shahdol-Kanha
14.	Kanha-Shahdol
15.	Shadol-Indore
16.	Indore-Agra
17.	Lucknow-Sarsawa
18.	Sarawsati-Varanasi
19.	Varanasi-Khushinagar
20.	Khushinagar-Bodhgaya
21.	Bodhgaya-Khushinagar
22.	Khushinagar-Varanasi
23.	Varanasi-Sarawsati
24.	Sarsawa-Lucknow
25.	Hyderabad-Warangal
26.	Warangal-Rajamundry
27.	Rajamundry-Warangal
28.	Warangal-Hyderabad
29.	Goa-Hampi
30.	Hampi-Hasan
31.	Hasan-Mysore
32.	Mysore-Hasan
33.	Hasan-Hampi
34.	Hampi-Goa
35.	Bengaluru-Mysore
36.	Mysore-Bengaluru
37.	Port Blair-Diglipur
38.	Diglipur-Port Blair
39.	Kolkata-Simra
40.	Simra-Varanasi
41.	Varanasi-Simra
42.	Simra-Kolkata

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S.No.	Route
43.	Shimla-Kullu
44.	Kullu-Shimla
45.	Dharamshala-Kullu
46.	Kullu-Dharamshala

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Annexure – 6B: List of Tourism Routes

S.No.	Route
1.	Madurai-Cochin
2.	Cochin-Madurai
3.	Ahmedabad-Bhuj
4.	Bhuj-Ahmedabad
5.	Jhani-Khajurao
6.	Khajurao-Jhansi
7.	Bhopal-Udaipur
8.	Udaipur-Aurangabad
9.	Aurangabad-Udaipur
10.	Udaipur-Bhopal
11.	Rajkot-Porbandar
12.	Porbandar-Bhuj
13.	Bhuj-Porbandar
14.	Porbandar-Rajkot
15.	Rajamundry-Vishakapatnam
16.	Vishakapatnam- Rajamundry
17.	Udaipur-Kochi
18.	Kochi-Udaipur
19.	Delhi-Calicut
20.	Calicut-Delhi
21.	Delhi-Khajuraho
22.	Khajuraho-Delhi
23.	Imphal-Dimapur
24.	Dimapur-Dibrugarh
25.	Dibrugarh-Imphal
26.	Imphal-Dibrugarh
27.	Dibrugarh-Dimapur
28.	Dimapur-Imphal
29.	Bhubaneswar-Varanasi
30.	Varanasi-Bhubanesawar
31.	Bengaluru-Madurai
32.	Varanasi-Patna
33.	Bikaner-Jaisalmer
34.	Jaisalmer-Jodhpur
35.	Jodhpur-Udaipur
36.	Udaipur-Jodhpur
37.	Jodhpur-Jaisalmer
38.	Jaisalmer-Bikaner
39.	Amritsar-Dharamshala
40.	Dharamshala-Amritsar
41.	Amritsar-Varanasi
42.	Varanasi-Amritsar
43.	Amritsar-Jaipur
44.	Jaipur-Amritsar
45.	Amritsar-Goa
46.	Goa-Amritsar
47.	Amritsar-Patna

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S.No.	Route
48.	Patna-Amritsar
49.	Amritsar-Kolkata
50.	Kolkata-Amritsar
51.	Ahmedabad-Udaipur
52.	Udaipur-Ahmedabad
53.	Udaipur-Jodhpur
54.	Jodhpur-Udaipur
55.	Agartala-Aizawl
56.	Imphal-Agartala
57.	Agartala-Imphal
58.	Aizawl-Agartala
59.	Dibrugarh-Tezpur
60.	Tezpur-Dibrugarh

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Annexure – 7: List of North Eastern Region (NER) Routes

The list of North Eastern routes available as Priority RCS Routes for bidding under this Scheme document is presented below:

S.No.	Route
1.	Kolkata-Shillong
2.	Shillong-Kolkata
3.	Guwahati-Lilabari
4.	Lilabari-Guwahati
5.	Guwahati-Tezpur
6.	Tezpur-Guwahati
7.	Guwahati-Passighat
8.	Passighat-Guwahati

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