

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 1907
(To be answered on the 28th July 2022)**

NEW AIRPORTS BY 2024

1907. SHRI SISIR KUMAR ADHIKARI

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) whether the Government proposes to operationalise at least hundred airports, waterdromes and heliports by 2024;
- (b) if so, the detail thereof and the present status of airports under UDAN Scheme and the connectivity with carriers therefor;
- (c) whether the airline operators have been successful in becoming self-sustainable in three years, as per the cap mentioned by the scheme thereof;
- (d) if not, the details of the course of action the Government proposes to take therefor; and
- (e) the details of the Government's views on the efficacy of the viability gap funding in bringing airline operators on board, given that certain routes might have low yield and high operating costs?

ANSWER

Minister of CIVIL AVIATION

नागर विमानन मंत्री

(Shri Jyotiraditya M. Scindia)

(a) & (b): The Government has set a target to operationalize 100 airports by 2024 subject to availability of supporting infrastructure such as land, statutory approvals etc. 68 Airports have been operationalized for Regional Connectivity Scheme(RCS)-UDAN (Ude Desh Ka Aam Nagrik) flights since inception of UDAN scheme.

(c) & (d): Selected Airline Operators (SAOs) have operationalised 425 UDAN routes involving 68 Airports/Heliports/Water Aerodromes across the country. SAOs have been operating many routes even after completion of three years of exclusivity period under the scheme. However, COVID-19 Pandemic has adversely affected the aviation sector including domestic RCS flight operations. Suspension of scheduled commercial operations in view of COVID-19 posed several challenges. Passenger demand came down drastically making the operation of flights unviable. Furthermore, financial

health of the airlines was impacted given the collapse of revenue streams coupled with high fixed costs resulting into a liquidity crunch. Government introduced certain policy reforms for sustainability of operations of RCS-UDAN post COVID 19. These operational and financial flexibilities / relaxations and economizing measures are deemed mutually beneficial for all stakeholders by maintaining the benefit of air connectivity to passengers.

(e):Regional Connectivity Scheme is a market driven scheme. Under the scheme, airlines assess demand and nature of supply required on particular route and based on their analysis participate in the bidding process to be conducted from time to time. The primary objective of RCS is to facilitate / stimulate regional air connectivity by making it affordable. Promoting affordability of regional air connectivity is envisioned under RCS by supporting SAOs through concession by Central Government, State Governments/UTs and airport operators to reduce the cost of airline operations on regional routes and financial (Viability Gap Funding or VGF) support to meet the gap, if any, between the cost of airline operations and expected revenues on such RCS routes. Central Government and State Governments share Viability Gap Funding (VGF) in the ratio of 80:20 whereas for the States in North-Eastern region / Union Territories (UT's) the ratio is 90:10.

Viability Gap Funding (VGF) under the UDAN is available only to the SAOs as per the bid submitted by them for the operation of the awarded routes.

The scheme has, so far, been successful in attracting airline companies for participation for operation of UDAN flights.
