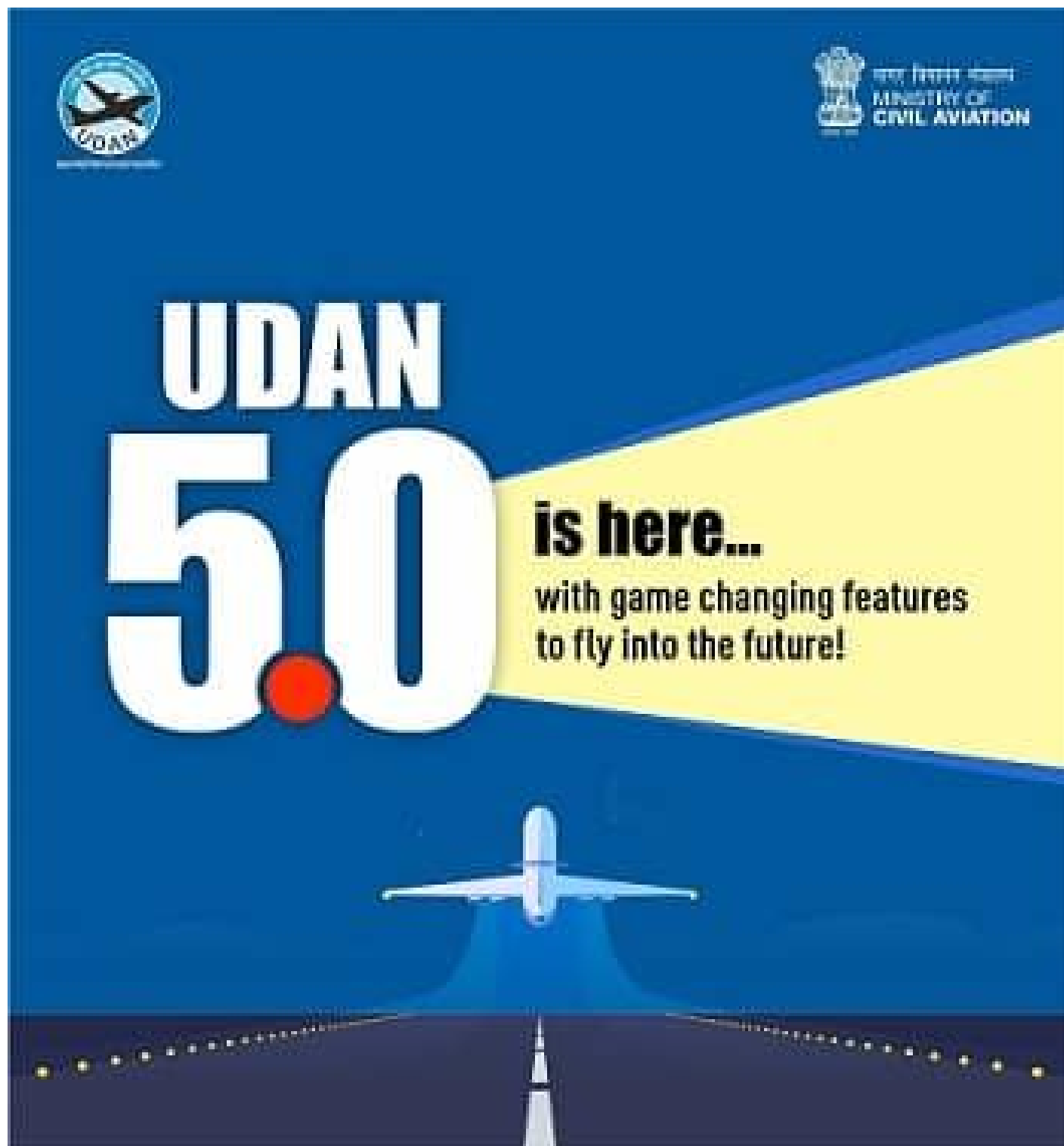


UDAN 5.0 Scheme

April 24, 2023 • vajiramandravi.com



About UDAN 5.0 scheme:

- This round of the scheme focuses on **Category-2 (20-80 seats) and Category-3 (>80 seats)**.
- The earlier **stage length cap of 600 km is waived off** and there is no restriction on the distance between the origin and destination of the flight.
- **Viability gap funding (VGF)** to be provided will be **capped at 600 km stage** length for both Priority and Non-Priority areas which was earlier capped at 500 km.
- Airlines would be required to **commence operations within 4 months** of the award of the route. Earlier this deadline was 6 months.

Key facts about UDAN (UdeDeshkaAamNaagrik)

- It is a regional airport development and **“Regional Connectivity Scheme” (RCS)** of the Union Government of India.
- The scheme envisages **providing connectivity to un-served and under-served airports** of the country through the revival of existing airstrips and airports.
- **Nodal Ministry:** Ministry of Civil Aviation

What are the Components of UDAN?

- **Airports:** The first component is to **develop new airports and enhance the existing regional airports** to increase the number of operational airports for scheduled civilian flights.
- **Flight routes:** The second component is to add several hundred financially viable, capped airfare, and new regional flight routes to connect more than 100 under-served and un-served airports in smaller towns by **using “Viability Gap Funding” (VGF)** where needed.

Q1) What is Viability Gap Funding?

Viability Gap Funding (VGF) is a financial instrument used by the Indian government to attract private sector investment in public-private partnership (PPP) infrastructure projects, especially in sectors such as power, transport, and water.

Source: [Ministry of Civil Aviation Launches UDAN 5.0](#)

Source: <https://vajiramandravi.com/current-affairs/udan-50-scheme/>

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