Modified UDAN Scheme

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Modified UDAN Scheme Latest News

The Prime Minister recently inaugurated the new terminal building at Jodhpur airport and launched the modified UDAN Scheme.

About Modified UDAN Scheme

- With an **allocation** of **Rs 28,840 crore over the next 10 years,** the scheme aims to accelerate the next phase of aviation-led development.
- A **key emphasis** is on the **development of 100 aerodromes from existing unserved airstrips,** supported by an **outlay of over Rs 12,000 crore**, to expand aviation infrastructure across the country.
- **Over Rs 2,500 crore** has been earmarked for **Operations and Maintenance (O&M) support** to **ensure the viability of regional airports** during their initial years of operation.
- Additionally, an investment of ₹3,661 crore will fund the **creation of 200 modern helipads**, and a **continued Viability Gap Funding of ₹10,043 crore for airlines** to sustain regional airline operations.

- The scheme **promotes the induction of indigenous aircraft and helicopters,** including HAL Dhruv and Dornier platforms, f**or operations in underserved and remote regions.**

About UDAN Scheme

- The **Ude Desh ka Aam Nagrik (UDAN)** scheme is a **Regional Connectivity Scheme (RCS) launched** in October **2016** by the Government of India to **enhance air connectivity to underserved and unserved regions.**
- **Objectives:**
    - **Improve regional connectivity** across **Tier-2 and Tier-3 cities.**
    - **Make air travel affordable** for common citizens.
    - Promote balanced regional development.
    - Enhance the **infrastructure utilisation of unused and underutilised airports.**
- **The mission has two parts.**
    - First, **make air travel affordable on short regional sectors** where train journeys take 10-18 hours.
    - Second, **revive unserved and underserved airports** — places that had runways but no scheduled commercial flights.
- The **first UDAN flight** took off on 27 April **2017**, connecting **Shimla to Delhi.**
- **Key Features:**
    - **Airlines** are **selected through a competitive bidding** mechanism.
    - **Viability Gap Funding (VGF)** is provided **to airlines to operate on less profitable routes.**
    - The **Airports Authority of India** has also **waived off the airport fee** for the same.
    - At the same time, the **state governments** are also **providing security, electricity, and fire-fighting facilities free of cost.**
    - **50% of seats** are offered at a **capped fare of around Rs. 2,500 per hour of flight.**
    - **Focus on connecting remote, hilly,** and island regions.
- **Funding Mechanism:**
    - **Initially** funded through a **Regional Connectivity Scheme levy imposed on flights** operating on major routes.
    - The levy subsidised airlines operating on regional routes.
- The **Ministry of Civil Aviation runs it through the Airports Authority of India (AAI)**, which acts as the implementing agency for bidding, monitoring, and viability gap funding payouts to airlines.
- **Phase-by-phase Summary:**
    - **UDAN 1.0 (2017):** 128 routes awarded; first commercial flight Delhi–Shimla.
    - **UDAN 2.0 (2018): added priority areas** including the **North-East, hill states, islands; helicopter routes introduced.**
    - **UDAN 3.0 (2018-19): tourism-focused routes, seaplane operations,** and select international connectivity.
    - **UDAN 4.0 (2020):** further expansion to remote areas and **water aerodromes,** longer stage length allowed.

- **UDAN 5.0 onwards:** stage length raised to enable longer regional links; relaxation of viability period rules; **helicopter and small-aircraft sub-schemes (Sagarmala Seaplane, Krishi UDAN, etc.)**

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