

Ministry of Civil Aviation



UDAN Scheme

Connecting India, One Flight at a Time

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“Aviation was once considered the domain of a select few, but that has changed now with the advent of UDAN. My dream is to see a person who wears a 'hawai chappal' to fly on the 'hawai jahaz’.”

- Prime Minister, Shri Narendra Modi

Summary

UDAN Scheme was launched on **21st October 2016**; the **first UDAN flight** operated between **Shimla and Delhi** on **27th April 2017**.

625 UDAN routes have been operationalized, connecting **90 airports** (including **2 water aerodromes**, and **15 heliports**) across India.

More than 1.49 crore passengers have benefited from affordable regional air travel under UDAN.

India’s airport network expanded from **74 airports in 2014** to **159 airports in 2024**, more than **doubling** in a decade.

₹4,023.37 crore disbursed as **Viability Gap Funding (VGF)** to promote connectivity to underserved and remote regions.

UDAN strengthened **regional tourism, healthcare access, and trade**, catalyzing economic growth in Tier-2 and Tier-3 cities.

Introduction

The sky, long seen as a symbol of aspiration, was once an unattainable dream for many in India. To bridge this gap, the Government of India, under the leadership of Prime Minister Shri Narendra Modi, launched the **Regional Connectivity Scheme (RCS) – UDAN (“Ude Desh ka Aam Nagrik”)** on **October 21, 2016**. Rooted in the Prime Minister’s vision that even a common man in slippers should be able to afford air travel, UDAN aims to **democratize aviation** by making **flying accessible and affordable for all**. Implemented by the **Ministry of Civil Aviation**, this flagship scheme has since transformed India’s regional connectivity landscape.

The dream of affordable air travel for the common citizen began to take tangible form with the **first UDAN flight**. This landmark flight took off on **April 27, 2017**, **connecting the serene hills of Shimla to the bustling metropolis of Delhi**. **On April 27, 2025**, this landmark event, which marked the beginning of a transformative journey in Indian aviation, opening up the skies to countless citizens, will complete **8 years**.



The UDAN scheme was conceptualised under the **National Civil Aviation Policy (NCAP) 2016**, **with a 10-year vision**, to connect **Tier-2 and Tier-3 cities** through a market-driven yet financially supported model. The scheme incentivised airlines through concessions and **Viability Gap Funding (VGF)** to operate on regional routes, ensuring affordable fares and improved accessibility.

Objectives & Significance of UDAN Scheme

Enhances regional air connectivity by operationalizing unserved and underserved airports across India.

Makes air travel affordable through Viability Gap Funding (VGF) and operational cost concessions.

Promotes tourism and boosts local economies, leading to balanced regional development.

Generates employment opportunities in the aviation sector and related industries.

Strengthens socio-economic integration by bridging the rural-urban connectivity divide.

Encourages private participation in aviation through a market-driven approach.

UDAN
Ude Desh Ki Awaaz Bhaari

Components of UDAN Scheme

- v. **Viability Gap Funding (VGF):** Financial support to airlines to ensure affordable fares.
- v. **Airfare Cap** to ensure affordability.
- v. **Collaborative Governance** between Centre, States, Airport Authority of India (AAI), and private airport operators.

v. **Stakeholder Incentives:**

The government has implemented several supportive measures to attract airlines to operate flights in less lucrative markets:

Airport Operators: They waive landing and parking charges for RCS flights, and the Airports Authority of India (AAI) does not levy Terminal Navigation Landing Charges (TNLC) on these flights. Moreover, a discounted Route Navigation and Facilitation Charge (RNFC) is applied.

Central Government: For the first three years, excise duty on Aviation Turbine Fuel (ATF) purchased at RCS airports is capped at 2%. Airlines are also encouraged to enter code-sharing agreements to expand their reach.

State Governments: States have committed to reducing VAT on ATF to 1% or less for ten years and providing essential services such as security, fire services, and utility services at reduced rates.

This collaborative framework has fostered an environment where airlines can thrive while serving regions that have long been overlooked.

Evolution of the UDAN Scheme: From Inception to Expansion

Since its launch in 2016, the UDAN scheme has evolved through multiple rounds, each expanding India's regional air connectivity scope and scale. Below is a summary of the key phases:

UDAN 1.0 (2017)

Launch Milestone: First UDAN flight took off on April 27, 2017 (Shimla–Delhi).

Coverage: 5 airline operators awarded 128 routes to 70 airports, including 36 new airports.

UDAN 2.0 (2018)

Expanded the scheme to include 73 underserved and unserved airports.

For the first time, helipads were also connected into the UDAN network.

UDAN 3.0 (2019)

Introduced Tourism Routes in coordination with the Ministry of Tourism.

Incorporated Seaplane operations to connect Water Aerodromes.

Several routes in the North-East Region came under the ambit of the scheme.

UDAN 4.0 (2020)

Focused on hilly regions, North-Eastern States, and island territories.

Enhanced emphasis on helicopter and seaplane service.



UDAN 5.0 Series
Reforming for Greater Efficiency and Reach

UDAN 5.0 (April 2023)

- ✓ Focused on Category-2 (20–80 seats) and Category-3 (>80 seats) aircraft.
- ✓ Distance cap (600 km) removed to allow longer routes.
- ✓ Prioritised routes linked to airports that are operational or near completion.
- ✓ Airlines must commence operations within 4 months, improving turnaround time and planning.

UDAN 5.1 (May 2023)

- ✓ Tailored to helicopter connectivity, especially in priority areas.
- ✓ Viability Gap Funding (VGF) caps increased; airfare caps reduced.
- ✓ Allowed routes where at least one endpoint is a heliport, expanding access to remote regions.

UDAN 5.2 (July 2023)

- ✓ Designed for small aircraft operations (<20 seats).
- ✓ Enhanced flexibility with airlines allowed to operate 10%–40% of the annually quoted RCS seats per quarter.
- ✓ Aimed at bolstering last-mile connectivity and supporting rural tourism.

UDAN 5.3 (January 2024) and UDAN 5.4 (August 2024)

- ✓ Special rounds to re-bid discontinued or terminated routes.
- ✓ Open to all airline categories, aimed at reviving connectivity on strategic routes.

UDAN 5.5

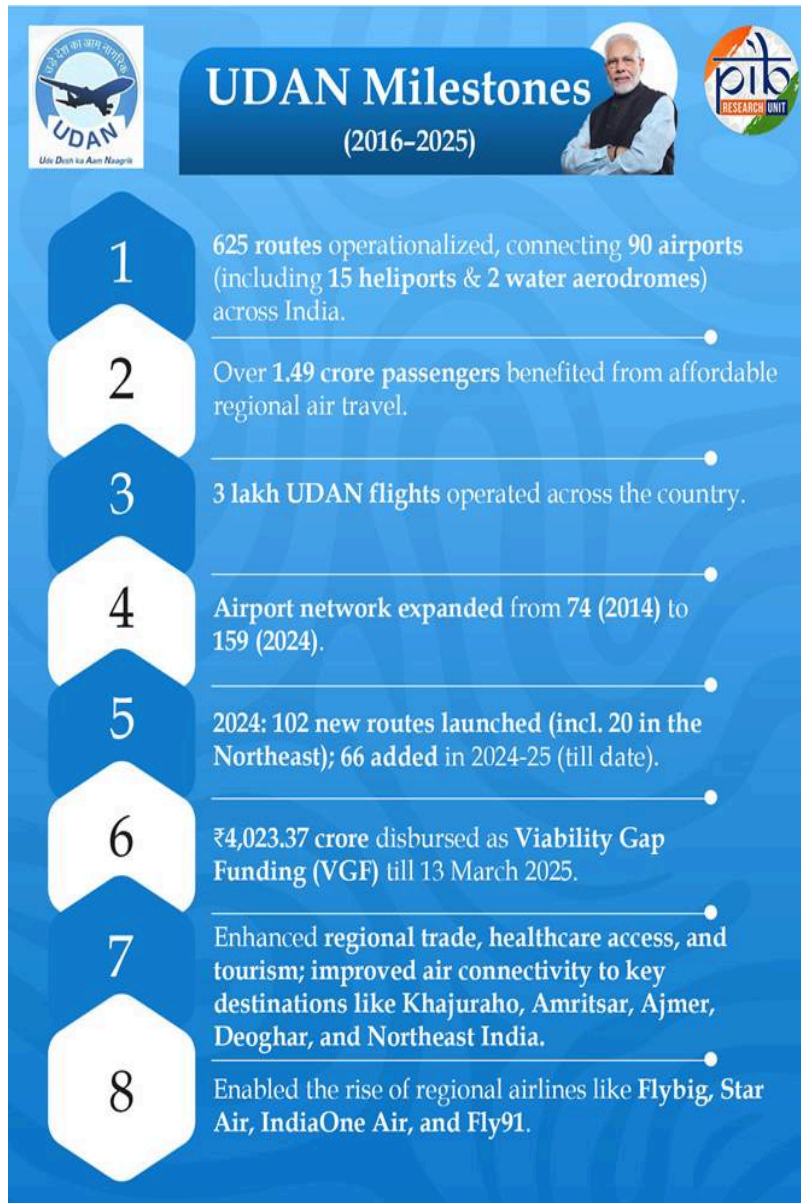
- ✓ Further refined route allocations and bidding guidelines.
- ✓ Included seaplane operations, with bids invited for 50+ water bodies, enhancing multimodal regional access.







As UDAN entered its 9th year in October 2025, the scheme has achieved significant milestones



Key Innovations and the Road Ahead for Regional Connectivity

UDAN Yatri Cafes: In line with the vision of making air travel more inclusive, affordable **Yatri Cafes** have been launched at **Kolkata and Chennai airports**, offering quality food at accessible prices—**tea for ₹10** and **samosas for ₹20**.

Seaplane Operations: To boost regional and last-mile connectivity, **guidelines for seaplane operations** were released on **August 22, 2024**, focusing on safety, security, and operational viability. **UDAN Round 5.5** has been launched to invite bids from over **50 identified water bodies** across the country.

Revamped UDAN Initiative: Building on the success of the original scheme, a **revamped version** aims to add **120 new destinations** and enable **affordable air travel for 4 crore more passengers** over the next decade. The focus will be on expanding connectivity to **remote, hilly, and aspirational districts**, especially in the **North Eastern region**, with special support for **helipads and smaller airports**.

Krishi UDAN Scheme: Designed to support farmers and improve value realisation for agri-produce, **Krishi UDAN** facilitates **timely and cost-effective air logistics**, particularly from **Northeast, hilly, and tribal regions**. This **multi-ministry convergence scheme** currently covers **58 airports**, with a focus on **25 priority airports** and **33 others** nationwide.

Airport Infrastructure Development: The government has committed to developing **50 new airports** over the next **5 years**. This includes **new greenfield airports in Bihar**, expansion of **Patna Airport**, and development of a **brownfield airport at Bihta**, aiming to meet the future demand for air travel and regional growth.

Conclusion

UDAN is more than a policy—it's a transformative movement that has redefined the aviation narrative in India. By bridging the skies between Bharat and India, the scheme has made the dream of **affordable air travel a reality** for millions. It has not only **brought remote regions onto the national aviation map** but has also **spurred local economies, boosted tourism, and generated employment** across the country. As India marches towards becoming a **global aviation hub**, UDAN stands tall as a symbol of inclusive growth, resilience, and visionary governance, carrying the aspirations of a new India, one flight at a time.

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