

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 2737
(TO BE ANSWERED ON THE 18th August 2025)**

CURRENT STATUS OF UDAN SCHEME

2737. SHRI K.R.N. RAJESHKUMAR

Will the Minister of CIVIL AVIATION be pleased to state:-

- (a) update on progress and effectiveness of the modified UDAN scheme specifically, the number of new routes that have been operationalized, and total number of passengers facilitated since its inception, including last two financial years;
- (b) the specific steps Government is taking to ensure the financial viability and long-term sustainability of regional airlines, especially those connecting Tier-2 and Tier-3 cities; and
- (c) whether Government has assessed the socio-economic impact of the UDAN scheme on development of Tier-2 and Tier-3 cities, if so, the key findings, and future plans to leverage air connectivity for regional economic growth?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

(Shri Murlidhar Mohol)

(a): Under the ongoing RCS-UDAN scheme, 637 RCS routes have been operationalized, connecting 92 unserved and underserved airports, including 15 heliports and 2 water aerodromes across the country.

Under the UDAN Scheme, 153.59 lakh domestic passengers have traveled in more than 3.14 lakh RCS flights as of July 15, 2025

The modified UDAN scheme to enhance regional connectivity to 120 new destinations over the next 10 years is under formulation.

(b): The UDAN Scheme provides financial incentives to airline operators on regional routes that include: Concessions by the Central Government, State Governments/ Union Territories and airport operators to reduce airline operation costs and also the Viability Gap Funding (VGF) to bridge the gap between operational costs and expected revenues on such routes to make air travel affordable under the scheme.

Steps to improve the long-term sustainability of the routes and viability of airports include the following:

- i) Airlines are required to submit business plans before route awards under UDAN.
- ii) Increased adoption of technologies like Special Visual Flight Rules and Instrument Flight Rules (IFR) standards at feasible airports for all-weather operations.
- iii) Discontinued routes are offered for re-bidding in subsequent rounds under UDAN.
- iv) Airports are upgraded depending upon commercial viability and traffic demand.

(c): The RCS-UDAN has given a boost to regional economic growth by providing socioeconomic benefits to Tier-2 and Tier-3 cities, through improved connectivity to remote and underserved regions, and promoting tourism, trade, and employment. UDAN has provided an impetus to the economic development of remote regions and contributed to a more equitable and inclusive growth in economic activity across the country.
