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*Neha Sinha*

*Research Associate, VIF*

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## *UDAN (Ude Desh Ka Aam Naagrik) : Cheap Airfare Scheme by the Indian Government*

*On 27 April, 2017 Prime Minister Shri Narendra Modi launched a scheme from Shimla named 'Ude Desh Ka Aam Naagrik' (UDAN) with a vision that travelling by air is not only for the rich but for everyone. He mentioned that his dream is to see every person wearing the ubiquitous Hawaii chappal (slippers) fly on the Hawaii Jahaj (aeroplane).*

*The newly introduced scheme will help the people fly to small towns at cheaper airfares of Rs 2500 or so. With the motive to make regional connectivity easy, Mr. Modi flagged off three flights during the launch of the scheme, i.e. from Shimla, Nanded and Kadapa Airports. The Prime Minister addressed the gathering at Shimla Airport, while in Nanded and Kadapa he addressed the gathering via video link. This scheme would operationalise some of the inactive airports like Shimla, Bikaner, Agra, Gwalior, Rourkela, Kadapa, Jharsuguda, Vidyanagar, Burnpur, Kullu, Diu, Mysore, Shillong, Jagdalpur, Salem, Utkela, and Hosur. The regional airlines will connect these destinations with their nearest bigger airports such as Delhi, Chennai, Bhubaneswar, Bengaluru, Ahmedabad, Mumbai and Jaipur, among others.*

*An Inter-Ministerial Monitoring-cum-Coordination Committee has been set up by the Union Government to monitor the UDAN scheme. Coordination among stakeholders, including the state governments, for time-bound implementation of the scheme is a major responsibility of the committee. It will also monitor schemes of promotion of regional connectivity by way of revival of unserved and under-served airports. 43 cities under the scheme are expected to be mainstreamed on India's flight connectivity grid while 70 airports across the nation would be connected. At present, the airlines are asked to offer 50 per*



cent of total seats on their aircraft at discounted fare; the number of such seats may not be more than 40 but at least nine in number. The Rs 2500 price is not for all the seats available in the flights. Travelers will get 50 percent off only if they take the scheme; and if the seats are not booked under the scheme, the traveller will have to pay the price of the ticket as per market rates. The tickets under the UDAN scheme can be booked online also through various air ticket vendors like Yatra, Make My Trip, etc.

The Government, in the first round, has awarded the scheme to Alliance Air, Air Deccan, SpiceJet, Air Odisha and True Jets. These five airlines are to operate on 128 routes connecting 70 airports. Out of these, 31 are unserved and 12 under-served airports. Air Odisha would operate on 50 routes, Air Deccan on 34, Turbo Megha Airways on 18, Air India subsidiary Alliance Air on 15 and SpiceJet on 11 routes. Under the UDAN scheme, the maximum fare charges of Rs 2500 is applicable for a one-hour journey. The journey would be about 500 kilometre by fixed wing aircraft or for a 30-minute flight on a helicopter.

As Indian economy grows, consumption-led growth in populated metros is expected to spread to hinterland areas. Union Minister of State for Civil Aviation, Shri Jayant Sinha mentioned that under the Central Government's ambitious initiative the government is arranging to construct hundred more airports in the next two-three years. For a balanced growth across the nation, allocations under the UDAN scheme would be equitably spread across the five geographical regions of the country. The Aviation Ministry is trying to encourage airlines to fly to smaller towns which are not yet connected by imposing a cess on their existing flights. This scheme is likely to give a major fillip to tourism and employment generation in the hinterland. The travel time will significantly reduce in the hilly regions and other remote areas when this scheme is rolled out in a full-fledged manner.

The attempt to revive the non-functional airports with very limited or no flight connectivity, has been welcomed by the airlines. For them it means enhanced business prospects. On the peoples' side, the scheme has been welcomed warmly as this make them feel connected to the rest of the world. The UDAN scheme represents a win-win situation for the common man and



*the airline industry. The onus should now be on implementing the scheme in a fashion that enables the fruition of the ideals with which it was envisaged and launched.*



## About VIF

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### *Vivekananda International Foundation*

3, San Martin Marg, Chanakyapuri, New Delhi - 110021

Phone No: +91-011-24121764, +91-011-24106698

Fax No: +91-011-43115450

E-mail: [info@vifindia.org](mailto:info@vifindia.org)

[www.vifindia.org](http://www.vifindia.org)



@vifindia

