

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 972
(TO BE ANSWERED ON THE 28th July 2021)

CANCELLATION OF FLIGHTS DUE TO CORONA VIRUS PANDEMIC

972. SHRI SANJAY SETH
SHRI K.C. VENUGOPAL

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

- (a) the total number of flight services cancelled by various domestic carrier operators to different destinations due to second wave of Corona virus pandemic
- (b) the quantum of loss incurred by the Aviation Industry due to second wave of Corona virus pandemic
- (c) whether the domestic carrier has terminated a significant number of its pilots and other employees due to loss incurred
- (d) if so, whether Government will extend financial assistance to domestic carrier operators to overcome the losses suffered and
- (e) the other steps taken by Government to boost the revenue of Aviation Industry in the country?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

(GEN. (DR) V. K. SINGH (RETD))

(a) Due to the second wave of the Covid pandemic and various restrictions imposed by State Governments on flights and passengers, full scale domestic flight operations were not resumed. Out of the truncated schedule, the month-wise breakup of flights cancelled by domestic carriers during the period March-June 2021 is as under:

Month	Flights Cancelled
Mar 2021	839
Apr 2021	1613
May 2021	2234
Jun 2021	951

(b) The domestic passenger traffic has decreased from over 23 million in Jan-Mar 2021 to around 11 million in Apr-Jun 2021, a decline of around 53%. This has had an adverse impact on the financial position of the airline industry. The quarterly results of the airlines for the period Apr-June are awaited.

(c) According to industry data, the total number of employees of domestic carriers has declined from around 74,800 as on 31 Mar 2020 to around 66,900 as on 31 Mar 2021, a decline of over 7,900 employees.

(d) & (e) The Government has been providing appropriate financial assistance to Air India.

The measures taken by the Government to improve the civil aviation sector of the country include:-

i) Benefits under Emergency Credit Line Guarantee Scheme (ECLGS) 3.0 extended to civil aviation sector.

ii) Route rationalization done in Indian airspace in coordination with Indian Air Force for efficient airspace management, shorter routes and lower fuel consumption.

iii) GST on Maintenance, Repairs and Overhaul (MRO) in aviation has been reduced from 18% to 5% with full Input Tax Credit from 1 April 2020.

iv) Operation of Regional Connectivity Scheme (RCS) - UDAN (Ude Desh Ka Aam Nagrik) flights allowed without any capacity restrictions.

v) Exclusive air-links or Air Bubbles have been established with 28 countries.

vi) Private investments is being encouraged in existing and new airports through the PPP route.

vii) Enabled re-export of leased aircraft in fully or partly knocked-down condition for value realisation of serviceable parts.

viii) Encouraged Indian carriers to increase their share in international air cargo traffic.

ix) Significant tax incentives and other benefits offered to aviation leasing companies located in GIFT City

x) Flying Training Organisations have been offered land at five AAI airports, namely Belagavi, Jalgaon, Kalaburgi, Khajuraho and Lilabari with zero airport royalty charges and rationalised land rentals.

xi) AAI has come up with a business-friendly MRO policy with zero airport royalty charges and rationalised land rentals at eight AAI airports.
