

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 1764
(TO BE ANSWERED ON THE 4th August 2021)

REVENUE LOSSES DUE TO PANDEMIC

1764. SHRI SANJAY RAUT

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

- (a) whether the Indian aviation sector is staring at huge revenue losses due to pandemic and required additional funding over the next two years to recover from losses and debts;
- (b) if so, the details thereof indicating the current situation of aviation sectors including Air India; and
- (c) the details of plan chalked out by Government to revive the Indian aviation sector?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

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

- (a) to (c) Yes Sir. The aviation sector including airlines, airports and related services have come under financial stress due to the Covid-19 pandemic. Government has taken following steps to revive the Indian Aviation sector including Air India:
- (i) Provide airport infrastructure through Airports Authority of India and the private operators.
 - (ii) Promotion of private investments in existing and new airports through the PPP route
 - (iii) Provide an efficient Air Navigation System.
 - (iv) Through Air Services Agreement efforts have been made to ensure fair and equitable treatment to our carriers in the international sector.
 - (v) Goods and Services Tax (GST) rate reduced to 5% from 18% for domestic Maintenance, Repair and Overhaul (MRO) services.
 - (vi) A conducive aircraft leasing and financing environment has been enabled.
 - (vii) Route rationalization in the Indian airspace in coordination with Indian Air Force for efficient airspace management, shorter routes and lower fuel consumption.
 - (viii) AAI has taken up development programme to spend around Rs. 25,000 crores in next 4-5 years for expansion and modification of existing terminals, new

terminals, expansion or strengthening of existing runways, aprons, Airport Navigation Services (ANS), control towers, technical blocks etc.

(ix) Government of India (GoI) has accorded 'in-principle' approval for setting up of Greenfield Airports across the country.

(x) Under Regional Connectivity Scheme (RCS) - Ude Desh ka Aam Nagrik (UDAN), as on 27 July, 2021, 359 routes have commenced connecting 59 unserved/underserved airports, including 2 water aerodromes and 5 heliports.

(xi) As on date, exclusive air-links or Air-Bubbles have been established with 28 countries with the objective of restarting international passenger services while regular international flights remain suspended due to COVID-19.

(xii) The Government has been providing appropriate financial assistance to Air India.

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