

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 25
(TO BE ANSWERED ON THE 29th November 2021)

GROWTH OF CIVIL AVIATION SECTOR

25. SMT MAMATA MOHANTA

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

- (a) whether Government proposes to make the civil aviation sector a major attraction and to develop it as a major partner in the national economy and, if so, the details thereof;
- (b) whether Government has taken steps to prepare any roadmap for the civil aviation sector in the country and, if so, the details thereof; and
- (c) whether Government has invited any foreign investment in the sector for its development and if so, the details thereof including the progress made so far in this regard?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

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

(a) Yes, Sir. The Government continues to undertake several measures to make the civil aviation sector a major attraction and to develop it as a major partner in the national economy. These include the following:

(i) The Airports Authority of India (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.

(ii) Three Public Private Partnership (PPP) airports at Delhi, Hyderabad and Bengaluru have undertaken

major expansion plan to the tune of Rs. 30,000 Crores by 2025. Additionally, Rs. 36,000 Crores have been

planned for investment in the development of new Greenfield airports across the country under PPP

mode.

(iii) Government of India (GoI) has accorded 'in-principle' approval for setting up of 21 Greenfield Airports across the country. So far, eight Greenfield airports namely, Shirdi in Maharashtra, Durgapur in West Bengal, Pakyong in Sikkim, Kannur in Kerala, Orvakal in Andhra Pradesh, Kalaburagi in Karnataka,

Sindhudurg in Maharashtra and Kushinagar in Uttar Pradesh have been operationalized.

(iv) Under Regional Connectivity Scheme (RCS), also known as the Ude Desh ka Aam Nagrik (UDAN) Scheme, as on 24 Nov 2021, 393 routes have commenced connecting 62 unserved and underserved airports, including 2 water aerodromes and 6 heliports.

(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) The domestic capacity deployment of domestic carriers has been restored to full, as in pre-Covid times.

(viii) Improvement in air navigation infrastructure at Indian airports is being carried out.

(ix) The number of freighter aircraft deployed by Indian carriers has increased from 7 in 2018 to 28 in 2021. As a result the share of Indian carriers in international freighter movements to and from India increased from 2% to 19% over the last two years.

(b) Yes, Sir. The Government published the National Civil Aviation Policy (NCAP) 2016 on 15 June 2016. Its mission is to provide safe, secure, affordable and sustainable air travel for passengers and air transportation of cargo with access to various parts of India and the world. NCAP 2016 envisages policy reforms and action steps that lead to enhancement in domestic ticketing to 50 crore by 2027, international ticketing to 20 crore by 2027 and cargo volumes to 10 million tonnes by 2027.

NCAP 2016 laid down the roadmap for various aspects of Indian aviation like: Regional connectivity scheme, Safety, Air Transport Operations, International Operations, Bilateral traffic rights, Fiscal Support, Maintenance, Repair and Overhaul, Helicopters, Air-cargo etc. The Regional Connectivity Scheme (also known as the 'UDAN scheme') which was launched on 27 April 2017 was a key component of NCAP 2016.

(c) Yes, Sir. 100% FDI has been permitted in Greenfield and existing airport projects and also specified sectors under Air Transport Services, Ground Handling Services, Maintenance and Repair organizations, Flying Training Organisations (FTOs) and technical training institutions subject to sectoral regulations and conditions specified in FDI Policy.

The details of foreign share-holdings in some of the airports are as follows:

(i) Delhi International Airport Limited - Fraport AG -10% and Eraman Malaysia - 10%

(ii) Bangalore International Airport Limited - SIEMENS - 20% and FIH (Mauritius) Investments Limited - 54%

(iii) Hyderabad International Airport Limited - MAHB (Mauritius) Private Limited and Associates - 11%

- (iv) Kazi Nazrul Islam Airport, Durgapur - Changi Airport International - 30%.
- (v) Yamuna International Airport Private Limited, Jewar - Zurich Airport International AG - 100%
