

GOVERNMENT OF INDIA

MINISTRY OF CIVIL AVIATION

LOK SABHA

UNSTARRED QUESTION NO.: 742

(To be answered on the 17th September 2020)

FINANCIAL PACKAGE TO AIRLINES

742. SHRI PRASUN BANERJEE

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

- (a) the amount of financial loss in civil aviation sector during the period from 1st April, 2020 to 31st August 2020;
- (b) whether the Government has any plan to give financial package to private airlines; and
- (c) if so, the details thereof?

ANSWER

Minister of State (IC) in the Ministry of CIVIL AVIATION

(Shri Hardeep Singh Puri)

(a) Based on the information received from the stakeholders, the financial loss accrued in major components are as under:

1. The revenue of Indian carriers has reduced from [NR 25,517 crore during April-June 2019 to INR 3,651 crore during April-June 2020 resulting in a decline of INR 21,866 crore.
2. The revenue of airport operators has reduced from INR 5,745 crore during April-June 2019 to INR 894 crore during April-June 2020 resulting in a decline of INR 4,851 crore.

(b) & (c) All efforts have been made to reduce the impact of the pandemic on the aviation sector. Some of the measures taken to support the aviation sector include inter-alia:

1. Due to COVID-19 pandemic, domestic air services have been restarted in a calibrated manner. Initially only one third (33%) of the summer schedule 2020 was allowed to be operated which was subsequently increased to 45% on 26 Jun 2020 and then to 60% on 02 Sep 2020.
2. Operation of Regional Connectivity Scheme (RCS) - UDAN (Ude Desh Ka Aam Nagrik) flights were allowed without the above-mentioned restrictions.
3. Exclusive air-links or Air Bubbles have been established with countries which include **Afghanistan**, Bahrain, Canada, France, Germany, Qatar, Maldives, UAE, UK and USA. These are temporary arrangements aimed at restarting international passenger services while regular international flights remain suspended due to COVID-19.

4. Promoted private investments in existing and new Airports through the PPP route.
5. Adequate care taken to ensure that cargo terminals at all major airports were operational, whenever required.
6. GST rate reduced to 5% for domestic Maintenance, Repair and Overhaul (MRO) services.
7. Encouraging Indian carriers to increase their share in International air cargo traffic.
8. Route rationalisation in the Indian airspace in coordination with Indian Air Force for efficient airspace management, shorter routes and reduced fuel burn.