

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 872
(To be answered on the 17th September 2020)**

IMPACT OF COVID-19 ON AVIATION SECTOR

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Will the Minister of CIVIL AVIATION

नागर विमानतल मंत्री

be pleased to state:-

- (a) the total losses suffered by the aviation sector due to the Covid-19 pandemic;
(b) whether the Government has any plan to restore normalcy in operations and if so, the details thereof;
and
(c) the funds allocated to this sector to cope with the losses?

ANSWER

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

नागर विमानतल मंत्रालय में राज्य मंत्री (स्वतंत्र प्रभार)

(Shri Hardeep Singh Puri)

(a) Based on the information received from the stakeholders, the impact of COVID-19 on the civil aviation sector are as under:

1. There have been regulatory restrictions on flight operations in domestic and international sectors leading to severe curtailment in operations and sub-optimal aircraft utilisation.
2. The domestic traffic has reduced from 5,85,30,038 during March-July 2019 to 1,20,84,952 during March-July 2020.
3. The international traffic has reduced from 93,45,469 during March-July in 2019 to 11,55,590 during March-July 2020.
4. The revenue of Indian carriers has reduced from INR 25,517 crore during April-June 2019 to INR 3,651 crore during April-June 2020.
5. The revenue of airport operators has reduced from INR 5,745 crore during April-June 2019 to INR 894 crore during April-June 2020.
6. In respect of Air India, the total revenue has reduced from INR 7,066 crore during April-June 2019 to INR 1,531 crore during April-June 2020.
7. The employment at airlines has reduced from 74,887 as on 31 Mar 2020 to 69,589 as on 31 Jul 2020.

8. The employment at airports has reduced from 67,760 as on 31 Mar 2020 to 64,514 as on 31 Jul 2020.

9. The employment at ground handling agencies has reduced from 37,720 as on 31 Mar 2020 to 29,254 as on 31 Jul 2020.

10. The employment at cargo operators has reduced from 9,555 as on 31 Mar 2020 to 8,538 as on 31 Jul 2020.

(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.
