

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 1760
(To be answered on the 11th February 2021)**

POLICIES TO IMPROVE CONDITION OF AIRLINES

1760. SHRI MALOOK NAGAR

Will the Minister of CIVIL AVIATION

नागर विमानतल मंत्री

be pleased to state:-

- (a) whether the Government has any policy to improve the miserable condition of Indian Airline companies caused due to tough competition, cheap fare, costly maintenance and costly fuel and if so, the details thereof;
- (b) whether the Government proposes to encourage the use of new technologies and if so, the details thereof; and
- (c) whether the Government has any policy to address the problems of delay at major Airports and if so, the details thereof?

ANSWER

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

नागर विमानतल मन्त्रालय में राज्य मंत्री (स्वतंत्र प्रभार)

(Shri Hardeep Singh Puri)

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- (a) All efforts have been made to support the aviation sector in the country. Some of the measures taken are as under:
1. Provide airport infrastructure through Airports Authority of India and the private operators.
 2. Provide an efficient Air Navigation System.
 3. Regulate the aviation industry through Directorate General of Civil Aviation to ensure safety standards.
 4. Coordinate with stakeholders to resolve issues.
 5. Provide Viability Gap Funding and other concessions to selected airline operators under Regional Connectivity Scheme (RCS) - UDAN (Ude Desh ka Aam Nagrik) as per the scheme document.
 6. Reduction of Central Excise Duty applicable on ATF from 14% to 11% w.e.f. 11 October 2018 and rationalization of Goods and Services Tax (GST) provisions across aviation services.
 7. Rationalization of Category-I routes under Route Dispersal Guidelines on the basis of criteria given in National Civil Aviation Policy 2016.
 8. Modified the requirement for 5/20 and all airlines can commence international operations provided that they deploy 20 aircraft or 20% of total

capacity (in terms of average number of seats on all departures put together) whichever is higher for domestic operations.

9. Liberalized domestic code share points in India within the framework of Air Service Agreements.

10. 100% Foreign Direct Investment (FDI) under automatic route allowed in brownfield airport projects. FDI for Scheduled Air Transport Service/ Domestic Scheduled Passenger Airline has been allowed upto 49% under automatic route. For Non-Resident Indians (NRIs), 100% FDI will continue to be allowed under automatic route. Foreign airlines would be allowed to invest in capital of Indian companies operating scheduled and non-scheduled air transport services up to the limit of 49% of their paid up capital, subject to the condition, inter alia, that the scheduled and non-scheduled operators permit would be granted only to a company substantial ownership and effective control of which is vested in Indian nationals.

11. Government of India provides some financial assistance to Air India.

12. GST rate reduced to 5% for domestic Maintenance, Repair and Overhaul (MRO) services.

13. Permit 100% FDI in MRO on automatic route.

14. Encourage Indian carriers to increase their share in international air cargo traffic.

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

(b) Necessary measures are taken to encourage the use of new technologies in aviation sector as per the requirement. Some of the measures taken in this regard are as under:

1. Use of Unmanned Aircraft System (Drones) is being promoted for various uses, such as agriculture, aerial surveillance, land mapping and survey, monitoring of oil pipelines and electric transmission lines, mining etc.

2. Airports Authority of India (AAI) has augmented Air Traffic Control (ATC) Automation Systems at all major airports to handle the ever-growing traffic in aviation sector.

3. Advanced Surface Movement and Guidance Control System (ASMGCS) have been installed at airports to support flight operation during poor visibility conditions. Two more ASMGCS are being procured for Bhubaneswar and Cochin airports.

4. AAI has established Automatic Dependent Surveillance-Broadcast (ADS-B) based Approach Surveillance Services to avoid delay of flights due to congestion in terminal airspace at 7 airports. Space based ADS-B Surveillance System has been established at Mumbai, Chennai and Kolkata Oceanic Control Centre to track flights in Oceanic airspace.

5. A state-of-the art Air Traffic Flow Management (ATFM) Central Command Center (CCC) has been set up by AAI at Vasant Kunj which became operational from 22 June 2019. The CCC functions as the nodal point for nationwide Air Traffic Flow monitoring and managing air traffic demand congestion at major airports and airspaces across the country.

6. Airport Collaborative Decision Making (ACDM) system has been deployed at Mumbai, Chennai, Kolkata, Ahmedabad, Jaipur, Guwahati and Trivandrum Airports. The ACDM system enables optimal use of runway and facilitates an efficient departure sequence of air traffic with least average delay.

7. In order to identify, adopt and implement new technologies in Communication, Navigation, Surveillance and Air Traffic Management (CNS/ATM), AAI is developing a comprehensive modernization roadmap for implementation of CNS/ATM technologies. AAI has entered into an agreement with United States Trade and Development Agency (USTDA) to develop a roadmap for next 10 years.

(c) Measures taken to address the problem of delay at major airports include as under:

1. In order to mitigate delays, DGCA has issued Air Transport Circular 05 of 2017 titled "Procedure to be followed to mitigate flight delays" to ensure enforcement of the flight schedules. DGCA undertakes regular review of delays and the reasons thereof.

2. ATC Surveillance services units have been commissioned at major Tier-2 cities for safe, efficient and expeditious handling of aircraft.

3. Air Space Management technique such as Upper Airspace Harmonization (UAH), Flexible Use of Airspace (FUA) of military airspace and restructuring of air-routes, reduction of separation minima etc. are being applied to improve efficiency.

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

5. Category III-B Instrument Landing System (ILS) are in operation at six fog affected airports for smooth operation during fog season.

6. AAI has undertaken Air Traffic System capacity enhancement activities for 45 airports to reduce delays.

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