

**GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
LOK SABHA  
UNSTARRED QUESTION NO. : 334  
(To be answered on the 3<sup>rd</sup> February 2022)**

**INCREASE IN REVENUE OF CIVIL AVIATION SECTOR**

**334. SHRI NAYAB SINGH**

**Will the Minister of CIVIL AVIATION**

**नागर विमानन मंत्री**

**be pleased to state:-**

- (a) whether the Government has taken any important initiative to increase revenue in civil aviation sector;
- (b) if so, the details thereof;
- (c) the details of the sectors where the Government successfully earned higher revenue after implementation of these initiatives; and
- (d) the extent to which the revenue has been increased in comparison to previous year as a result of the said initiatives, sector-wise?

**ANSWER**

**Minister of State in the Ministry of CIVIL AVIATION**

**नागर विमानन मंत्रालय में राज्य मंत्री**

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

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- (a) to (d) Yes sir. Some of the initiatives undertaken by the Government to increase revenue in civil aviation sector are as follows:
- (i) Due to the outbreak of COVID 19, scheduled domestic operations were suspended by the Ministry of Civil Aviation (MoCA) on 25.03.2020. They were resumed in a calibrated manner on 25.05.2020 with 33 percent of the capacity and fare capping (with lower and upper limit on fares specified on different sectors). The fare capping protected the interests of the passengers as well as the airlines. After a careful evaluation, domestic operations were restored without any restrictions on capacity deployment w.e.f. 18.10.2021.
- (ii) MoCA launched the Regional Connectivity Scheme (RCS)- UDAN (Ude Desh ka Aam Nagrik) scheme for providing connectivity to un-served and under-served airports of the country. Under this scheme, 403 routes, connecting 65 airports (including 8 heliports and 2 water aerodromes) have been operationalised as on 31.01.2022.
- (iii) Airports Authority of India (AAI) has taken up a development programme to spend around INR 25,000 crores in next five years for construction of new airport terminals, expansion and modification of existing airport terminals, expansion/ strengthening of existing runways, aprons,

control towers and technical blocks etc.

(iv) Three Public Private Partnership (PPP) airports at Delhi, Hyderabad and Bengaluru have undertaken major expansion plan to the tune of INR 30,000 Crores by 2025.

(v) INR 36,000 Crores have been planned for investment in the development of new Greenfield airports across the country under PPP mode.

(vi) The Government 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.

(vii) Goods and Services Tax (GST) rate has been reduced from 18% to 5% for domestic Maintenance, Repair and Overhaul (MRO) services.

(vii) A conducive aircraft leasing and financing environment has been enabled.

(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.

The revenue of Indian airlines carriers has increased from around INR 11,810 crore during April-September 2020 to around INR 20,690 crore during April-September 2021. The revenue of Indian airports has increased from around INR 2,900 crore during April-September 2020 to around INR 4,480 crore during April-September 2021.

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