

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
Rajya Sabha
UNSTARRED QUESTION NO. : 980
TO BE ANSWERED ON THE 10th February 2021
IMPACT OF CORONAVIRUS PANDEMIC ON AIRLINES

980. SHRI NARAIN DASS GUPTA

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

- (a) the details of airline carriers that have entered and exited the aviation industry in the past 20 years;**
- (b) whether Government has undertaken any study to identify airline carriers at high risk of bankruptcy due to Coronavirus pandemic;**
- (c) if so, whether Government has taken any pre-emptive steps to prevent such a situation;**
- (d) if so, details thereof; and**
- (e) if not, the reasons thereof?**

ANSWER

**Minister of State (IC) in the Ministry of CIVIL AVIATION
(Shri Hardeep Singh Puri)**

(a): The details of airline carriers that entered and exited the aviation industry in the past 20 years is attached at Annex.

(b): Based on continuous monitoring of the operations of airline carriers since the outbreak of the Covid-19 pandemic and the reports received from airlines , it has been observed that airline carriers have been severely affected due to restrictions on domestic and international passenger movements, as per broad details given below:

(i) Domestic passenger traffic fell from 11,99,45,632 during March-December 2019 to 3,77,79,592 during March-December 2020, while international passenger traffic fell from 1,96,64,179 to 18,55,033.

(ii) Revenues of major Indian scheduled carriers fell from INR 46,711 crore during April-September 2019 to about INR 11,810 crore during April-September 2020. Their full time and contractual employment which was 74,887 as on 31 March 2020 fell to 67,906 as on 30 September 2020.

(iii) M/s. Deccan Charters Pvt. Ltd. and M/s. Air Odisha Aviation Pvt. Ltd. have ceased operations from 24 July 2020 and 30 July 2020 respectively.

(iv) Domestic air cargo handled fell from 1.15 million metric tonnes (MMT) during March-December 2019 to 0.72 MMT during March-December 2020, while international air cargo handled fell from 1.74 MMT to 1.19 MMT.

(c) to (e): All efforts have been taken to strengthen the aviation sector. Some of them 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. Route rationalization in Indian airspace in coordination with Indian Air Force for efficient airspace management, shorter routes and lower fuel consumption

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

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

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

Annex

List of airline carriers that have entered and exited the aviation industry in the past 20 years				
S.No.	Name Of Operator	Permit No.	Date of Issue	Date of Closure
1	Jet Airways (I) Ltd.	S-6	13.02.1995	17.04.2019
2	Jet Lite (I) Ltd. (Formaly known as Sahara Airlines)	S-7	01.01.1996	17.04.2019
3	Deccan Aviation Pvt. Ltd. (Air Deccan)	S-12	26.08.2003	Acquired By Kingfisher Airlines on 29.08.2008
4	Kingfisher Airlines Ltd.	S-15	04.05.2005	05.10.2012
5	Paramount Airways	S-17	14.10.2005	19.04.2010
6	Indus Airways Pvt. Ltd.	S-20	16.11.2006	31.03.2007
7	MDLR Airlines Pvt. Ltd.	RS-01	19.03.2008	08.10.2009
8	Jagson Airlines Ltd.	RS-02	30.06.2008	31.12.2008
9	Deccan Cargo & Express Logistics Pvt. Ltd.	S-21	18.05.2009	17.05.2014
10	Aryan Cargo Express.	S-22	19.02.2010	18.02.2011
11	Quickjet Cargo Airlines Pvt. Ltd.	S-23	02.01.2012	07.08.2013
		Re-issued on	03.02.2016	03.11.2017
12	Religare Aviation Ltd.	S-24	01.06.2012	24.05.2017
13	LEPL Projects Ltd. (Air Costa)	S-25	13.09.2013	11.05.2017
14	Air Pegasus Pvt. Ltd.	S-28	24.03.2015	08.11.2016
15	Air Carnival Pvt. Ltd.	S-30	04.07.2016	06.06.2017
16	Deccan Charters Pvt. Ltd.	SC-02	22.12.2017	24.07.2020
17	Air Odisha Aviation Pvt. Ltd.	SC-03	13.02.2018	30.07.2020

END