

29 December 2020

**PRESS INTERACTION
OF HON'BLE MINISTER
FOR CIVIL AVIATION**

EARLIER PRESS INTERACTIONS

- 6 MARCH On measures taken at Airport
- 2 APRIL On Lifeline Udan
- 5 MAY On Launch of Vande Bharat Mission
- 21 MAY On resumption of Domestic Operation
- 20 JUNE On overall Civil Aviation scenario
- 16 JULY Update on Vande Bharat Mission & Drones
- 8 OCTOBER Update on Civil Aviation scenario

MAJOR INITIATIVES OF MOCA

- LIFELINE UDAN
- MISSION VANDE BHARAT
- CHARTER OPERATIONS
- RESTARTING DOMESTIC CIVIL AVIATION
- DRONE OPERATIONS
- AIR BUBBLES
- CARGO OPERATIONS

MISSION VANDE BHARAT

		Inbound flights		Outbound flights	
		No. of flights	No. of passengers carried	No. of flights	No. of passengers carried
Phase-1	Air India Group	64	12,708	64	3,562
Phase-2	Air India Group	325	59,576	325	15,721
Phase-3	Air India Group	455	89,243	455	43,577
Phase-4	Air India Group	640	1,14,602	640	52,574
Phase-5 till 31.8.2020	Air India Group	738	1,23,773	738	75,240
Phase-6 till 31.10.2020	Air India Group	1798	2,50,425	1798	1,96,134
Phase-7 till 26.12.2020	Air India Group	2166	3,56,181	2177	2,46,969
Phase-3,4,5,6&7 till 26.12.2020	Private carriers	470	74,665	470	4,215
Total		6656	10,81,173	6667	6,37,992

SUMMARY EVACUATION AS ON 26 DECEMBER 2020

AIR INDIA and AIR INDIA EXP	10,06,508
DEPORTEE	2,591
AMNESTY	7,338
CHARTERED	19,89,153
NAVAL SHIPS	3,987
LAND BORDER CROSSINGS	3,04,449
Total Inbound	33,14,026
Total evacuation 3314026 (Inbound) + 9,40,907 (Outbound = VBM+ Indian charters)	42,54,933

EVACUATION STATUS VBM

(More than 30,000 passengers)

Country	No of passengers
UNITED ARAB EMIRATES	1291681
SAUDI ARABIA	313735
UNITED STATES OF AMERICA	208292
QATAR	191042
OMAN	182230
KUWAIT	152152
UNITED KINGDOM	143088
GERMANY	55322
SINGAPORE	53852
BAHRAIN	49459
CANADA	47079
FRANCE	46942
MALDIVES	36339

DESTINATION STATES

(More than 50,000 passengers)

States	No of passengers
KERALA	805372
DELHI	688022
MAHARASHTRA	321228
TAMIL NADU	279575
UTTAR PRADESH	230494
TELANGANA	184632
KARNATAKA	172378
PUNJAB	60856
RAJASTHAN	59379
GUJARAT	52227

Lifeline UDAN

- Launched LIFELINE UDAN to transport experts and equipment to every corner of the country (NER, hilly and island states).
- The cargo essentially covered COVID-19 related reagents, enzymes, medical equipment, testing kits, PPEs, masks, gloves, medicines & other accessories.

Total Kilometers covered	5,45,685 Kms
Total flights	588
Total cargo load carried	940.29 Tons
Total medical cargo from foreign countries	1928 Tons
Medical supplies to friendly foreign nations (Mauritius, Seychelles, Sri Lanka)	30 Tons

RCS - UDAN

Launched on 21-10-2016

Objective – Promote air connectivity to unserved and underserved airports in Tier-II and Tier-III cities to stimulate regional growth and provide affordable air travel to the citizens.

Support to airline operators

- Concessions by the Government of India, State Governments and Airport operators.
- Viability Gap Funding (VGF) by RCS Cell.

4 Rounds

- 766 valid routes awarded
- 303 commenced
- 53 Airports connected (27 unserved + 19 underserved & 5 heliports + 2 waterdromes)

RCS-UDAN

- 76 Airports operational till 2014.
- 53 airports added to the network in last 6 years
- Total operational airports today $76 + 53 = 129$ in 2020

- Under Udan – Work has been initiated to connect
 - 98 unserved/underserved
 - 33 Helipads
 - 12 Water Aerodromes

- **First ever Seaplane Services launched by Hon'ble PM under RCS Udan between Statue of Unity, Kevadia and Sabarmati River front, Ahmedabad on 31.10.2020.**

- Over 50 lakh passengers have travelled on RCS flights.

INTERNATIONAL OPERATIONS

- Civil Aviation stakeholders, the destination governments, Health Ministry and State Governments to be on-board.
- To facilitate movement of persons Vande Bharat Mission and air bubble arrangement in place.
- To check spread of the new strain of novel corona virus in India through passengers with air travel history from the UK, all flights from UK into India and India to UK have been suspended temporarily from 2359 hrs on 22 December 2020 till 2359 hrs on 31 December 2020.
- Other countries have also imposed fresh restrictions on international flights.

RT-PCR TEST AT ENTRY AIRPORTS

- Gold Standard - RT-PCR/ TrueNat/CBNAAT(including GeneXpert) test facility setup at the entry airport for all arriving international passengers.
- Test facility presently available at major airports such as Delhi, Mumbai, Hyderabad, Bengaluru.
- Pax tested negative, exempted from institutional quarantine or permitted to take connecting flight to domestic destinations.
- RT-PCR Test made mandatory for all passengers arriving from UK. Covid Positive to be put up in Institutional quarantine and Covid negative to be in home isolation.

AIR BUBBLES

- **We have formalized air bubble arrangements with 24 countries** like Afghanistan, Bahrain, Bangladesh, Bhutan, Canada, Ethiopia, France, Germany, Iraq, Japan, Kenya, Kuwait, Maldives, Nepal, Netherlands, Nigeria, Oman, Qatar, Rwanda, Tanzania, Ukraine, United Arab Emirates (UAE), United Kingdom (UK), United States of America (USA).
- Discussion on with other countries (including Saudi Arabia and Singapore) for similar arrangements.

Domestic Operations

- Suspended on 25 March 2020
- Resumed on 25 May 2020
- Passengers on 25 May - 30,550
- Passengers on 27 December - 2,56,457
- - 33% of the capacity allowed w.e.f. 25 May 2020
- - 50% of the capacity allowed w.e.f. 26 June 2020
- - 60% of the capacity allowed w.e.f. 2 September 2020
- - 80% of the capacity allowed w.e.f. 11 November 2020

- Total- 2.64 lakh flights since 25 May
- - 2.73 Crore passengers since 25 May
- With SOPs - Which have been regularly revised as per needs and in consultation with Ministry of Health & Family Welfare

REFUND OF AIRFARE

- Hon'ble SC order dated 01.10.2020 (Pravasi Legal Cell Vs UoI & Others) : Airlines to refund the full amount without levy of cancellation charges on tickets booked and proposed travel during lockdown period (25th March, 2020 to 24th May, 2020) for domestic/international travel.
- Refund of tickets for travel after 24th May, 2020 as per provisions of Civil Aviation Requirements (CAR).
- Travel agent to pass on the full refund received from airlines, to passengers, where tickets booked through them.
- For other cases, Airline(s) not able to refund due to financial distress shall provide credit shell in the name of passenger, who booked directly or through travel agent.
- Passengers can utilize credit shell by 31st March, 2021 on any route of his choice or can transfer the credit shell to any person including the travel agent through whom ticket was booked.
- **DGCA has issued instructions to all scheduled domestic and international airlines for strict compliance of directions issued by Hon'ble Supreme Court of India.**

MEASURES FOR AVIATION SECTOR

- In January, 2020 Fuel Throughput charge was rationalised.
- Central Excise Duty on Aviation Turbine Fuel (ATF) was reduced to 11% in October 2018.
- GST on MRO reduced from 18% to 5% with full input tax credit from 1 April 2020. This will attract MRO business to India leading to a lot of savings for airlines in maintenance and also creation of jobs.
- Till now, only 60% of the Airspace was available for civilian Aircraft movement. Now, restrictions are being eased out. Air space rationalization will save about Rs.1000 crore per annum for airlines
- The proposal to bring ATF under the ambit of GST is before the GST Council which has representation from the States as well.
- GST of 18% applicable on air cargo export services waived off till 30 September 2021.

PPP of AAI Airports

- In principle decision of the Cabinet on PPP of 6 AAI airports taken in November 2018.
- July 2019 – Union Cabinet approval for Ahmedabad, Lucknow, Mangalore to highest bidder M/s AEL for a period of 50 years.
- Covid outbreak - Extension sought by M/s AEL to achieve Commercial Operations Date (COD).
- Date of takeover by Concessionaire
 - Mangalore - 31 October 2020
 - Lucknow - 2 November 2020
 - Ahmedabad - 7 November 2020
- August 2020- Union Cabinet approval for handing over of Jaipur, Guwahati, Thiruvananthapuram.
- Letter of Award issued on 1 September 2020.

PPP of AAI Airports

- Concession Agreement to be signed on/before 25th January for all three Airports, subject to completion of other formalities and outcome of litigations.
- Kerala High Court upheld the bidding process for PPP of Thiruvananthapuram airport
- The Ministry is also proposing leasing of 6 more airports under Public Private Partnership - **Varanasi, Amritsar, Bhubaneswar, Raipur, Indore and Trichy.**
- **The modalities are being finalized.**

Height Regulations Update

- **GSR 770 (E) notified on 17th December, 2020, Amending GSR 751(E) dated 30th September, 2015**
- **Key Benefits:**
- The Initial Validity period of Height Clearance NOC increased to eight (08) years.
- The Revalidation period, subject to issue of commencement certificate by the local body, in the initial validity period of eight years, has been increased to four years, thereby providing a window of 12 years from the date of issue of NOC.
- Restriction on Tree planting limited to Schedule I of GSR 770(E)
- In case of NOCs issued under S.O 1589(E) or S.O 84(E), that have lapsed, but commencement certificate obtained from the local body in the initial validity period of five years (05), a window of 90 days has been provided to apply for re-validation for a total period of 12 years, from the date of issue of NOC.
- Restrictions on Height Clearance imposed by Automatic Dependent Surveillance Broadcast (ADS-B) equipment has been done away with, beyond 2 Kms from the location of such equipment.
- Due to the COVID situation, in keeping with the advisory from MoHUA, the validity of all the height clearance NOCs, issued by AAI, has been extended by default by nine months (09 months).

AIR SAFETY

Neo engines

- All 134 aircraft in the inventory of Indigo have modified Neo engines. Go Air has 46 aircraft with Neo engines out of which both engines have now been modified in 31 aircraft.
- While EASA have allowed operation with one modified engine , DGCA has asked Indigo and Go Air not to fly any aircraft without both Neo engines modified, to ensure passenger safety.

AIR SAFETY

B-737 Max aircraft

- As fallout of two accidents involving the Boeing 737MAX (Lion Air Flight 610 and Ethiopian Airlines Flight 302), keeping safety of travellers in mind, DGCA, on 13th March 2019, grounded the entire B737 MAX fleet of the two Indian airlines.
- DGCA also prohibited B-737 MAX flights of other operators over/ in Indian Airspace.
- FAA has issued conditional airworthiness certificate to B-737 Max. DGCA, EASA and other safety regulators are examining this issue.

AIR SAFETY

- US Safety Regulator FAA which had downgraded India to Category-II status in 2014, upgraded us to Category-I in April 2015 after significant steps were taken by DGCA to ensure air safety.
- India is placed in Category-I, others like Pakistan, Bangladesh, Thailand & Malaysia are in Category-II.
- Indian skies are safe. Effective Implementation of safety standards by DGCA has resulted in considerable improvement from 57% in 2017 to 72% in 2018.
- DGCA received ICAO Council President Certificate for this achievement in 2019 Assembly

KOZIKHODE ACCIDENT

- Air India Express flight IX-1538 (B-737-800) was involved in an accident on 7 Aug 2020 at Kozhikode.
- Investigation has been ordered as per Aircraft (Investigation of Accidents and Incidents) Rules, 2017.
- Head of the investigation is Investigator-in-charge Capt SS Chahar, who has experience of 18000 hours flying of which 15000 hours is on B-737 NG aircraft.
- The other members of the investigation team has vast experience in operations, aircraft maintenance, aviation medicine and accident investigation.
- The investigation is presently under progress and is likely to be completed within the timelines as per the terms of reference of the inquiry i.e. within five months from the date of the issue of investigation order.

KOZHIKODE ACCIDENT

Compensation

- AI Express has completed the disbursement of interim compensation to all the passengers and family members of deceased passengers in the month of September 2020.
- Total compensation to the tune of Rs.4.25 Crores already paid
- For final settlement, AIXL has circulated the claim forms in the first week of October 2020 (on 05.10.2020/ 06.10.2020), to all passengers/next of kin of the deceased passengers to start the process of determination of final compensation.
- Every possible support is being offered to them to help them complete the documentation requirements as specified by the insurers.

DISINVESTMENT OF AIR INDIA

- The Preliminary Information Memorandum (PIM) for inviting Expression of Interest (EOI) issued on 27 January 2020 for:
 - 100% sale of equity share capital of Air India Limited (AIL)
 - Sale of AIL's 100% shareholding in the Air India Express Limited (AIXL); and
 - Sale of 50% shareholding in Air India Airport Services Private Limited (AISATS)
- In view of prevailing situation arising out of COVID 19, **last date for submission of EOIs was extended upto 14.12.2020.**
- **The date of intimation to Qualified Interested Bidders is 05.01.2021.**

DISINVESTMENT OF AIR INDIA

- The process has been divided in to two stages.
 - In the stage-I, EOI has been submitted by Interested Bidders and they will be shortlisted based on Eligibility criteria and other terms mentioned in the PIM.
 - In the stage-II, shortlisted Interested Bidders will be provided with a Request for Proposal (RFP) and thereafter there will be a transparent bidding process.
- In view of the post COVID situation and severe impact on aviation sector, the Govt. has considered various options related to disinvestment including bidding parameters in the PIM and meetings of Inter-Ministerial Group and Core Group of Secretaries on Disinvestment have been held regularly to review the disinvestment process.
- The interested bidders have been asked to indicate their interest on Enterprise Value of Air India.

UNMANNED AIRCRAFT SYSTEMS– DRONES

- Draft Unmanned Aircraft Systems (UAS) Rules 2020 now with Legislative Department for vetting and likely to be notified shortly.
- Civil Aviation Regulations (CARs) on drone training issued on 14 October 2020.
- Separate Drone Directorate setup in DGCA on 21 Oct 2020. The Directorate is headed by a Deputy Director General and has 12 (twelve) other technical officers.
- GARUD portal ('Government Authorisation for Relief Using Drones') launched to provide fast track exemptions to government agencies for COVID-19 related drone operations. Fast track approvals given to agriculture ministry, Survey of India, Maharashtra Transco, Indian Oil, Railways, State Governments etc

Liberalised FTO* policy at 6 AAI Airports

- Estimated requirement of 7000 pilots in next five years
- Land to be allocated for FTOs at six airports identified in Phase 1: Belagavi, Jalgaon, Kalaburgi, Khajuraho, Lilabari and Salem. Tender invited from interested parties.
- Minimum concession fee reduced from several crores to INR 15 lacs per annum.
- Actual fee to be arrived at by competitive bidding.
- Duration of lease agreement: 25 years. Land and infrastructure will come back to AAI after 25 years.
- 15 DGCA approved FTOs have been permitted to undertake drone training.

* FTO: Flying Training Organisation

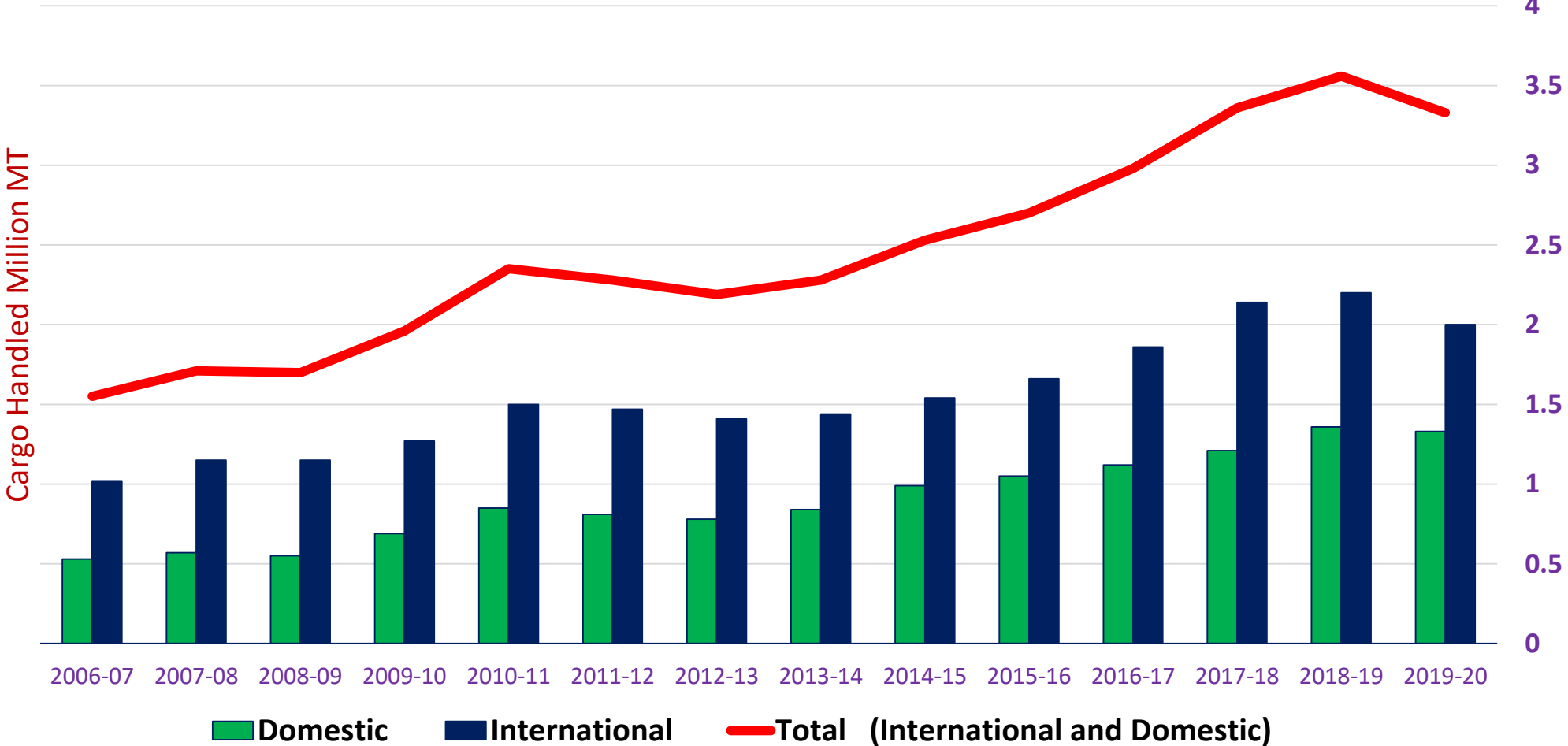
Maintenance, Repair & Overhaul (MRO) Services

- At present, 85% of MRO activities are carried out abroad. Annual input of MRO Services by airlines in India is US\$ 1.4 billion
- Convergence between civil and defence MROs
- Rationalization of tax regime : GST on MRO reduced from 18% to 5% with full input tax credit from 1 April 2020.
- Transactions sub-contracted by foreign OEMs/MRO to domestic MRO are treated as “exports” with zero-rated GST w.e.f. 1 April 2020
- No royalty/concession fee shall be charged from MROs.
- Rationalization of airport land/space rentals for MROs (including line maintenance and AMO Services etc.)
- 8 airports identified for MRO activities- Chennai, Bhopal, Chandigarh, Hyderabad (Begumpet), Tirupati, New Delhi, Juhu and Kolkata. AAI to invite EoI from the interested bidders.

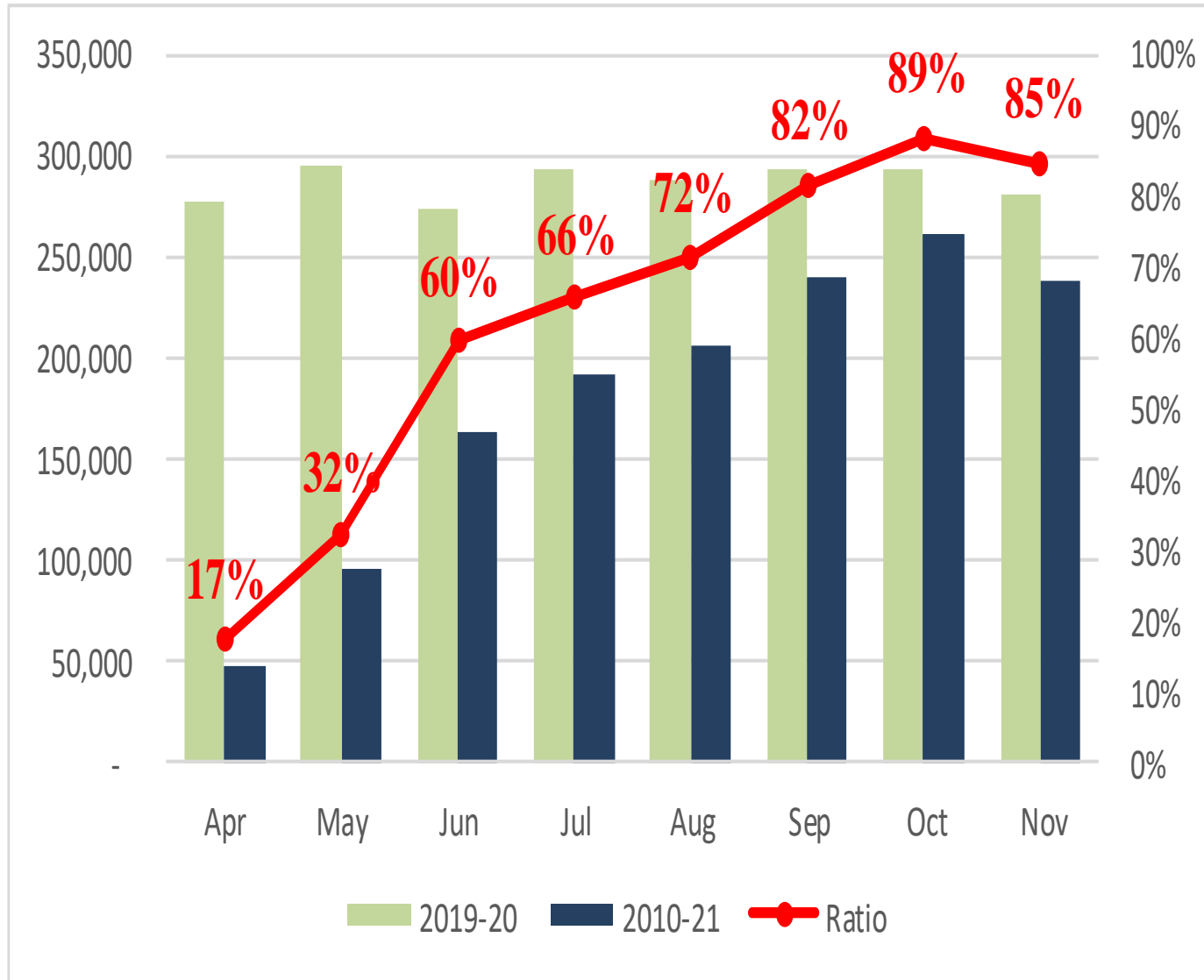
Aircraft leasing and financing

- Estimated delivery of 100 aircraft per year. US\$ 5 billion financing every year
- Large number of initiatives to promote aircraft leasing and financing:
 - i. International Financial Service Center (IFSC) to be developed as a hub for Aircraft Leasing & Financing.
 - ii. Exemption from corporate tax for a block period of 10 years within first 15 years for leasing units.
 - iii. GST regime in IFSC offshore is now broadly at par with leasing and financing from other countries.
 - iv. Govt. of Gujarat (Order 04.08.2020) exempted stamp duty on transactions related to aircraft leasing & financing carried out from IFSC at GIFT City SEZ.
 - v. IFSC Authority Act notified in December 2019.
 - vi. Aircraft and engines leasing and financing notified as a financial product within the meaning of relevant provisions of IFSC Authority Act.
 - vii. The first domestic lease of two indigenously produced civil aircraft successfully taken up by HAL.

INDIA- AIR CARGO TREND



Near normalisation achieved in all-India air cargo tonnage by Nov 2020



- Air cargo operations have reached near normalisation in November 2020 as compared to November 2019 thus providing valuable revenues to all participants across supply chains
- Taking the cumulative April-November 2020 totals, agri-perishables air-lifted domestically or for exports was 1,17,337 MT as compared to 2,09,118 MT in 2019
- Many of these tier-II and tier-III airports have shown growth in agri-perishables depending upon the seasonality of the horticulture produce in their environs
- This underscoring that India's integration with global and domestic value chains has strengthened with a widespread robust performance.

Indian Carriers–Cargo services during lock-down

- Increase in dedicated freight aircraft from 6 to 20
- Air freight capacity also added with 150 passenger aircrafts deployed on the basis of passenger to cargo conversion
- Focus on medical/pharma cargo; agri-produce since March
- Real time solutions to remove impediments and bridge disruptions in supply chains
- Cargo Terminals kept open 24x7 with suitable measures for safety of personnel
- 50% waiver of demurrage to incentivize removal of import cargo from airports in Phase-I Lockdown
- Multiple green shoots visible across the cargo sector with freight capacity handled almost equal to or more than the comparable period last year
- Non-scheduled cargo operations by foreign carriers restricted to six major airports.
- Scheduled cargo services to operated as per bilateral agreements.

IT initiatives of the Ministry

- eGCA project initiated by DGCA to ensure faster delivery services and regulation oversight.
- eBCAS project initiated by BCAS to digitize operations and provide online delivery of services.
- DigiSky captures the entire gamut of activities relating to drones.
- DigiYatra envisages seamless and hassle free passenger movements using biometric technologies.
- Garud provides fast track exemption to Govt agencies for Covid-19 related drone operations.

Thank You