

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

STARRED QUESTION NO:207

ANSWERED ON:28.03.2012

SUBSIDIES TO AIRLINES

Bapurao Shri Khatgaonkar Patil Bhaskarrao;Paranjpe Shri Anand Prakash

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government proposes to subsidise airlines, both the national and the private operators, operating on unprofitable routes especially those in remote destinations, for improving regional connectivity;
- (b) if so, the details thereof;
- (c) whether funds have been allotted for this purpose and if so, the details thereof;
- (d) the time by which this scheme is likely to come into operation; and
- (e) the extent to which this move is likely to boost regional connectivity alongwith other steps taken/being taken to improve regional connectivity?

Answer

MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH)

(a)to(e): A statement is laid on the Table of the House.

STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN REPLY TO STARRED QUESTION NO. 207 DATED 28.3.2012 REGARDING SUBSIDIES TO AIRLINES.

(a)to(d): Yes, Madam. At present, the Government is providing following subsidies to smaller aircraft to boost regional connectivity:

(i) No landing charges are payable in respect of :

- (a) Aircrafts with a maximum certified capacity of less than 80 seats, being operated by domestic scheduled operators; and
- (b) helicopters of all types.

(ii) ATF sold to an aircraft with a maximum take-off mass of less than forty thousand kilograms operated by scheduled airlines has been granted status of 'declared goods'. Further, new initiatives such as Essential Air Services Fund (EASF) to improve air connectivity in remote and inaccessible areas have been proposed under 12th Five Year Plan of the Ministry and an outlay of Rs. 100 crore for the 12th Plan period and a token provision of Rs. 0.10 crore in annual plan 2012-13 have been proposed.

(e): This initiative is expected to boost remote and regional connectivity and promote air operations on routes considered unviable.

To further improve regional connectivity, apart from the above, Government has introduced a category of Regional Scheduled Airlines. Government has granted initial No Objection Certificate to eight regional airlines to operate Scheduled Air Transport Regional Services in different regions of the country.