

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO. : 3372
TO BE ANSWERED ON THE 23rd March 2026
SYSTEMIC PATTERN OF AIRLINE FAILURES

3372. SHRI SAKET GOKHALE

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

- (a) the total number of airline failures during the last decade including Kingfisher, Jet Airways, TruJet, Go First, and Vistara, and the cumulative impact on passengers and employees;
- (b) whether Government has assessed the structural reasons including intense cost competition, high ATF prices, and infrastructure limitations that make Indian aviation economically fragile;
- (c) the total outstanding dues of failed airlines to airports, employees, and creditors; and
- (d) the mechanism in place to protect passengers and employees when airlines cease operations?

ANSWER

Minister of State in the Ministry of CIVIL AVIATION (Shri Murlidhar Mohol)

(a) to (d): Since 2016, a total of 11 airlines have exited the market due to reasons such as financial stress, non-availability of aircraft and other internal issues. Further, AirAsia (India) Pvt. Ltd. (now AIX Connect Pvt. Ltd.) has merged with Air India Express Ltd., and Tata Sia Airlines Ltd. (Vistara) has merged into Air India Ltd.

The Government is committed to ensuring a balanced and resilient civil aviation sector. The aviation sector is deregulated, and airlines operate based on commercial considerations. At the policy level, capacity diversification is promoted through rationalisation of traffic rights, expansion of airport infrastructure, facilitation of fleet induction and enhancement of regional connectivity under the UDAN Scheme. The Government promotes ease of doing business in the sector through deregulation, simplified procedures and e-governance, but does not interfere in the commercial/financial decisions and manner of operations of the Airlines.

Additionally, DGCA monitors airline operations, including schedules and preparedness, to ensure operational resilience. The Route Dispersal Guidelines (RDG) and UDAN Scheme further support balanced connectivity across trunk, regional and remote areas.

Outstanding dues of such airlines to Airports Authority of India:

- i) Kingfisher- Rs.380.51 Cr. (Rs.175.30 Cr Principal + Rs.205.11 Cr Interest) claim lodged before the official Liquidator at Bengaluru
- ii) Jet Airways - NIL

iii) Go First - NIL

iv) TruJet (Turbo Megha Aviation) - Rs.0.03 Cr.
