

**GOVERNMENT OF INDIA**  
**MINISTRY OF CIVIL AVIATION**  
**Lok Sabha**  
**UNSTARRED QUESTION NO. : 201**  
**( TO BE ANSWERED ON THE 2nd February 2023 )**  
**LOSS TO AVIATION INDUSTRY**

**201. SHRI ANUMULA REVANTH REDDY**

**Will the Minister of CIVIL AVIATION**

**be pleased to state:-**

**(a) whether the aviation industry incurred a loss of Rs. 11658 crore during the financial year 2021-22 and if so, the details thereof during the last five years, year-wise;**

**(b) whether the Government Conducted regular analysis of the financial status of the aviation industry and if so, the details of the last report;**

**(c) whether the Government has fixed any timeline to conduct a similar analysis for the improvement of the financial status of the aviation industry in the country and if so, the details thereof; and**

**(d) the details of the initiatives taken by the Government to reduce the financial loss of the aviation industry?**

**ANSWER**

**Minister of State in the Ministry of CIVIL AVIATION**  
**(GEN. (DR) V. K. SINGH (RETD))**

**(a)Based on the inputs received from the major Indian airlines and information available with the Ministry, the details of losses incurred by the industry during the last three years are as follows;;**

<b>YEAR</b>	<b>LOSS (Rs. in crores);</b>
<b>FY 2019-20</b>	<b>4770</b>
<b>FY 2020-21</b>	<b>12479</b>
<b>FY 2021-22</b>	<b>11658</b>

**(b) & (c) No, Sir. The airlines are run by Private Operators and the Government has deregulated the airline fares. As such, the Government does not analyse the financial status of airlines.**

**(d) Government has taken various initiatives to support the aviation industry. ;**

**I) The reduction in Value Added Tax (VAT) on Aviation Turbine Fuel (ATF) was taken up with the state Government / Union Territories levying high VAT on ATF. As a result, VAT on ATF has been reduced by 17 States/ UTs whose details are as below:**

**;**

**States which have reduced VAT on ATF in the range of 1-4%:**

**(i) Andaman & Nicobar Islands;**

**(ii) Uttarakhand;**

**(iii) Jammu & Kashmir;**

**(iv) Ladakh;**

**(v) Himachal Pradesh;**

**(vi) Tripura;**

**(vii) Madhya Pradesh;**

**(viii) Haryana;**

**(ix) Uttar Pradesh;**

**(x) Dadra and Nagar Haveli & Daman and Diu;**

**(xi) Arunachal Pradesh;**

**(xii) Manipur;**

**(xiii) Jharkhand;**

**(xiv) Mizoram ;**

**;**

**Other States which have reduced VAT on ATF:**

**;**

**(xv) Gujarat - From 30% to 5%**

**(xvi) Goa - From 18% to 8%**

**(xvii) Karnataka - From 28% to 18%**

**;**

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

**III) Airports Authority of India (AAI) and other Airport Developers have targeted capital outlay of approximately Rs. 98,000 crore in airport sector in the next five years for expansion and modification of existing terminals, new terminals and strengthening of runways, among other activities.**

**IV) Government has approved Emergency Credit Line Guarantee Scheme (ECLGS) to aviation sector. Based on the industry demand, the scope of ECLGS has been enhanced to provide credit support to these companies upto 100% of their total credit outstanding (both fund based and non-fund based outstanding) as on reference dates, subject to a cap of Rs. 1500 crore per borrower, whichever is lower.**

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