

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 4297
(To be answered on the 19th March 2020)**

LOSS OF PUBLIC AND PRIVATE AIRLINE OPERATORS

4297. SHRIMATI NUSRAT JAHAN RUHI

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- a) the details of the profits and losses of public and private airline operators in the country over the last three years;**
- (b) whether most airline operators in the country have been recording losses for the last three years and if so, the reasons therefor; and**
- (c) whether the Government is proposing to assess and improve the situation to enable airline operators in the country to function effectively and if so, the details thereof**

ANSWER

Minister of State (IC) in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री (स्वतंत्र प्रभार)

(Shri Hardeep Singh Puri)

(a) to (c): The financial performance of Scheduled Indian Carriers for both Scheduled Domestic and Scheduled International services, as per information made available by the Scheduled Indian Carriers to Directorate General of Civil Aviation (DGCA) is attached as Annexure.

Each airline prepares its business plan on the basis of its own market assessment and the airline is responsible for its commercial operations. The Government is conscious of financial difficulties faced by the Airline Companies. Accordingly, the Government has been responding to industry conditions and undertaking specific measures to facilitate and enable growth of the sector. The major steps taken by this Ministry to help civil aviation sector include:

I. Provide airport infrastructure through Airports Authority of India and the private operators.

II. Provide an efficient Air Navigation System in the Country.

III. Regulate the aviation industry through Directorate General of Civil Aviation to ensure safety standards.

IV. Coordinate with all stakeholders to resolve their issues through regular

interactions.

V. 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.

VI. Provide financial assistance to Air India as per the approved Plan.

VII. Reduction of Central Excise Duty applicable on Aviation Turbine Fuel (ATF) from 14% to 11% w.e.f. 11th October 2018.

VIII. Rationalization of Goods and Services Tax provisions.

IX. Rationalization of Category-I routes under Route Dispersal Guidelines on the basis of criteria given in National Civil Aviation Policy - 2016.

X. The requirement for 5/20 is modified 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 departure put together) whichever is higher for domestic operations. For this purpose, the published schedule of airlines will be the basis for monitoring, assuming that one aircraft would have 6 departures per day.

XI. Liberalization of domestic code share points in India within the framework of Air Service Agreements.

XII. With a view to modernize existing airports so as to establish high standards and ease demand pressures on them, 100% Foreign Direct Investment (FDI) under automatic route has been allowed in brownfield airport projects. This would facilitate the development of domestic aviation infrastructure. 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 are 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. Such investment is subject to the condition, inter alia, that Scheduled and Non-Scheduled Operator's Permit would be granted only to a company the substantial ownership and effective control of which is vested in Indian nationals.

Annexure

Statement regarding financial performance of Scheduled Indian Carriers referred to in the reply of LOK SABHA Unstarred Question

no. 4297 to be answered on 19-03-2020.

(RS. IN MILLION)

CARRIER/AIRLINE	OPERATING REVENUE			OPERATING EXPENSE			OPERATING RESULT		
	2016-17	2017-18	2018-19(P)	2016-17	2017-18	2018-19(P)	2016-17	2017-18	2018-19(P)
NATIONAL CARRIERS									
AIR INDIA	218,596.1	230,036.7	255,088.3	215,615.9	246,617.4	301,940.9	2,980.2	-16,580.7	-46,852.6
AI EXPRESS	33,299.3	36,196.8	41,715.7	27,649.9	30,725.4	37,378.1	5,649.5	5,471.4	4,337.6
ALLIANCE AIR	3,756.9	5,931.4	8,216.1	5,080.0	7,278.5	9,946.5	-1,323.1	-1,347.1	-1,730.4
(A) TOTAL (NATIONAL)	255,652.3	272,164.9	305,020.1	248,345.8	284,621.3	349,265.5	7,306.6	-12,456.4	-44,245.4
PRIVATE SCHEDULED DOMESTIC AIRLINES									
JET AIRWAYS*	212,576.7	232,570.4	NA	212,070.0	239,784.5	NA	506.6	-7,214.1	NA
JET LITE (P) LTD.*	12,237.2	12,937.6	NA	12,369.1	13,149.8	NA	-131.9	-212.2	NA
GO AIR	36,205.0	46,752.2	64,757.6	32,116.9	41,393.5	64,030.7	4,088.1	5,358.8	726.9
SPICE JET	61,912.7	77,950.9	91,132.5	58,465.9	72,735.7	93,793.6	3,446.8	5,215.3	-2,661.1
INDIGO	185,805.0	230,208.9	284,967.7	168,897.0	204,442.5	289,872.0	16,908.0	25,766.4	-4,904.3
ZOOM AIR	26.1	174.0	103.6	24.7	165.9	117.5	1.4	8.1	-14.0
AIR ASIA	9,519.4	18,011.3	25,116.4	10,922.6	19,425.7	32,146.8	-1,403.3	-1,414.4	-7,030.4
VISTARA	13,899.2	21,374.3	29,943.8	19,392.1	26,539.6	38,948.5	-5,492.9	-5,165.3	-9,004.7
BLUE DART	6,188.4	6,713.0	7,581.0	5,964.3	6,438.0	7,201.0	224.1	275.0	380.0
TRUE JET	1,261.4	1,956.8	2,681.9	2,069.1	2,808.2	2,857.6	-807.7	-851.5	-175.6
QUIKJET CARGO	330.4			474.5			-144.1		
AIR DECCAN		629.3	47.0		764.9	336.0		-135.5	-289.0
AIR ODISHA		13.9	110.0		55.3	110.5		-41.5	-0.5
STAR AIR			50.4			212.1			-161.7
AIR HERITAGE			3.0			20.9			-17.9
(B) TOTAL (PRIVATE)	539,961.5	649,292.6	506,494.9	522,766.4	627,703.5	529,647.2	17,195.1	21,589.1	-23,152.4
GRAND TOTAL (A+B)	795,613.8	921,457.5	811,514.9	771,112.1	912,324.8	878,912.7	24,501.7	9,132.7	-67,397.8

JET AIRWAYS & JETLITE * Ceased Operations since 18th April 2019(Provisional Financial Statement of FY 2018-19 not submitted till date).

P- Provisional