

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 529
(To be answered on the 4th February 2021)**

POOR BALANCE SHEET OF AVIATION SECTOR

**529. SHRIMATI VANGA GEETHA VISWANATH
SHRI KOTHA PRABHAKAR REDDY**

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) whether Indian carriers will continue to have a poor balance sheet in FY22 including domestic/international air passenger traffic;
- (b) if so, the details thereof, carrier and route-wise as compared to the last five years and the reasons therefor;
- (c) the steps being taken to help such carriers financially including Air India;
- (d) the number of loss making carriers closed/cancelled so far for the said period?

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 (d): Government is aware of the impact of the Covid crisis on airlines. Regular stakeholders consultations are held and required policy decisions are taken. Further, airlines are commercial entities which prepare their business plan on the basis of their own market assessment and liabilities. Mobilizing financial resources and ensuring efficient operations as per business plan are the responsibility of the airline.

The Ministry of Civil Aviation helps the airlines by providing a congenial environment to function. The steps taken to facilitate Civil Aviation in India includes:

- I. Provide airport infrastructure through Airports Authority of India (AAI) 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 (DGCA) to ensure safety standards.**
- IV. Coordinate with all stakeholders to resolve their issues.**

V. Provide Viability Gap Funding (VGF) and other concessions to selected airline operators under Regional Connectivity Scheme (RCS) - UDAN (Ude Desh ka Aam Nagrik) as per the scheme document.

VI. Reduction of Central Excise Duty applicable on ATF from 14% to 11% w.e.f. 11th October 2018 and rationalization of Goods and Services Tax (GST) provisions, with a view to revive the airline industry.

VII. Rationalization of Category-I routes under Route Dispersal Guidelines (RDGs) on the basis of criteria given in NCAP 2016.

VIII. 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.

IX. Liberalization of domestic code share points in India within the framework of Air Service Agreements (ASA).

X. 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 also 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 would be 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.

XI. Also Government of India provides some financial assistance to Air India.

As per information made available by the scheduled Indian carriers, the financial statement for the period of financial year 2015-16 to 2019-2020 (provisional) is attached as Annexure-I.

Annexure-I

Statement rendered in the right of the Shareholders Pursuant to Question No. 59 to be answered on 04/02/2021
FINANCIAL PERFORMANCE OF SCHEDULED INDIAN CARRIERS FOR YEARS 2015-16 TO 2019-20 (2015-16, 2017-18, 2018-19, 2019-20)

(RS. IN MILLION)

CARRIER/AIRLINE (NATIONAL CARRIERS)	OPERATING REVENUE					OPERATING EXPENSES					OPERATING RESULT (PROFIT/LOSS)				
	2015-16	2016-17	2017-18	2018-19	2019-20 (P)	2015-16	2017-18	2018-19	2019-20 (P)	2015-16	2016-17	2017-18	2018-19	2019-20 (P)	
AIR INDIA	199,923.3	218,506.1	230,036.7	255,088.3	277,106.1	198,873.3	215,615.9	246,617.4	301,940.9	323,709.1	1,050.0	2,980.2	-16,580.7	-46,852.6	-46,603.0
AIR EXPRESS	29,179.6	33,299.3	36,196.8	41,715.7	52,306.8	22,283.4	27,649.9	30,725.4	37,378.1	44,789.2	6,896.1	5,649.5	5,471.4	4,337.6	7,516.8
ALLIANCE AIR	2,738.6	3,756.9	5,931.4	8,216.2	9,930.2	3,214.6	5,080.0	7,278.5	9,946.5	9,275.6	-476.0	-1,323.1	-1,347.1	-1,739.4	654.6
(A) TOTAL (NATIONAL)	231,841.5	255,652.3	272,164.9	305,020.1	339,343.1	224,371.3	248,345.8	284,621.3	349,265.5	377,773.9	7,470.1	7,306.6	-12,456.4	-44,245.4	-38,431.6
PRIVATE SCHEDULED DOMESTIC CARRIERS															
JET AIRWAYS@@	211,117.7	212,576.7	232,570.4	NA	NA	199,085.4	212,070.0	239,784.5	NA	NA	12,032.3	506.6	-7,214.1	NA	NA
JET LITE (P) LTD@@	11,136.5	12,237.2	12,937.6	NA	NA	11,154.1	12,369.1	13,149.8	NA	NA	-17.7	-131.9	-212.2	NA	NA
GO AIR	28,817.0	36,205.0	46,752.2	64,757.6	72,033.4	26,704.4	32,116.9	41,393.5	64,030.7	76,850.1	2,112.5	4,088.1	5,358.8	726.9	-4,816.7
SPICE JET	51,517.7	61,912.7	77,950.9	91,132.5	123,586.4	47,735.1	58,465.9	72,735.7	93,793.6	128,665.7	3,782.6	3,446.8	5,215.3	2,661.1	-5,079.3
INDIGO	161,399.1	185,805.0	230,208.9	284,967.7	357,560.0	136,370.7	168,897.0	204,442.5	289,872.0	341,299.4	25,028.4	16,908.0	25,766.4	-4,904.3	16,260.6
AIR COSTA*	3,191.1					3,904.7					-713.6				
ZOOM AIR **		26.1	174.0	NA	NA		24.7	165.9	NA	NA		14	8.1	NA	NA
AIR ASIA@	6,588.4	9,519.4	18,011.3	25,116.4	36,829.1	8,405.4	10,922.6	19,425.7	32,146.8	44,960.0	-1,817.0	-1,403.3	-1,414.4	-7,030.4	-8,130.9
VISTARA #	6,913.7	13,899.2	21,374.3	29,943.8	NA	11,154.7	19,392.1	26,539.6	38,948.5		-4,241.0	-5,492.9	-5,165.3	-9,004.7	
AIR PEGASUS ##	539.6	0.0				558.3					-18.7				
BLUE DART	5,938.1	6,188.4	6,713.0	7,581.0	8,108.0	5,719.7	5,964.3	6,438.0	7,200.8	7,148.0	218.4	224.1	275.0	380.0	960.0
TRUE JET \$	649.2	1,261.4	1,956.8	2,681.9	3,683.8	1,151.5	2,069.1	2,808.2	2,857.6	3,785.5	-502.3	-807.7	-851.5	-175.6	-101.7
QUICKJET CARGO \$\$		330.4					474.5					-144.1			
AIR DECCAN I			629.3	NA	NA			764.9	NA	NA			-135.5	NA	NA
AIR ODISHA II			13.9	NA	NA			55.3	NA	NA			-41.5	NA	NA
STAR AIR				50.4	NA				212.1	NA				-161.7	NA
AIR HERITAGE				3.0	NA				20.9	NA				-17.9	NA
PAWAN HANS &					NA					NA					NA
(B) TOTAL (PRIVATE)	487,808.1	539,961.5	649,292.6	506,234.3	601,800.7	451,944.1	522,766.4	627,703.5	529,083.0	602,708.7	35,864.0	17,195.1	21,589.1	-22,848.9	-908.0
GRAND TOTAL (A+B)	719,649.6	795,613.8	921,457.5	811,254.4	941,143.8	676,315.5	771,102.1	912,324.8	878,348.5	980,482.7	43,334.1	24,501.7	9,132.7	-67,194.3	-39,339.6

Note: 1. AIR COSTA * Operations started since October 2013, and Ceased operations February 2017.

2. ZOOM AIR ** Operations started since February 2017 and Ceased Operations from July 2018.

3. VISTARA # Operations started since January 2015.

4. AIR PEGASUS ## Operations started since May 2015 and Ceased operations July 2016.

5. TRUE JET \$ Operations started since July 2015.

6. QUICKJET CARGO \$\$ Operation started since May 2016 and Ceased operation september 2017

7. AIR DECCAN I Operation started since February 2018.

8. AIR ODISHA II Operation started since June 2014.

9. AIR ASIA @ Operation started since June 2014.

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

11. PAWAN HANS & Operation started since May 2019.

12. STAR AIR @ Operations started since January 2019.

13. AIR HERITAGE @@ Operations started since January 2019.

14. P. Provisional

15. ZOOM AIR, JET AIRWAYS, JETLITE, AIR ASIA, AIR DECCAN, AIR ODISHA have not submitted provisional Profit/Loss statement (CAO EF Form) for the FY 2018-19

16. ZOOM AIR, JET AIRWAYS, JETLITE, AIR ASIA, AIR DECCAN, AIR ODISHA, STAR AIR, AIR HERITAGE & PAWAN HANS have not submitted provisional Profit/Loss statement (CAO EF Form) for the FY 2019-20