

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO. : 4798

(TO BE ANSWERED ON THE 21st August 2025)

GROWTH OF INDIAN DOMESTIC AVIATION MARKET

4798. DR. PRADEEP KUMAR PANIGRAHY

Will the Minister of CIVIL AVIATION

be pleased to state:-

- (a) whether the Government is aware that despite a 7% year-on-year growth in the Indian domestic aviation market, there has been a contraction in airline capacity in July 2025 as compared to both June 2025 and July 2024, raising concerns about the financial health of Indian airlines and if so, the details thereof;
- (b) the specific policy interventions being planned by the Government to ensure the financial stability and promote healthy competition among Indian airlines in view of the industry's recurring financial volatility;
- (c) whether the Government can provide data on the average airline debt, profitability and operational costs during the last financial year (2024-25) and if so, the details thereof; and
- (d) whether any regulatory reforms are being considered to prevent airline failures and protect consumer interests in a highly competitive market and if so, the details thereof?

ANSWER

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

(a) : As per the information provided by Scheduled Indian Airlines for Scheduled Domestic and International operations, no contraction in airlines capacity (i.e ASKM) has been observed.;;

(b) to (d) : With the repeal of Air Corporation Act in March 1994, the Indian domestic aviation has been deregulated. The financial and operational decisions, including resource mobilization, and debt restructuring, are managed by the respective airlines based on commercial considerations. ;

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Under the aegis of the National Civil Aviation Policy 2016, the Government creates a conducive ecosystem for the sector to grow through simplified regulations and by enhancing the ease of doing business. The Government proactively addresses the needs and challenges of the Indian airline sector, to promote its sustainable growth and development. Initiatives such as UDAN Scheme have improved the operational viability of airlines on regional routes through financial support, thereby enabling cost-effective operations.

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The details regarding Debt, Profitability and operational cost of major scheduled carriers for the Financial year 2024-2025 is at Annexure.

Annexure

Provisional figures (in millions ₹) of DEBT, P&L before tax and Operating cost of major scheduled Airlines in Financial year 2024-2025

Airlines	Debt	Profit/Loss before tax	Operating Cost
AIR INDIA	2,68,796	-38,902	6,17,770
AIR INDIA EXPRESS	6,175	-56,782	2,04,006
AKASA AIR	785	-19,834	60,905
INDIGO	6,70,884	75,875	7,65,223
SPICEJET	8,860	-581	48,897