

**GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
LOK SABHA  
UNSTARRED QUESTION NO. : 898  
(To be answered on the 3<sup>rd</sup> December 2015)**

**LOSSES SUFFERED BY AIRLINE INDUSTRY**

**898. SHRI B.N. CHANDRAPPA  
SHRI NALIN KUMAR KATEEL  
SHRI MD. BADARUDDOZA KHAN  
SHRI D.K. SURESH  
SHRI ELUMALAI V.**

**Will the Minister of CIVIL AVIATION**

**नागर विमानन मंत्री**

**be pleased to state:-**

- (a) whether Airline industry including Air India is reportedly incurring huge losses in the recent years;
- (b) if so, the details thereof and the reasons therefor indicating the financial conditions of various airlines including Indigo and Air India and the details of the losses suffered during the last three years and the current year, airline/year-wise; and
- (c) the steps taken/proposed to be taken by the Government to bring about a turnaround in the airline industry of the country?

**ANSWER**

**Minister of State in the Ministry of CIVIL AVIATION**

**नागर विमानन मंत्रालय में राज्य मंत्री**

**(Dr Mahesh Sharma)**

(a) & (b) Directorate General of Civil Aviation has not conducted any study in this regard. However, Airlines are free to assess their financial status including Air India. Statement of Financial Summary of Scheduled Indian Carriers during the last three years is enclosed herewith as Annexure-1

(c) The Cabinet Committee of Economic Affairs (CCEA) in its meeting held on 12.04.2012, approved a Turnaround Plan (TAP)/ Financial Restructuring Plan (FRP) for operational and financial turnaround of Air India (AI) subject to achievement of certain laid down milestones by AI. As part of the TAP/FRP, AI has initiated, inter-alia, the following steps in order to cut costs:-

- (i) Rationalization of certain loss making routes
- (ii) Induction of brand new aircraft on several domestic & international routes to increase passenger appeal
- (iii) Phasing out & grounding of old fleet
- (iv) Establishment of Integrated Operations Control Center and Hub Control Center in Delhi
- (v) Freezing of employment in non-operational areas.
- (vi) Operationalization of Subsidiary Companies such as Air India Air Transport Services Limited and Air India Engineering Services Limited and transfer of manpower and equipment and treating them as Independent Profit Centers and
- (vii) Induction of the B787 aircraft on Medium Capacity Long Haul Routes.

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# Annexure - I

## FINANCIAL SUMMARY OF SCHEDULED INDIAN CARRIERS DURING THE LAST THREE YEARS

NAME OF THE AIRLINE	2011-12			2012-13			2013-14		
	OPERATING REVENUE	OPERATING EXPENSES	OPERATING RESULT	OPERATING REVENUE	OPERATING EXPENSES	OPERATING RESULT	OPERATING REVENUE	OPERATING EXPENSES	OPERATING RESULT
NATIONAL CARRIERS									
AIR INDIA	1,47,138	1,98,140	-51,001.8	1,60,721.1	1,98,349.9	-37,628.8	1,90,934.9	2,23,488.5	-32,553.6
AIR INDIA EXPRESS	13,778	17,004	-3,225.3	15,610.4	16,892.3	-1,281.9	20,696.1	19,968.4	727.7
ALLIANCE AIR	2,952	4,102	-1,150.2	2,811.4	4,132.6	-1,321.2	2,423.9	4,178.2	-1,754.3
TOTAL	1,63,868	2,19,246	-55,377.3	1,79,142.9	2,19,374.8	-40,231.9	2,14,054.9	2,47,635.1	-33,580.2
PRIVATE SCHEDULED DOMESTIC AIRLINES									
JET AIRWAYS	1,47,860	1,54,407	-6,547.7	1,70,916.3	1,69,690.5	1,225.8	1,72,325.1	2,01,072.5	-28,747.5
JETLITE (P) LTD.	18,732	21,617	-2,885.4	19,806.7	22,274.7	-2,468.0	16,909.9	21,456.0	-4,546.0
GO AIR	15,634	16,380	-746.5	22,259.3	21,408.4	851.0	25,323.8	24,226.8	1,097.0
SPICEJET	39,433	45,726	-6,293.7	56,006.8	58,805.0	-2,798.2	63,042.3	73,036.8	-9,994.5
INDIGO	55,524	56,401	-876.8	92,030.8	84,072.9	7,957.9	1,11,165.8	1,08,466.9	2,698.9
AIR COSTA*	-	-	-	-	-	-	511.0	1,206.6	-695.5
TOTAL	2,77,182	2,94,532	-17,350.1	3,61,019.9	3,56,251.4	4,768.5	3,88,767.0	4,28,259.0	-39,492.0
GRAND TOTAL	4,41,050	5,13,778	-72,727.4	5,40,162.8	5,75,626.2	-35,463.43	6,02,821.9	6,75,894.1	-73,072.2

\* Air Costa started operating in October 2013.

SOURCE :- ICAO ATR FORM-EF FURNISHED BY SCHEDULED INDIAN CARRIERS.