

**Losses posted by Airlines**

331. SHRI N. K. SINGH: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether most airlines in the Indian civil aviation industry have been posting losses;

(b) if so, the details thereof;

(c) what are the steps being taken by the Ministry to provide an incentive to private carriers in the sector;

(d) whether reforms in the sector are likely to affect Air India's competitiveness; and

(e) if so, the steps being taken to ensure Air India's growth?

THE MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH): (a) Yes, Sir.

(b) Based on returns filed by airlines with Directorate General of Civil Aviation, all scheduled airlines except IndiGo operating in the country are incurring losses.

(c) Government has recently taken several sector wide measures to resolve short term as well as long term issues to improve its sustainability and viability. These are:

- (i) An inter-ministerial Working Group constituted under the Chairmanship of Secretary, Civil Aviation analyzed various factors causing stress in civil aviation.
- (ii) The issue of rationalization of VAT on ATF, has been taken up with the State Govts.
- (iii) Directorate General of Foreign Trade has allowed import of ATF by or on behalf of airlines as actual users and on actual use basis.
- (iv) A proposal to allow FDI upto a limit of 49% by foreign airlines into domestic sector is under consideration.

(d) and (e) As regard Air India, Government has infused Rs. 800 crores as equity in Air India in the FY 2009-2010, Rs.1200 crore in FY 2010-11, Rs.1200 crore in 2011-12. Meanwhile, Group of Ministers (GoM) has approved Turn Around Plan (TAP) and Financial Restructuring Plan (FRP) formulated by Air India.

**Passenger handling capacity of IGI Air Port**

332. SHRI MOHD. ALI KHAN: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether IGI airport can now handle 26 million passengers per annum;

(b) if so, the details thereof; and