

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:185
ANSWERED ON:21.07.2003
REVENUE REALISATION
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Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the lower revenue realisation by the Indian Airlines was on account of frequent changes in flight schedule, high rate of cancellation of tickets by agents, poor punctuality and operation on uneconomic routes;
- (b) if so, the facts and details thereof;
- (c) whether some amount is outstanding with the agents of Indian Airlines for more than three years;
- (d) if so, the details thereof alongwith the efforts made to realise the said amount;
- (e) whether the Airlines had suffered losses to the extent of Rs. 1028.43 crores during 1992-93 to 2001-02; and
- (f) if so, the details thereof alongwith the reasons therefor?

Answer

MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDY)

(a): Revenue earnings of Indian Airlines in the year 2002-03 is estimated to be about 17% more over the year 2001-02.

(b): Does not arise.

(c) and (d): The total amount outstanding against the defaulting agents for more than 3 years is Rs. 2.66 crores. Indian Airlines has taken various steps to liquidate the dues such as invoking bank guarantee, initiating legal action, taking up the matter with Travel Agents Association of India/International Air Transport Association etc.

(e) and (f): Indian Airlines incurred a loss of Rs. 1059.94 crores during the years 1992-93 to 2001-02. The primary reasons for the cumulative losses can be attributed to factors like grounding of A-320 fleet for nearly one year in 1990-91, merger of Vayudoot with Indian Airlines bringing substantial financial burden on the company, operation on commercially unviable routes for socio-economic reasons, increase in ATF prices and airport user charges over the years, enhancement of insurance premium rates after September 11, 2001 incidents in USA, increase in security expenses on introduction of Sky Marshals in flights, appreciation of foreign currency rates etc.