

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

STARRED QUESTION NO:294
ANSWERED ON:31.08.2012
LOW COST AIRLINES
Chavan Shri Harischandra Deoram

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) the details of the low cost airlines/ budget airlines in the country;
- (b) whether the growth of these carriers has been slow despite the tremendous potential in the sector;
- (c) if so, the details thereof and the reasons therefor along with the operational bottlenecks and regulatory constraints currently faced by these airlines; and
- (d) the corrective steps taken by the Government in this regard along with the pace at which these low cost carriers/budget airlines are likely to grow in the near future?

Answer

MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH)

(a) to (d):- The statement is laid on the Table of the House.

STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN REPLY TO STARRED QUESTION NO. 294 DATED 31.8.2012 REGARDING LOW COST AIRLINES.

(a):- Directorate General of Civil Aviation (DGCA) has issued a Civil Aviation Requirements (CAR), which prescribes the minimum requirements for grant of Permit to operate Scheduled Passenger Air Transport Services. DGCA does not distinguish between a full service airline and low cost airline. The Air Operator Permit issued is the same for all categories of airlines. However, it is for an airline to declare itself as Low Cost or Full service airlines, based on its business model. Presently, Air India, Jet Airways and Kingfisher Airlines operate as full service airlines whereas JetLite, Spicejet, Go Air and IndiGo as Low Cost airlines.

(b):- No, Madam. The market share of the Low Cost carriers has grown from 42.5% to 55.1% from 2010 to 2012 (upto July).

(c) and (d):- Do not arise in view of (b) above.