

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:126
ANSWERED ON:19.11.2009
DECREASE IN AIR TRAFFIC
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Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether there has been a decline in the domestic air traffic resulting in lower revenue earning and increase in the operational cost thereby affecting the development of the new airports;
- (b) if so, the extent of losses suffered by the domestic airlines both in the private and public sectors during the last one year; and
- (c) the steps Government proposes to take to help the aviation sector to overcome this situation?

Answer

MINISTER OF THE STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a):- During the last three years from 2006 to 2008 the growth in domestic passenger traffic is as follows:

Year	Passengers Carried (million)	Growth(%)
2006	32.7	+46.4
2007	43.3	+32.5
2008	41.3	-4.66

However, in the year 2009 (from Jan to Oct), the domestic passenger traffic has registered a growth of +3.32% vis-a-vis the corresponding period of year 2008.

While there has been a marginal decline in the revenues of Airports Authority of India (AAI) for 2008-09, this has not affected the modernization programme of AAI and all ongoing works are being carried out and will be completed.

(b):- As informed by scheduled private airlines, the details of profit/losses suffered by them during the year 2008-09 are as follows:

Airlines	Profit/Loss (Rs. in Crores)
Jet Airways	(-) 402.30
JetLite	(-) 630.40
Kingfisher Airlines	(-) 1602.00
Spicejet	(-) 352.50
Go Air	(-) 22.55
Paramount Airways	(+) 7.26
IndiGo	(+) 82.16
NACIL	(-) 2226.16 (in 2007-08)

(c):- The Government has undertaken measures such as:

(1) Custom duty on import of ATF has been abolished.

(2) The State Governments have been persuaded to reduce the sales tax on ATF. Government of Andhra Pradesh and in certain cases Government of Rajasthan have reduced the sales tax on ATF to 4%. Government of Maharashtra has also reduced sales tax on ATF from 25% to 4% for flights originating from airports other than Pune and Mumbai.

(3) The Oil companies have started announcing the ATF prices on a fortnightly basis rather than monthly basis which is helping the airlines when the crude prices are going down

(4) The infrastructure at the airports and Air Traffic Control and Navigation is being constantly upgraded to meet the future demand of the airlines.

