

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 478
(TO BE ANSWERED ON THE 26th June 2019)

JET AIRWAYS CRISIS

478. SHRI SANJAY SINGH

Will the Minister of CIVIL AVIATION be pleased to state:-

- (a) whether it is a fact that Indian carrier Jet Airways owes Rs. 8000 crores to pilots, suppliers, oil companies and lessors;
- (b) whether it is also a fact that Jet Airways was denied Rs. 400 crores as emergency funds;
- (c) if so, the reasons for the denial thereof; and
- (d) what measures is Government going to take to pull Jet Airways out of the crisis?

ANSWER

MINISTER OF STATE (IC) IN THE MINISTRY OF CIVIL AVIATION

(Shri Hardeep Singh Puri)

(a) to (d): Jet Airways (India) Limited reported aggregated losses during last few quarters which eroded its liquidity and jeopardized its ability to sustain its operations. As a result there were significant overdues towards all creditors including the lessors of the aircrafts, pilots, suppliers, oil companies etc. Each airline prepares its business plan on the basis of its own market assessment and liabilities. Mobilizing financial resources and ensuring efficient operations as per business plan are the responsibility of the airline. Government of India has no role in raising funds for M/s Jet Airways (India) Limited, as it is an internal matter of the airline. State Bank of India has filed an application under the Insolvency & Bankruptcy Code, 2016 (IBC), which has been admitted by National Company Law Tribunal (NCLT), Mumbai on 20th June, 2019 to work out a resolution plan under the said code. Revival of the airlines is now possible only under IBC.
