

A Study on Current Crisis of 2019 in the Indian Civil Aviation Industry and Its Future

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ABSTRACT: The monopoly of the public sector came to an end after private players entered the aviation industry, but the development of the industry is limited by absence of proper infrastructure, lack of government vision, tax structure, the formation of cartels by oil companies in the public sector with hiking oil prices, bad regulation, business management problems, constant technical problems plaguing the airlines of India, high costs and low returns, the implosion of the largest airlines. These variables in the last five years, plunged India's aviation sector into its most precarious stage. India's aviation industry is anticipated to become the world's third biggest by 2025. Despite India witnessing a huge crisis, the nation has had the fastest increasing national aircraft industry in the world for the previous three years. The official forecast says, air passenger figures will more than triple over the next 20 years to, from and within India. Primary data is used to understand these predictions. The paper revolves around the prior researches and analysis of the data of previous years that gives insights in relevance to the outcomes of the research which is the secondary source of data used for the study.

KEYWORDS: Poor infrastructure, Oil prices, Technical issues, High costs, Low returns

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I. INTRODUCTION

In India, civil aviation is the third largest market in the world, (Economic Times, 2018) having the ability to become the second largest aviation market by 2020, it dates back to 1911, when the first commercial civil aviation flight departed from the Allahabad polo ground carrying mail across the Yamuna River to Naini. (Ganz, 2011) In latest years, the Indian civil aviation sector has seen annual growth rates of up to 30. The more established operators now compete with a slew of low-cost airlines. Aviation infrastructure has failed to keep pace with enhanced volumes of traffic and passengers. India's primary airports faced limitations in ability. Capacity has been added to modernize and expand current and greenfield airports. Another significant shift resulting from the deregulation of India's business aviation industry was the choice for private airlines to fly abroad after finishing five years of national business activities.

India's civil aviation landscape has developed in a number of respects. While before 1992, when the two public-sector airlines, namely Air-India and Indian Airlines, enjoyed a domestic-sector monopoly, today nearly a dozen airlines compete for market share in the quickly increasing national market. In the early 1990s, shortly after deregulation, many of the newly formed airlines failed. (Mozumder, 2019) India now supplies 486 complete airports, airfields, flying schools and military bases, 123 airports with scheduled commercial flights, some with dual civilian and military use, and 34 international airports. (Indian Mirror, 2019) India's national air traffic in 2017 almost increased to 117 million, with 100 flights taking off every hour compared to 67 in 2011. (Shukla, 2018)

Recent statistics on tourism show a solid growth route for both national and international tourism. India's rising middle class and rising disposable incomes also led to the ongoing development of national and outbound tourism. In 2016, too, the aviation sector saw growth coming from the capabilities the low-cost carriers (LCC) placed on the market. The sector is looking forward to a steady growth of ability on low-demand paths. This will probably cause reduced tariffs and excellent packages that national airlines are offering. (Bhatia, 2017) Air Astana, Azerbaijan Airlines, Indigo, Vistara, Sri Lankan Airlines, Jet Airways, Spice Jet, Air India, Uzbekistan Airways, Go Air are awarded the top 10 best Central Asia / India airlines in 2019. (World Airline Awards, 2019) It proved fruitful at this juncture for the remaining airlines, mostly Indigo, whose revenues are soaring high.

A critical aspect of the research is the problem and difficulties between Jet Airways and Indigo. This research focuses on all the top market share airlines, their current market situation, the latest crisis and how it has proved useful to the remaining airlines and lastly sheds light on how the future of the aviation sector in India is a blessing for the nation, not a bane, despite all the ailing issues. It also demonstrates how clients perceive the sector and

how they would like to make improvements. The document finishes with results and suggestions at the end.

Objective

The objectives of the study are

- To understand the issues and challenges faced in 2019 along with the main factors that created the crisis
- To get to know the reasons of present customer perspective on airlines and why they chose to travel through airways
- To present a clear idea between the present and the future
- To reflect on what the future holds for the Indian civil aviation industry in view of the prevailing crisis.

II. MATERIALS AND METHODS

RESEARCH QUESTIONS

1. What is the present crisis in the industry?
2. What factors actually led to the crisis in aviation field?
3. Do the perceived price fares rule the aviation industry?
4. How is the crisis effecting international and domestic markets?
5. Did the crisis effect the tourism or passenger rate in the country?
6. How are the unemployed being dealt provided the skilled labour are in demand to all the other companies?
7. What is the future for the entire industry?
8. What is the customer perspective in regard to the aviation industry?

RESEARCH PLAN

A questionnaire was prepared to conduct the survey of customers perspective on airlines. The questions were answered through online form. Responses of the concerned persons had been thoroughly analysed. Conclusions had been arrived at using the response of the concerned persons and not on questionnaire alone. A sample target of 100 responses have been collected. Both primary source and secondary sources are used for the data analysis. The period of study was for one month using random sampling method. The sample area and sample size has been limited due to time constraint. All the observation and recommendation are made on the feedback obtained from survey.

III. LITERATURE REVIEW

This part of the section gives the relevance of the research objective and answers the research questions listed above. Secondary sources have been used in this to give information about the previous data. Hypothesis will be deduced after the review of each concept.

Business hubs such as Mumbai, Bengaluru, Chennai, Delhi will probably also increase business travel. Travel and tourism share of India's GDP is anticipated to increase by 6.9%. Growing trade boosts airports as they manage about 30% of India's complete trade. Higher aircraft traffic is due to increased airline operators, aviation FDI and liberalized aviation policy, increased passenger traffic and freight traffic. (IBEF, 2019)

The aviation sector has possibilities with enormous worldwide norms that will assist mark India's position. They are policy support and demand development that unlocks enormous investment potential, India has the knack to create its own MRO hub and leverage non-aeronautical revenue and enhanced technology. (IBEF, 2019)

Civil Aviation industry's present situation—new players, fast fleet development, low ticket pricing with intense price rivalry, enhanced number of budget operators, higher costs, decreased effectiveness and flexibility, bad infrastructure, qualified manpower shortages, labour costs and higher petroleum prices are causing enormous losses and consolidation has been seen. India has enormous growth potential owing to increased purchasing power, low-cost carrier fares, growth in Indian tourism, increased recreation and outbound travel, all this with modernization and refurbishment is feasible. Statistics show that the number of travellers will also boost the investment and infrastructure. The improvements that can be made right now in the sector are services, qualified staff and pilot shortages.

High expenses and low returns are the crisis overview. Implosion of the country's second-largest airlines—Jet Airways' suspension owing to debt and unpaid employees, the sector is suffering from technical problems from multiple airlines. Air India is also facing enormous debts. GoAir has bustled with its network scheme and is now empty chairing all of its stop positions. Indigo and SpiceJet face technical failures. Delaying due to technical issues are tampering with the regular schedules. With the operations of Jet Airways being grounded, its slots are transferred to its peers. SpiceJet has leased the Jet Airways fleets. The air fares have hiked to a huge maximum. The tariffs risen owing to the primary reason being the prices of Jet fuel, which make up 40% of the cost. Although travellers have risen, previous spending returns are smaller. But the returns for other airlines improved with Jet shut down.

Heavy fuel tax rates were always enforced by the government. The scenario can be altered with few modifications. Monopoly routes decreased the airlines' competition and thus contributed to elevated returns. Pilot shortage is another factor, and in the coming years the gap between crew and fleet will widen. Capacity development is projected but there is a short fall in pilots. Indigo cut flights to bridge this gap and began recruiting more manpower from those abandoned by Jet Airways.

Labour relations play a significant role in airline and company performance. The industry's characteristics that ensure their industrial relations are an endeavour is that, since the airlines have no inventory, the product is destructible. In other words, even if flights are cancelled, in the immediate future they cannot restore lost traffic. Air transport demand is procyclical, being directly proportional to the development of the economy. Labour costs are variable costs, which after oil prices accounts for a large portion of operating costs, but a category that is controlled by management. The cabin crew is always hardest impacted in any crisis or reorganization policies, so their need is a priority. The fall in employment is due to outsourcing, growing share of low-cost carriers and technology. But there is a need of heavy recruitment to meet the demand. In the current network, it demonstrates that social dialog is a preferred and efficient way of achieving a good business model, taking into account the present climate of aviation that is in dire need of it. (Dr. Geraint Harvey & Professor Peter Turnbull, January 2009)

Oil prices are an important factor in the aviation sector. The crisis of 2008 saw oil prices rise with lower demand and eventually a stage of lower prices. But the impact is seen to date with rising prices, the drivers of rising oil prices are declining inventories, emerging market demand, financial market, disturbance of supply, tight manufacturing and capacity refining. Because of volatile trading circumstances, they improved basically. The IATA estimates that the oil reserves would last only up to a maximum of 44 years at the present consumption rate. Since the recession of 2008, petroleum prices have been high. Hedging acquisitions of oil help to reduce operating costs. In order to preserve oil output, heavy investment is needed. By 2030, alternative fuels will take over. New airlines technological modifications and risk assist curb the crisis as the flight capability is 30 to 40 years. With fresh airlines, it is possible to implement fresh fuel structure carriers with a future. Old carriers continue to rely on fossil fuels that could reach their ultimate peak and be devastating to aviation if they do not turn to new alternatives. (Schlumberger, The oil spike of 2008, 2009)

Alternative fuels are becoming progressively important and many see the potential for future replacement of standard jet fuel. There are, however, many unresolved difficulties that need to be resolved regarding the scaling-up and environmental elements of manufacturing. Today, there are alternative fuels that would both decrease the CO₂ life cycle and enhance air quality, but these fuels are currently very restricted in manufacturing. In addition, if unregulated manufacturing of these biofuels would involve modifications in land use; these biofuels could have GHG emissions in the lifecycle that are many times worse than standard jet fuel. It seems possible to achieve carbon neutrality, but big tracts of land surface would be required, and expenses could be prohibitive, and for these restricted biomass resources, aviation would have to compete with other industries. Therefore, it appears that the feasible solution is only a multiple-feedstock alternative that utilizes feedstocks with low life-cycle emissions and high yield and does not involve arable land. However, establishing sustainable large-scale production of these biofuels will take years, may be decades, before they can replace petroleum-based jet fuel, and produce significant environmental benefits. (Schlumberger, Are alternative fuels an alternative?, 2010)

What precisely did Jet Airways go wrong with? After the banks refused to lend it emergency funds, they had to stop their activities. Their previous capacity was 120 aircrafts which reduced to 16. As discussed, it went into debts over years with no external support arriving and as a result they had to cut off their employees and shut down their operations. Indirect and direct unemployment has been a major issue. The airlines rushed to government for help in fear of bankruptcy charges and are now awaiting results for it to be bought by another company. The exports have been crashed which effected Europe and Dubai market majorly. The freight prices shot up on the exporters with a heavy impact. The banks that loaned this airline are bound to indirectly recover from nothing but the clients themselves. Pre-booking reimbursements were stopped indefinitely. Jet Airways' falling share prices boosted Indigo and SpiceJet's share prices, which is in charge of Inter global and is now rising high. Also operating outbound travel was Jet Airways. This crisis has benefited global airlines with increasing tariffs and demand, most promisingly Cathay and Singapore Airlines. After this disaster, Indigo and SpiceJet saw powerful profits. If Jet does not revive, the winners will be Vistara and other global route airways. The situation is now critical with capability problems and stringent traffic rights. In India, it leases 75 percent of carriers. The leasers have seen the hazards as elevated to lease after the problem of the Kingfisher airlines and have now reduced the cost of leasing with loan boundaries. There's a talented war with elevated salaries and low outbound prices. (The Economic Times, 2019)

What are the reasons for the rising revenues of Indigo? The airline has long been a subject of interest for both air tourists and financial analysts. Travelers attribute IndiGo's accomplishment to the efficient service they meet on board and on aircraft running on time. Analysts have speculated IndiGo doesn't have to make its revenue public because it's not listed—that it's making most of its money from sales and leaseback activities. Under this system, operators sell newly acquired aircraft to lease companies and lease the same aircraft in a parallel transaction. The price the

aircraft is sold to a leasing company is usually higher than the costs paid to airplane producers like Boeing or Airbus. Instead, a reputation for timeliness helped IndiGo, a no-frills airline, charge more than full-service competitors such as Jet Airways and Air India on many routes. When private carrier Jet Airways hit the bumpy runway, all attention was also shifted to Indigo. For Indigo's outstanding passenger load factor performance, PAX, money reserves, low debt, on-time performance and much more, experts and analysts were very optimistic. Indeed, in the debt crisis in Jet Airways, Indigo was definitely seen as the real winner, but it also looks like a wild wind has blown to Indigo. The pilot conundrum is fixed by employing stranded Jet Airways staff. In non-metro areas, the low-cost carrier already has a market share of more than 50 percent, reflecting the commendable performance of Indigo relative to Jet Airways, SpiceJet, GoAir and others. (Jaiswar,2019)

The stakeholders, operating agents, ramp agents, ticket agents, caterers, freight agents, mechanics, pilots, flight attendants, fuel cleaners, cabin cleaners, gate agents, luggage agents and lastly travellers are the following for a flight to departure at the moment. Between all these stakeholders and passengers, there is a need to enhance coordination in the effective and efficient operation of airports. It should also be ensured that transport connections to and from airports and air traffic control are optimized along with better planning and coordination of relationships between airports serving the same town. (Civil Aviation and its changing world of work, ILO, 2013)

In other critical situations, the effect of the global economic crisis on the sector has been critical proof of some variables that are always the reason. Decreased demand resulting from the reality that the sector is pro-cyclical, decreased capacity, enhanced fuel and operating expenses, decreased profitability development, decreased employment level and bad labour relations, enhanced low-cost carriers. Despite all of these, with appropriate interventions, the long-term view is always good. In addition to recovery, a competent team and good governance are essential to drive this industry forward. (Ruchi Goyal & Dhanisha Negi, 2014)

What's going to remain in the future and what else needs to be done? Carriers are responsible for alternating fuels and new methods. It is vital that information on sources of disruption from outside the aviation industry continue to be identified, monitored and shared and may be useful in tracking changing social attitudes and economic metrics. The industry should plan for radical disruptions to the energy market in relation to oil price modifications. In developing a strategy for post-oil economies, there is an opportunity to position the aviation sector as a means of facilitating economic growth, financial openness and global trade. Focusing on customer service and passenger interaction and catering for new customers, business models need to be innovated.

In the short term, in order to keep pace with an evolving workforce, the sector will need to invest in abilities and structures and position aviation as a desired sector for young job seekers. It may also need to use fresh technology, specifically for pilots, to 'fast-track' the gain of 'experience.' Airlines could search for fresh ways to negotiate agreements with their providers using developments in sensor networks and equipment. Technologies such as blockchain have the potential to alter the recording, agreement and settlement of economic and other operations. In order to safeguard against the weakening of the airline-customer connection as data firms invade their market, the sector should now explore strategic alliances with data firms in a situation of relative strength while their brands remain powerful. Airlines must recognize these difficulties in advance and act on this study by inviting fresh operators to connect with existing hubs and airlines and possibly taking ownership stakes in probable challengers. (IATA future of the airline industry by 2035, 2018)

The sector could highlight the possibilities for start-ups to provide services that complement those in transport, MRO and other industries provided by airlines. The sector should work with other sectors to guarantee that aviation advantages from other domains' norms and regulations. Regulators need to realize that for driverless cars, the laws for the aviation sector will require a distinct process of elaboration from that followed. Instead of replacing travel experiences, there is a need to explore possibilities for virtual and augmented reality. This would include the experience of passengers when selecting destinations, or in-flight and transit entertainment. It is also feasible that human resources could be redeployed rather than eliminated to enhance the flight and airport experience and capitalize on passenger flows, expanding the current airport shopping and hotel experience to a variety of other amenities.

There is a large award for airlines demonstrating the capacity to take care of all travellers, regardless of their requirements. Although the cost of doing this is important, the automation of certain positions presently performed by airline employees may enable retraining and personnel reallocation to achieve this. Wherever possible, airlines should use their impact with partners and vendors to accelerate, simplify and make the complete, door-to-door passenger trip more agreeable.

The fresh generation of travellers, raised precisely to the minute on smartphones and travel planners, have less patience with unnecessary time spent at airports, especially in queues. Passengers may be prepared to share the required data to make their trips smooth. It may be necessary to radically redesign the physical infrastructure of aircraft and airports to promote accessibility. (IATA future of the airline industry by 2035, 2018)

A challenge is the multi-decade timeframe for infrastructure investment, combined with political

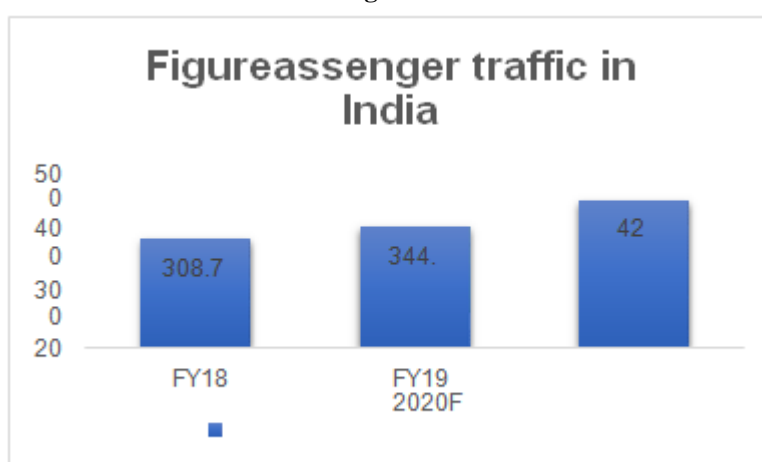
indecision in particular. The industry should encourage governments to adopt a unified transport strategy to allow multi-modal approaches to thrive and strengthen the need for worldwide cooperation. The sector may choose to implement performance monitoring measures and share this data with governments and the public. In order to comprehend the potential of fresh routes and destinations, sector should create market intelligence.

One mechanism for knowing the propensity of clients to travel and preferences for distinct services is the passenger survey. However, additional research may be needed to investigate how the sector can satisfy the requirements of clients. The industry should adopt a more holistic strategy to the growth of infrastructure and develop closer relations with suppliers not only concentrated on air transport infrastructure (e.g. urban planners). (IATA future of the airline industry by 2035, 2018)

Secondary Data Analysis

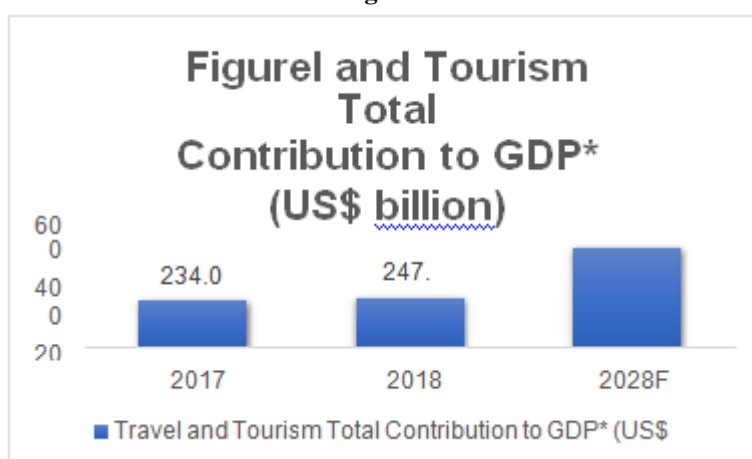
India is the world's seventh biggest civil aviation industry and is expected to become the third biggest passenger aviation market by 2025. It is anticipated that passenger traffic will triple and reach over 500 million by 2020. The last year's passenger traffic was 344.70 million (2018-19). (IBEF, 2019)

Figure 1



The contribution of tourism and travel to India's GDP in 2018 stood at US\$ 247.30 billion and demonstrates a promising rise to US\$ 492.21 billion by 2028. Business and leisure travel in particular tend to increase development. (IBEF, 2019)

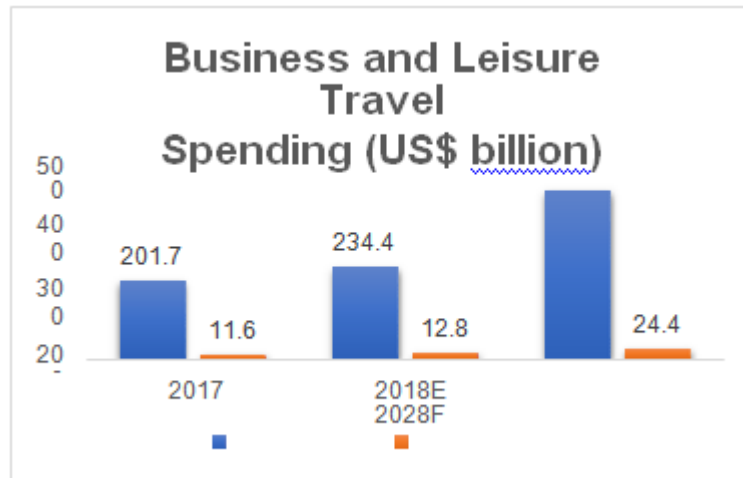
Figure 2



India benefits from strong demand, increased investment, policy support and possibilities in MRO. The reasons for anticipated demand are the rising working group and the bulging middle-class demographics. India plans to boost its airports by FY 2040 to 200. Investments of approximately US\$ 6.41 billion for airport infrastructure are due between FY 18-23. Private sector involvement has grown through the PPP path and government has encouraged the same. Up to 49 percent of FDI is permitted in the air transport service under automatic route. This heavy

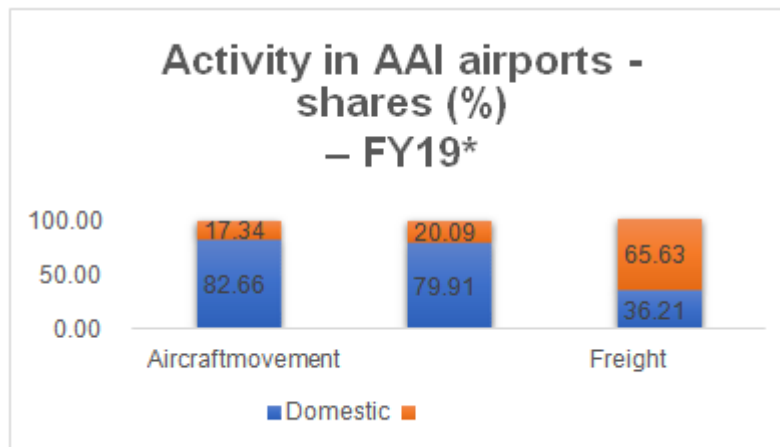
growth has seen direct demand in MRO facilities where its expenditure accounts to 15% of total revenues and this industry is likely to grow over US\$ 800 million. (IBEF,2019)

Figure 3



The planned Indian operators ' in-service fleet size stood at 620 aircraft in July 2018 and is anticipated to expand to 1,100 aircraft by 2027. Statistics indicate a tremendous rise and growth in 2019. Flown distance of scheduled flights at 506.91 million km, 106 non-scheduled airlines in service, 620 aircraft in total and 103 operational airports as of March 2019. (IBEF, 2019)

Figure 4



In all of India there are 464 airports and airstrips where AAI managed operational airports accounts for 90 of which 66 are domestic airports, 7 are customs airports and 17 are international airports. Major passenger-loaded airlines operating in India are Indigo at 87.8%, Air India 81.2%, Jetlite 79.1%, Jet Airways 76.3%, GoAir 90.8% and Spicejet 93.7% as of February 2019. The major airports in India are Delhi, Mumbai, Bengaluru, Kolkata, Hyderabad and Chennai. Growth in demand has consistently outpaced the growth in supply resulting in high utilisation. The capacity available in domestic and international flights has been immensely increased. With increasing incomes and low-cost air traffic, there has been enormous growth in passenger traffic. It is estimated that India will have 480 million leaflets by 2036. (IBEF, 2019)

Figure 5



AAI was the only significant player in the development and upgrade of airports in India until 2013. Increased involvement in the private sector after liberalization. GMR, GVK, SIEMENS, L&T, MAYTAS INFRA and UNIQUE are major private players. Significant trends in the airport industry are focused on non-aeronautical income, increased use of development charges by airport designers and operators, increased use of non-scheduled airlines with increased company activity and large personal investment involvement. (IBEF, 2019)

The industry's policies are expansion, growing activities, ancillary services, and the push of government. With the expansion plan, the new terminals will improve ability with Mumbai, Bengaluru, Chennai and Kolkata. By 2027, all carriers are anticipated to raise their fleet to around 1,100 aircraft where Indigo became the first Indian airline in December 2018 to have 200 aircraft fleet sizes. Indian LCCs are set to expand their ancillary facilities such as lounge access, priority boarding, customer loyalty memberships and client meals without manipulating business models. They also look forward to expanding their low-cost products on paths that will take up to four hours to deleverage the national fleet, increase the use of aircraft and improve business efficiency. (IBEF, 2019)

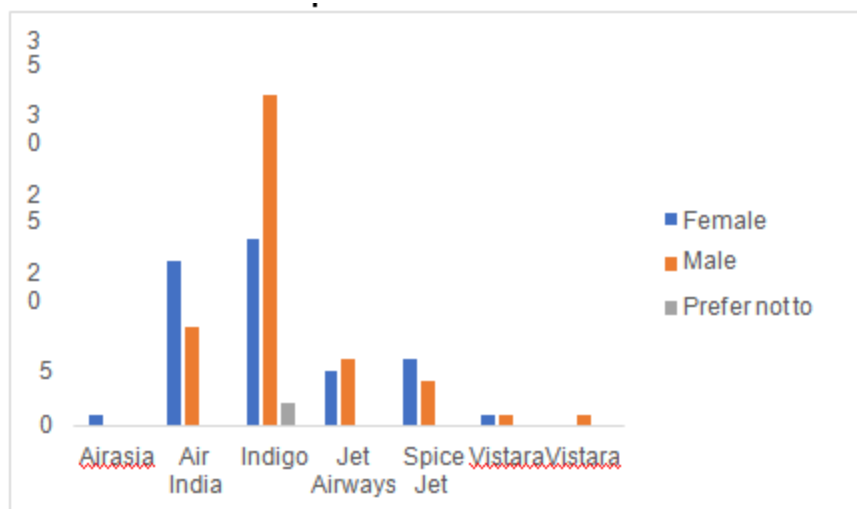
IV. RESULTS AND DISCUSSIONS

PRIMARY DATA ANALYSIS

1) Relation with respect to Gender:

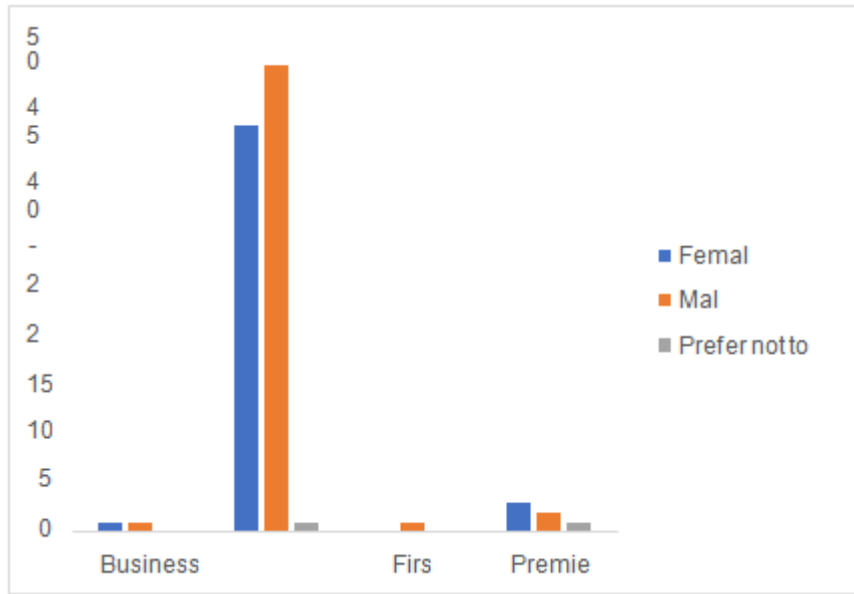
A) Frequently used airlines with respect to service –

Figure 6 From the above figure we can infer that 30.61% of Male and 17.34% of Female prefer Indigo over other Airlines



B) Which travel class do you usually choose?

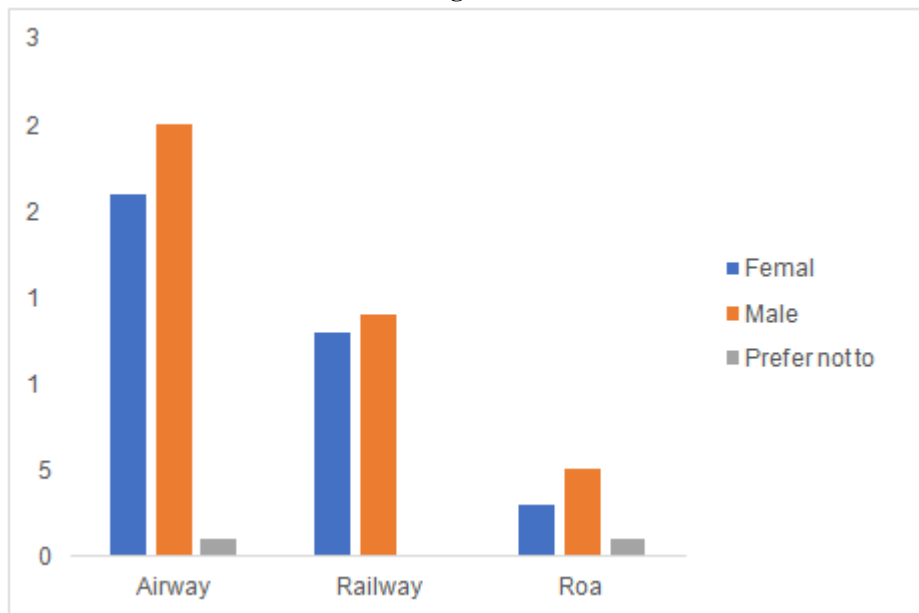
Figure 7



Out of 51 Male from responses recorded 92.15% prefer economy class and from the rest of female population 91.11% prefer economy class. Hence Economy class is the most preferred choices among travel classes.

C) Which transport facility is considered best by you?

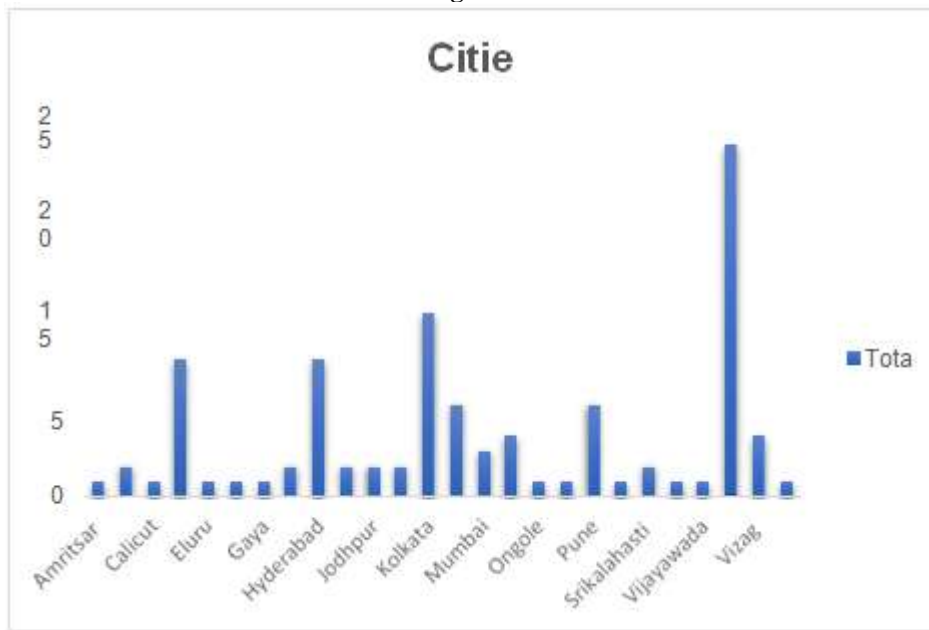
Figure 8



Out of 44.68% of females and 53.19% males prefer air travel than other modes of transport. Interesting fact is in these recent years number of female passengers have increased due to reliability and safe travelling experience which the airline companies are able to provide than other modes of transport in the country.

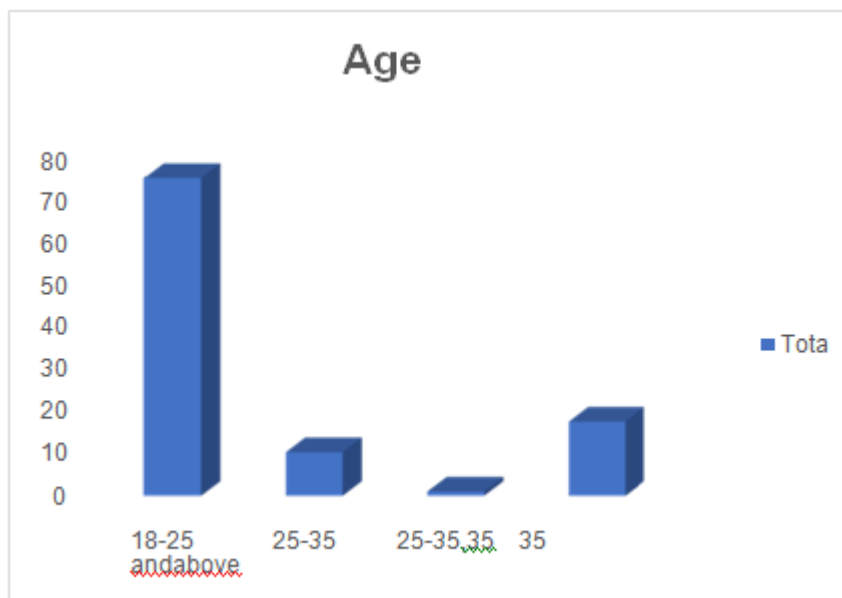
2) Out of total 105 sample data size, approximately 102 responses were recorded. The below bar graph shows different number of people living in cities from which the data was recorded.

Figure 9



3) The following diagram shows the age wise distribution data for 101 responses out of 105:-

Figure 10

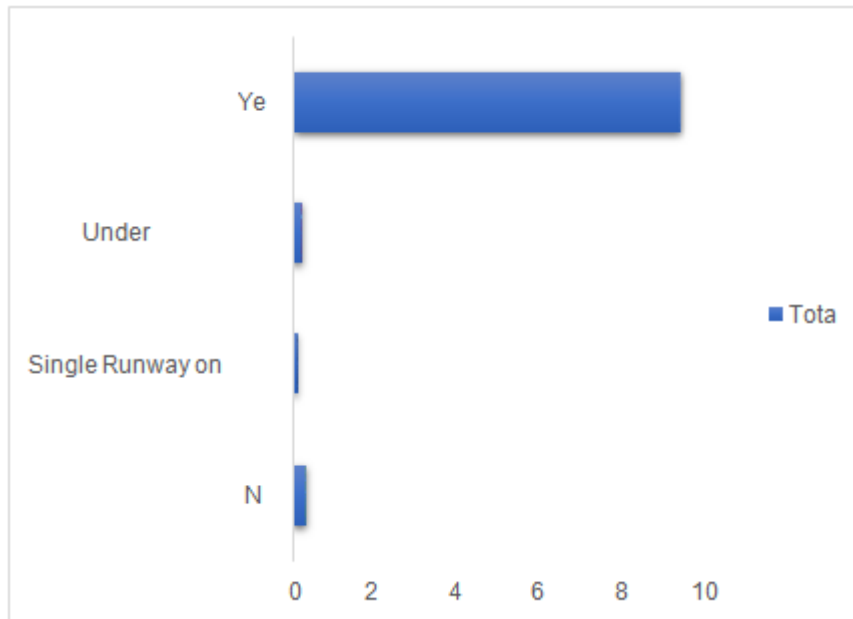


It can be clearly seen that the age group of 18-25 years is highest with 72.44% when it comes to using flying service. This can be largely contributed with the fact that the air travel has become affordable hence students are able to save time and go out on vacations, working class for work, businessman for business purposes and leisure affair using the air services.

4) The diagram shows the Airport facility distribution data for 99 responses out of 105:-

Major infrastructural investment has been observed proving to the statistics which shows majority airport facilities. The stats have been taken from small cities as well, which are now equipped with airport facilities, that proves the airlines link to all places are a 100% in the near future. When asked about whether there is an airport facility in their cities, we got the following responses as shown in the bar graph below.

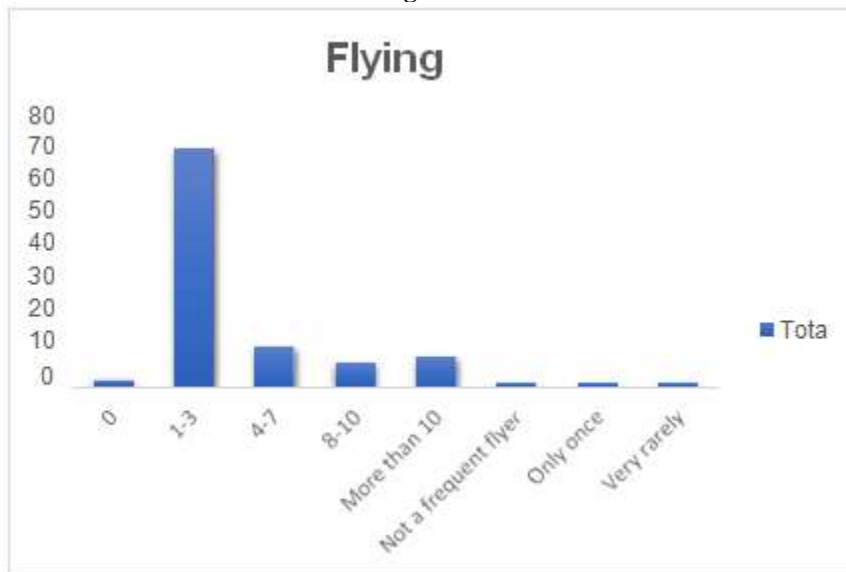
Figure 11



5) The following diagram shows how many times an individual fly every year:-

The table is represented in the graph below. This shows how comfortable people are now flying 1-3 times every year reason likely being an increase in disposable income and major chunk of individuals wanting to save time.

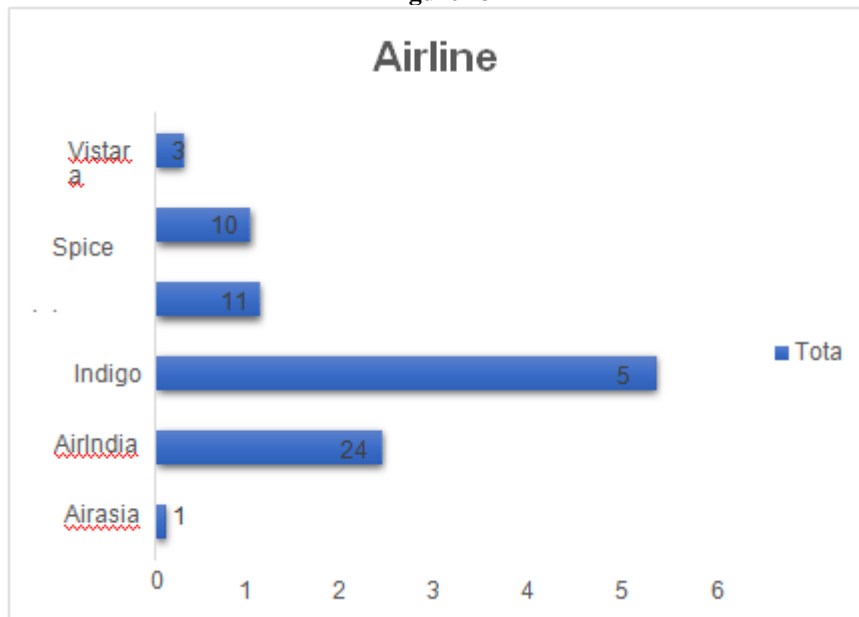
Figure 12



6) The following diagram shows data of people using different airlines:-

The bar graph shows different airlines used by different individuals in India. Indigo being the fan favourite emerges out as the market leader officially and in this study as well. No doubt the fantastic services Indigo provides on board and on time is remarkable and is the widely used airlines in India. 54.63% of respondents believe Indigo services to be far better than the rivals followed by Air India, Jet Airways, SpiceJet, Vistara & Air Asia.

Figure 13



7) The following diagram shows data of airlines with respect to prices used by individuals:-

Figure 14



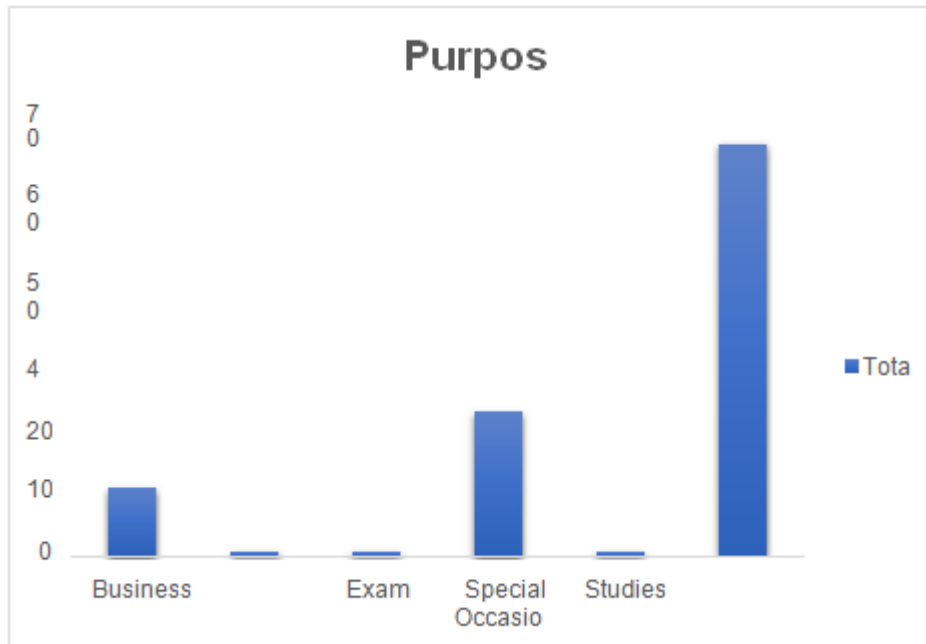
The donut figure shows that 58% of people prefer Indigo over other airlines due to its low-cost structure and believe that it provides a better price among its rival counterparts.

In both the cases, Indigo has been the most preferred and used. Jet Airways crisis did not affect Indigo or other airlines as much as it might be that due to the crisis itself Jet Airways is the least preferred. It doesn't matter which airlines; the facilities and fares must be well furnished.

8) The following diagram shows purpose of travel by individuals:-

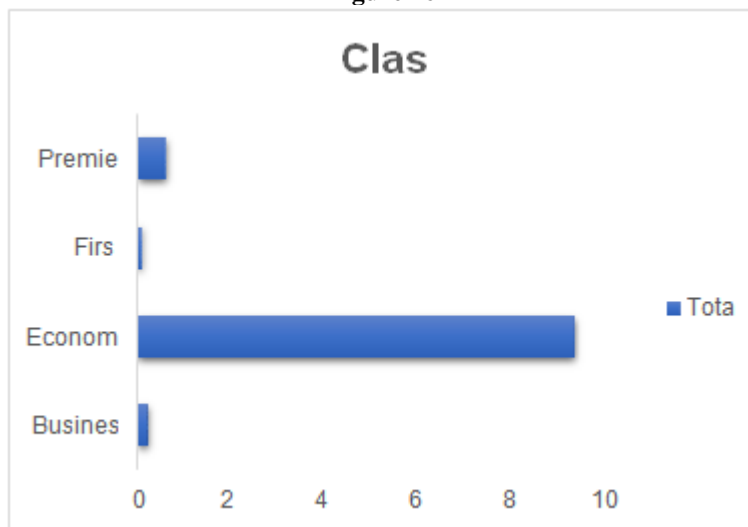
102 out of 105 responses received, around 63.72% prefer to use the airlines to go on a vacation as it saves travelling time. Air transportation is the most preferred option and comes first to the mind of the customers when planning for a vacation.

Figure 15



9) The following diagram shows airlines class preferred by people to travel:-

Figure 16

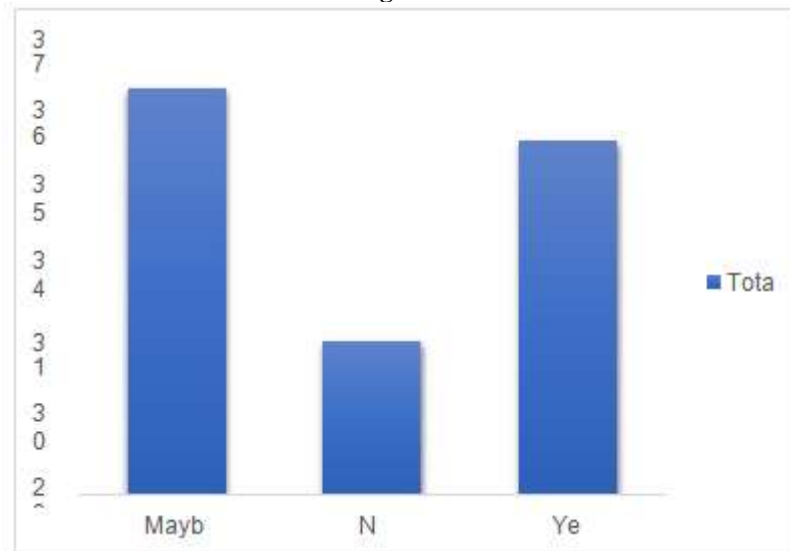


Economy class is the most preferred class by the people when it comes to booking air tickets in India accounting for 91% of the total class preference from 100 responses.

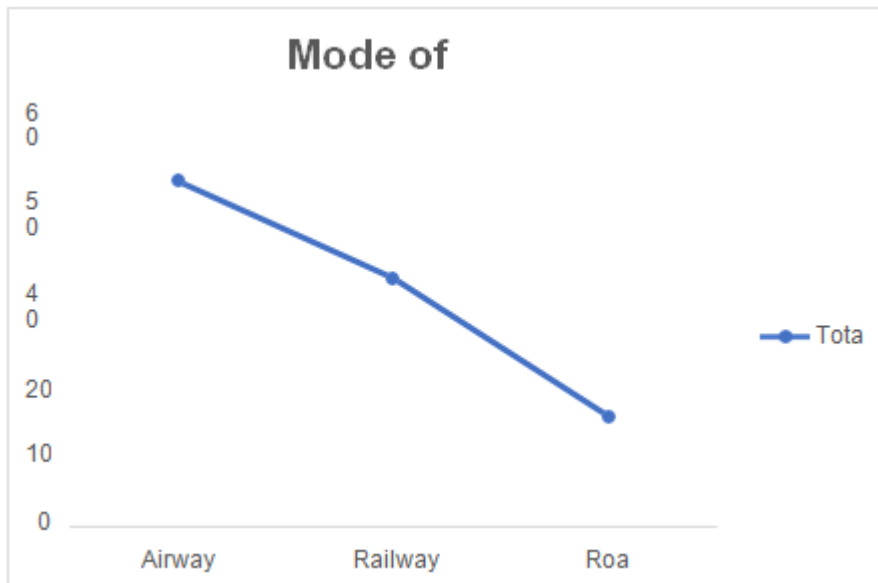
10) The following diagram shows satisfaction of customers with price fares:-

Out of 102 respondents 34.31% individuals believe that flight rates have become more economical and affordable making them satisfied with the amount spent on the fares. Rest of them with 35.29% & 30.39% accounts for No and Maybe responses respectively.

Figure 17



11) The following diagram shows which is the most preferred transport facility:-
Figure 18

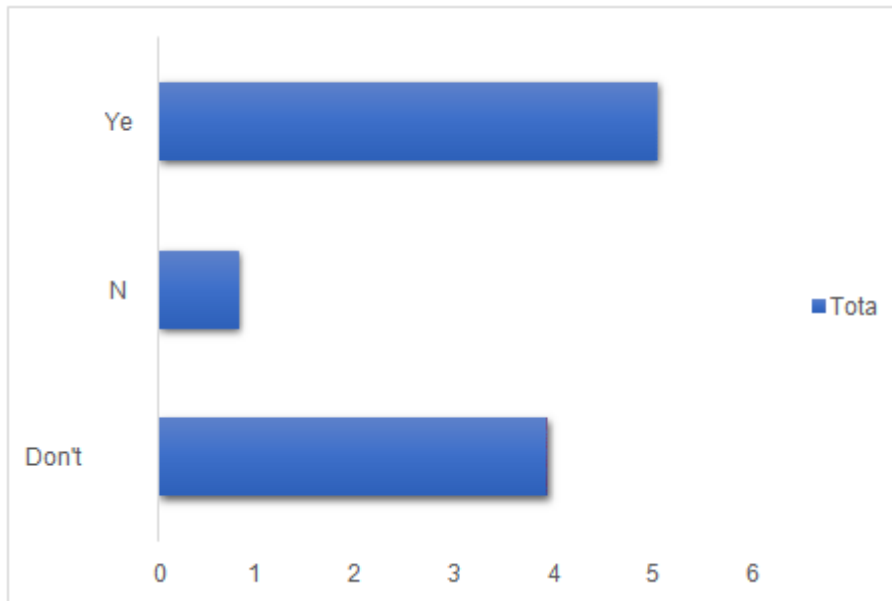


Approximately 49% of the individuals believe airways have really improved standards of the mode of transport in the country and has also benefited the economy significantly. Despite the ongoing crisis inside the organisation, airways are still considered which shows the sector will soar high. The best in the game will win and newcomers will have a fair chance to turn the game around.

12) Following diagram shows support for the PPP partnership:-

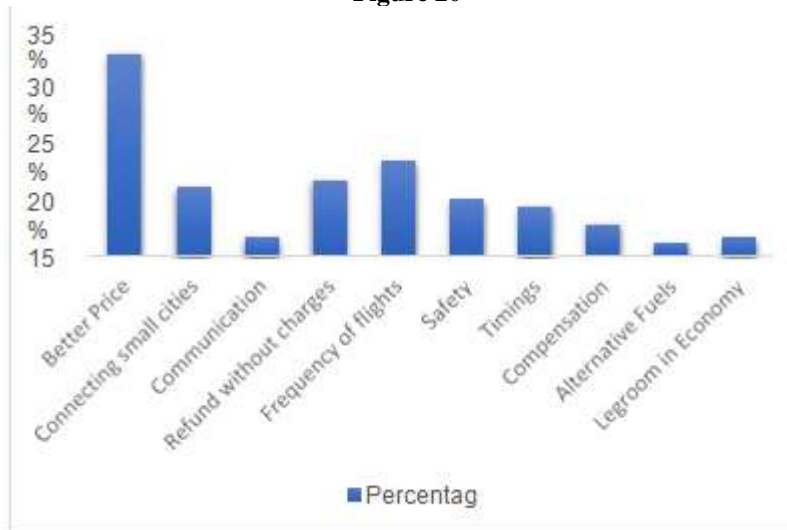
51.54% of respondents are happy with private companies joining hands with government companies to improve airports conditions by providing them with world-class infrastructure. Moreover, the PPP has also contributed to the delivery of efficient and timely services to air passenger.

Figure 19



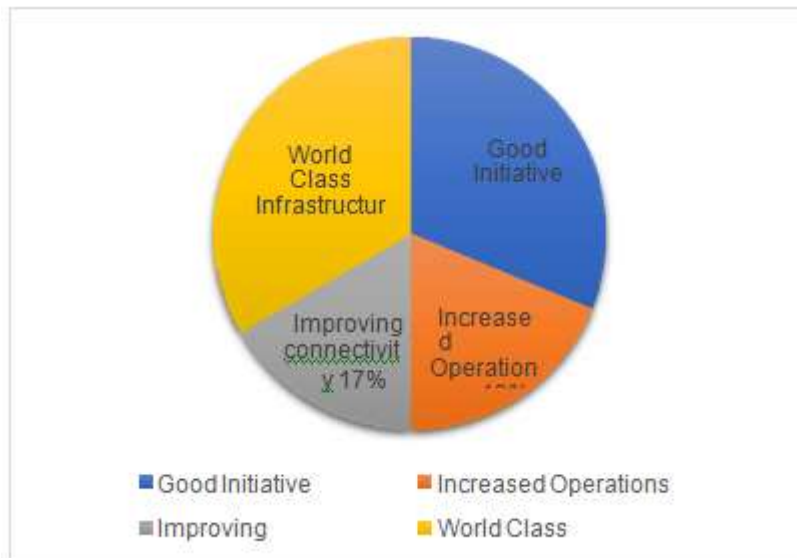
Further to have clarity on the study, few more questions were asked: - What improvements can be made in the Indian aviation industry?

Figure 20



Any comments on the recently improved overhauling of PPP airports in India?

Figure 21



According to you, what is the present and future scenario of Indian aviation industry? Comments.

Figure 22



Despite the slowdown and slow recovery, Indian Aviation industry sector still continues to look promising. This is primarily due to the burgeoning middle class with increasing massive purchasing power, low cost carriers providing services at very attractive low fares, the growth of Indian tourism and increasing outbound travel from India. In addition, the Government has planned to modernise non-metro airports, phasing out new international routes, putting into place new airports and renovating existing ones.

Mismanagement of priorities in running of the company has been clearly evident in light of recent events.

Examples of such are jet airways and kingfisher. These companies have collapsed due to minor mistakes and negligence. If the competitors in the market reduce then there is a significant chance of existing players to gain monopolies in the coming years.

Aviation sector is on a decline and if certain necessary actions are not taken in time India will lose its Aviation industry to some foreign national companies.

With companies in the aviation business going down, I think it's going towards a monopoly market. Government should encourage and help more than one company to be in the aviation industry to see more growth and development.

Indian Aviation Industry will grow at a faster rate as most of us prefer airways for travel as it saves time.

V. CONCLUSION

Management and technical issues must be taken seriously, and the response time must be immediate. The industry must plan for radical changes and must cater to new entrants into the field to pave a way for sustainability. All the past trends and future forecasts despite the present crisis show a remarkable result for the future Indian airways.

Even through the customers perspective airlines are a huge in demand and will not close down completely, its sure to soar high provided the reputation is taken care of, even in the presence of crisis situations by making infrastructural changes, government must change its vision towards airlines and provide better law and tax structure which will make airlines to work with feasibility, catering to alternate fuels which will reduce the costs and will put an end to monopolistic oil companies . Recent news suggests foreign investment into Indian airlines which are going down. Is this a start for a new trend? Will be known shortly with years to come.

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