

# **Predicting Business Failure for Models: A thorough Examination of Altman's Model**

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**Abstract:** *The aviation sector has been brought to its knees by the COVID 19 outbreak. Up to March 2020, the Indian economy was anxious to lift off to achieve new heights including the Aviation Sector. However, it became apparent that this epidemic would serve as a significant diversion. The epidemic has transformed the whole picture, at least temporarily for the next couple of years; the expanding middle class was the primary cause for the prosperity in the Aviation Sector; nevertheless, the pandemic was the primary reason for the prosperity in the Aviation Sector. Despite this, historical data suggests that practically all Indian airlines firms have been operating at a loss even before the epidemic began. Kingfisher Airlines is already a thing of the past, while Jet Airways is on the verge of being grounded indefinitely. As aviation is one of the most important industries for the economy as a whole and even for investors specifically, an investigation into the factors that led to the failure of certain Indian aviation companies financially has been carried out. This investigation makes use of Altman's, as well as a number of the challenges these companies have encountered. The annual reports of the four most successful airline companies in India are the primary source for the secondary data that is gathered. The analysis reveals that a number of internal and external reasons, which are responsible for such a pitiful financial state of these enterprises, and a significant reorganisation are necessary not only on the part of those corporations but also on the part of the government.*

**Keywords:** Financial Distress, Financial Analysis, Discriminate Analysis, Bankruptcy, Financial Ratios

