

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

STARRED QUESTION NO:105

ANSWERED ON:02.03.2000

VOLUNTARY RETIREMENT SCHEME IN INDIAN AIRLINES AND AIR INDIA .

P.R. KHUTE

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Indian Airlines and Air India are pressurising their employees to go on long leave and opt for voluntary retirement;
- (b) if so, the reasons therefor and the details of schemes formulated in this regard;
- (c) whether any concrete steps have taken to strengthen the financial condition of Indian Airlines and Air India; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF CIVIL AVIATION

(SHRI SHARAD YADAV)

(a), (b), (c) and (d) :- A statement is laid on the table of the House.

STATEMENT IN REPLY TO LOK SABHA STARRED QUESTION NO. 105 FOR 02.03.2000 REGARDING VOLUNTARY RETIREMENT SCHEME IN INDIAN AIRLINES AND AIR INDIA.

(a) :- No, Sir.

(b) :- Does not arise.

(c) & (d) :- Air India has taken following steps to improve its financial performance:-

- (i) Marketing efforts have been stepped up to generate additional revenue;
- (ii) Network rationalization and consolidation with emphasis placed on route profitability;
- (iii) Reduction in expenditure on outside repairs of aircraft by undertaking more in-house repairs;
- (iv) Several posts of India based officers abroad have been abolished;
- (v) Freeze on external recruitment in non-operational categories;
- (vi) Two voluntary schemes have been notified viz. shorter working week scheme and leave without pay/allowances scheme for a period of two years extendable upto five years;
- (vii) Rolling back of retirement age from 60 to 58 years;
- (viii) Introduction of Automated Revenue yield Management Systems

(ARMS) and curtailment of advertisement and publicity budget.

For improvement of its financial position further, Indian Airlines has also taken various steps such as increased utilisation of aircraft, deployment of capacity on the criteria of economics and traffic demand, marketing initiatives, improvement in customer services and various cost cutting measures to reduce expenditure such as freeze on capital expenditure etc.