

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:1567

ANSWERED ON:18.11.2010

LOSSES SUFFERED BY NACIL

Adhalrao Patil Shri Shivaji; Adityanath Shri Yogi; Mahato Shri Narahari; Nirupam Shri Sanjay Brijkishorilal ; Sainuji Shri Kowase Marotrao; Semmalai Shri S. ; Singh Dr. Raghuvansh Prasad; Wankhede Shri Subhash Bapurao

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether National Aviation Company of India Limited (NACIL) and other airlines are running in losses;
- (b) if so, the details thereof during the past six months;
- (c) whether NACIL has taken various cost cutting measures in this regard;
- (d) if so, the details thereof; and
- (e) the various other measures being taken in this regard?

Answer

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

(a) and (b): Yes, Madam. The losses during the past six months are yet to be compiled.

(c) and (d): Air India has taken various cost cutting measures which include rationalization of loss making routes both on the domestic and international sector, rationalization of meal uplifts at domestic and foreign stations, reduction of contractual employment and outsourcing of work, Closure of overseas office offices at certain locations, return of aircraft on lease, rationalization of wage agreements including PLI Scheme etc.

(e): Air India has embarked on a turnaround plan focussing on fleet rationalization, route profitability, manpower rationalization and other structural changes. Moreover, Government has infused Rs.800 crore as equity and also inducted five part-time non-official independent Directors on the Board of Air India for professional functioning of the airline.