

**GOVERNMENT OF INDIA  
CIVIL AVIATION  
LOK SABHA**

UNSTARRED QUESTION NO:3411  
ANSWERED ON:16.03.2011  
SHIFTING OF HEADQUARTERS OF AIE  
Tharoor Shri Shashi

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

- (a) whether a final decision has been taken to locate the Headquarters of Air India Express (AIE) at Kochi;
- (b) if so, whether a cost-benefit analysis vis-a-vis locating it at Thiruvananthapuram has been done;
- (c) if so, the outcome thereof;
- (d) whether the Government/Airline Management has considered the rationale behind maintaining two separate Headquarters only a distance of 200 kms away from each other, given that the engineering headquarters has already been established at Thiruvananthapuram; and
- (e) if so, the details thereof and if not, the reasons therefor?

**Answer**

MINISTER OF OVERSEAS INDIAN AFFAIRS & MINISTER OF CIVIL AVIATION (SHRI VAYALAR RAVI)

- (a): Yes, Madam. The Corporate Headquarters of Air India Express has been inaugurated at Kochi on 27th February, 2011.
  - (b) and (c): It was considered necessary to shift the headquarters of Air India Express to Kerala as it is operating more than half of its flights from that state. The decision to shift the Corporate and administrative functions to Kochi was based on the commercial consideration keeping in view the potential and demographic indices of Kochi and future growth plan of Air India Express in the region.
  - (d) and (e): The decision for creation of a maintenance facility in the South of India was taken way back in 2004. It was felt that Air India needed a maintenance facility in the South especially since Mumbai was saturated and it was necessary to establish a base elsewhere for maintaining smaller aircraft proposed to be inducted in the fleet. It was also decided that while establishing the maintenance base the management should also take into consideration the number of flights operating out of various points in Kerala and the base should be located accordingly, in the manner that reduces turnaround time and aircraft availability, minimum movement of personnel and thus reduces delays and cancellations.
- Since the hanger facility was already constructed by Air India at Thiruvananthapuram, it was decided to shift the engineering base of Air India Express to this base instead of wasting resources in preparing a fresh hanger at Kochi, particularly in view of the critical financial condition of the Company