

**GOVERNMENT OF INDIA  
CIVIL AVIATION  
LOK SABHA**

UNSTARRED QUESTION NO:2677

ANSWERED ON:17.08.2011

INCOME AND EXPENDITURE OF AI

Nagorao Shri Dudhgaonkar Ganeshrao;Nahata Smt. P. Jaya Prada;Rane Dr. Nilesh Narayan;Shekhar Shri Neeraj;Singh Shri Yashvir

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

- (a) the details of the expenditure and the income of Air India during each of the last three years and the current year;
- (b) the details of financial packages announced during the above period;
- (c) whether the Government is contemplating to privatize debt ridden Air India/pay AI's huge debt burden;
- (d) if so, the details thereof;
- (e) whether any responsibility has been fixed for the losses suffered by AI;
- (f) if so, the details thereof and if not, the reasons therefor; and
- (g) the steps taken/proposed to be taken to trim down unwarranted expenditure?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF OVERSEAS INDIAN AFFAIRS & MINISTER OF CIVIL AVIATION (SHRI VAYALAR RAVI)

(a): The details of expenditure and income of Air India during each of the last three years are as under:-

(Rs. in crore)

	2008-09	2009-10	2010-11 (Pro.)
--	---------	---------	----------------

Revenue	13479.38	13402.27	13963.93
---------	----------	----------	----------

Expenses	20668.01	19053.83	21361.43
----------	----------	----------	----------

(b): Government has infused Rs. 800 crore in FY 2009-10 Rs. 1200 crore in FY 2010-11 as equity in Air India. A further provision of Rs.1200 crore towards equity infusion has been made in the budget for 2011-12.

(c) No, Madam.

(d): Does not arise.

(e) and (f): No, Madam. The losses are due to escalating fuel prices, falling yields and high interest costs.

(g): Air India has taken a series of measures for reducing costs. These include rationalization of certain loss making routes, return of leased aircraft, phasing out of old fleet, reduction in contractual employment & outsourced agencies, fuel savings through critical analysis of fuel consumption, optimization of aircraft utilization, closure of foreign stations, offline offices, etc.