

**GOVERNMENT OF INDIA  
CIVIL AVIATION  
LOK SABHA**

UNSTARRED QUESTION NO:2433

ANSWERED ON:28.03.2012

MERGER OF AI AND IA

Adsul Shri Anandrao Vithoba;Dastidar Kakli Ghosh;Dharmshi Shri Babar Gajanan;Yadav Shri Dharmendra

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

- (a) whether the Union Government had assessed the performance of Air India after the merger;
- (b) if so, the details and the outcome thereof;
- (c) whether the functioning of Air India has been increased after merger;
- (d) if so, the details thereof and if not, the reasons therefor;
- (e) whether the losses of one has adversely affected the functioning of other; and
- (f) if so, the details thereof alongwith the steps taken by the Union Government to make Air India more competitive and profit earning PSU?

**Answer**

MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH)

(a),(b),(c),(d)and(e): The Union Government monitors the performance of Air India on regular basis to assess its performance. The performance of Air India since the merger has been adversely impacted because of global economic recession soon after the merger and spiraling ATF price.

(f): A Comprehensive Turn Around Plan (TAP) and Financial Restructuring Plan (FRP) for Air India which will help in meeting its financial and operational obligations has been prepared for approval.