

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:3216

ANSWERED ON:12.12.2012

PUBLIC PRIVATE/FOREIGN AIRLINES

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Will the Minister of CIVIL AVIATION be pleased to state:

(a) the details of the public/private/foreign airlines operating in the country along with their percentage share in the country's aviation sector, airline-wise;

(b) the revenue earned and expenditure incurred by the Government owned /private airlines during each of the last three years and the current year, airline-wise;and

(c) the steps taken/being taken by the Government to improve the financial condition of the public sector airlines?

Answer

Minister of State in the Ministry of CIVIL AVIATION (SHRI K. C. VENUGOPAL)

(a): The market share of public and private scheduled domestic airlines for October, 2012 is as follows:

Air India (Dom) - 20.8 percent

Jet Airways - 18.1 percent

JetLite - 6.6 percent

Indigo - 27.8 percent

Go Air - 7.6 percent

Spicejet - 19.1 percent

Mantra - 0.0 percent

The market share of foreign airlines operating in India for the year 2011-12 is enclosed at Annexure-I.

(b): The revenue earned and the expenditure incurred by the Government owned/private airlines during each of the last three years and the current year, airline-wise is enclosed at Annexure-II.

(c): The steps taken/being taken by the Government to improve the financial condition of the public sector airlines (Air India) are following:-

(i) Complete route rationalization of erstwhile Air India and Indian Airlines routes and elimination of route network involving parallel operations

(ii) Rationalization of certain loss making routes

(iii) Induction of brand new aircrafts on several domestic & international routes to increase passengers appeal

(iv) Phasing out of old fleet and consequential reduction in maintenance cost

(v) Return of leased aircrafts at the end of their tenure or prematurely

(vi) Freezing of employment in non-operational areas

(vii) Redeployment of staff to cut in-fructuous expenditure

(viii) Phasing out of ageing fleet including B747-400 having high operational cost

(ix) Relocation of Executive Directors/India Based officers from abroad back to India

- (x) Closure of overseas offline offices at certain locations
- (xi) Dismantling of the Frankfurt hub and establishment of a hub at Delhi resulting in substantial saving due to restructuring of routes
- (xii) Establishment of Integrated Operations Control Centres
- (xiii) Signing of the Financial Restructuring Plan with the lenders resulting in savings in interest costs and moratorium on repayment of Loans
- (xiv) Approval of a Turn Around Plan and a Financial Restructuring Plan for Air India by the Government which envisage infusion of additional equity by the Government, cost reduction and improved operational performance and
- (xv) Close monitoring of the company's performance by an Oversight Committee by the Government.