

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:2709
ANSWERED ON:28.07.2014
PERFORMANCE OF AIR INDIA
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Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government monitors and assesses the performance of Air India on regular basis;
- (b) if so, whether the Government has assessed the performance of Air India after its merger with Indian Airlines and if so, the details and the outcome thereof;
- (c) whether there has been any issue/ conflict between the employees of Air India and Indian Airlines in recent times; and
- (d) if so, the details thereof along with the action taken to resolve the issue/conflict?

Answer

Minister of State in the Ministry of CIVIL AVIATION (Shri G. M. Siddeshwara)

(a) and (b): Yes, Madam. An Inter Ministerial Oversight Committee has been constituted by the Union Cabinet consisting of members from Ministry of Finance and Ministry of Civil Aviation to review Air India's performance by holding regular meetings. Eight meetings of the Oversight Committee have been held so far. Consequently, Air India has shown a considerable improvement both in terms of operational and financial parameters.

Improvements in terms of Operational and Financial Parameters in FY 2013-14 as compared to FY 2012-13 are as follows:-

- # Passenger Load Factor (PLF) has improved from 72.4% in 2012-13 to 73.6% in 2013-14.
- # Passengers travelled on total network have increased from 14.10 million to 15.30 million i.e. by 8.5%.
- # Passenger Revenue has increased from Rs 12494.44 crores in 2012-13 to Rs 14300 crores in 2013-14 i.e. by 14.45%.
- # Total Operating Revenue has increased from Rs 16072.11 crores to Rs 19230.38 crores i.e. by 20%.
- # Net Loss has declined from Rs 5490.16 crores to Rs 5388.82 crores.
- # Cash Losses have reduced from Rs 3647.18 crores to Rs 3371.95 crores i.e. by 7.5%.
- # EBIDTA has improved from Rs 191.67 crores in 2012-13 to Rs 770.94 crores i.e. an improvement of almost 300% .

(c) and (d): To address various Industrial Relation issues in respect of merged Air India, Government constituted a committee under the Chairmanship of former Judge of Supreme Court of India, Justice D.M. Dharmadhikari on 11.5.2011. The Committee submitted its report on 31.01.2012. Out of 226 issues, on which integration action was initiated, 204 have been completed and integration action is in progress on 17 other issues, and 5 issues are pending because of Court cases. To a large extent, Level mapping and seniority merger of the two erstwhile airlines have been completed. The draft revised Basic Pay and allowances in respect of the different categories of employees of the merged entity have been displayed on the intranet and the same could not be implemented due to the on going court cases.