GOVERNMENT OF INDIA CIVIL AVIATION LOK SABHA

UNSTARRED QUESTION NO:487 ANSWERED ON:14.07.2014 AIR ROUTES Karunakaran Shri P.

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) the details of domestic and international routes being operated by Air India;
- (b) whether Air India has discontinued flights on any domestic or international routes during the last three years and the current year;
- (c) if so, the details thereof and the reasons therefor;
- (d) whether the routes discontinued by Air India during the said period are being used by certain private, domestic or international airlines and if so, the details thereof; and
- (e) the strict cost cutting and revenue enhancement measures taken by the Government to ensure Air India stay afloat?

Answer

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

- (a): The details of Domestic and International routes operated by Air India are given at Annexure-A.
- (b) and (c): Yes, Madam. Air India has withdrawn certain flights which have not been able to recover the ATF cost/ variable cost of operations. The flights withdrawn during the last three years and current years are given at Annexure-B.
- (d): The details with regard to operations by other airlines on these routes are given at Annexure-C.
- (e): Air India has taken the following steps to cut the costs:
- (i) Route rationalization of erstwhile AI and IA routes and elimination of route network involving parallel operations
- (ii) Rationalization of certain loss making routes
- (iii) Induction of brand new aircraft on several domestic and international routes to increase passengers appeal
- (iv) Phasing out of old fleet and consequential reduction in maintenance cost.
- (v) Freezing of employment in non-operational areas
- (vi) Enhanced utilization of new fleet resulting in production of higher ASKMs
- (vii) Closure of overseas offline offices at certain locations
- (viii) Introduction of Passenger Service System (PSS) to have single code and SAP ERP based solutions throughout the organisation in terms of increase in revenue and decrease in cost
- (ix) Establishment of Integrated Operations Control Centre(IOCC) and the Central Planning and Control System. Air India signed a broad ranging agreement for establishing its Central Planning and Control IT System(CPCS) with M/s Sabre Airline Solutions who are industry leaders in this field. It will cover Network Planning and Scheduling, Flight Operations Control (Including integrated Operations Management & Hub Management) and a comprehensive crew Management System.
- (x) Plans to Operationalize Subsidiary Companies such as AIATSL and AIESL and transfer of manpower and equipment to these subsidiary companies
- (xi) Upgradation of FFP and Introduction of several marketing initiatives including Companion Free Scheme, Apex Fare, GOI packages, Preferred Agents Partnership, Promotion of web bookings and other promotional schemes like AI Holidays, Get upfront scheme, etc.