

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:125
ANSWERED ON:24.11.2014
INCLUSION OF AIR INDIA INTO STAR ALLIANCE
Sundaram Shri P.R.

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether Air India is the first airline in the country to join the Star Alliance and if so, the details and the benefits thereof;
- (b) whether Air India has been successful in achieving voting rights in the Star Alliance and if so, the details thereof; and
- (c) if not, the reasons therefor along with India's ranking in Global Airlines Ratings in the current year?

Answer

Minister of State in the Ministry of CIVIL AVIATION (Dr. Mahesh Sharma)

(a): Yes, Madam. Air India is the first Indian airline to join the Star Alliance. Air India has formally joined the Star Alliance on 11th July, 2014. Air India's entry into the Star Alliance shall benefit both the passengers and the airline. Now, Air India will be able to offer more itinerary choices to its passengers covering 1,269 destinations in 193 countries around the world. The details of benefits are as follows:

- (i) Enhanced revenues as a result of cross-feed to/from the alliance partners. Passengers Revenue is expected to increase by 3 to 5%.
- (ii) Access to a vast global network, offering unmatched reach and connectivity
- (iii) Strategic opportunities for cost reduction
- (iv) Adoption of global best-practices in terms of processes, systems and standards,
- (v) Branding opportunity and global visibility for Air India.
- (vi) Seamless travel experience between Air India's vast national, regional network and Star member airlines network. Benefit of wider choice of flights, quick transfer and convenient check-in procedures while transferring from one airline to another
- (vii) More Frequent Flyer Program (FFP) mileage points and ability to utilize the points on member airlines; and
- (viii) Lounge access for AI premium customers of the member airlines lounge.

(b) and (c): As per mandate from Star Alliance, Air India shall have no right of vote under the Star Alliance Agreement until Air India implements a Customer Satisfaction Improvement Plan developed by a third party appointed by Star Alliance. On implementation of the mutually agreed improvement measures, AI would get its voting rights. Air India's ranking in Global Airlines Ratings is 3 Star.