

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:7
ANSWERED ON:24.11.2014
PERFORMANCE OF AIR INDIA
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Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government monitors the performance of Air India on regular basis;
- (b) if so, the details thereof; and
- (c) the performance of Air India after its merger with Indian Airlines?

Answer

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

(a) and (b): The Government approved Turn around Plan (TAP) and a Financial Restructuring Plan (FRP) to improve the operation and financial performance of Air India. Under TAP/FRP Government approved the infusion of equity of Rs.30231 crores upto 2021, subject to the achievement of certain laid down milestones by Air India. In this regard, an Oversight Committee comprising of Secretary Civil Aviation, Expenditure Secretary, AS&FA and Joint Secretary of MoCA has been constituted in order to closely monitor performance of Air India vis-a-vis milestones set in the Turn Around Plan (TAP). So far nine meetings of the Oversight Committee have taken place. The Financial and Operational Performance of Air India in 2013-14 (RE) vis-a-vis 2012-2013 (Actual) is as follows:

- i. Passenger Load Factor (PLF) has improved from 72.4% to 73.6 %.
- ii. Passengers travelled on total network has increased from 14.10 million to 15.30 million i.e. by 8.5%.
- iii. Passenger Revenue has increased from Rs.12494.44 cr to Rs.14300 cr. i.e. by 14.45%.
- iv. The Operating loss has declined from Rs.3807.15 cr. to Rs.2123.78 cr. i.e. by 44.2%.
- v. Cash Losses have reduced from Rs.3647.18 cr. to Rs.3371.95 cr. i.e. by 7.5%.
- vi. EBIDTA has improved from Rs.191.67 cr. to Rs.770.94 cr. i.e. an improvement of almost 300%.

(c): The performance of Air India has improved post merger. A comparison of some operational and financial parameters for 2013-14 vis-a-vis 2010-11 is as follows :

- i. Network OTP improved to 77.9%
- ii. Passenger Load Factor has improved to 73.6% from 66.1%.
- iii. Network Yield improved to 4.31/RPKM from 3.46/RPKM.
- iv. Operating Loss is estimated to reduce by 47% i.e. by Rs.1898 crores in 2013-14.
- v. The Company is expected to be EBIDTA positive by Rs.771 cores as against the negative EBIDTA of Rs.1659 crores.
- vi. Total Revenue increased by Rs.4975 crores i.e. 35%.
- vii. Utilisation of Pilots has increased from 52 hours to 64 hours per month.
- viii. Complete Industrial peace in the Company. No man days lost during the last 24 months.