

**GOVERNMENT OF INDIA  
CIVIL AVIATION  
LOK SABHA**

STARRED QUESTION NO:216  
ANSWERED ON:08.12.2014  
AIR INDIA  
Galla Shri Jayadev

**Will the Minister of CIVIL AVIATION be pleased to state:**

- (a) whether the Government has issued instructions to the Air India for overall improvement of the organisation;
- (b) if so, the details thereof along with the steps taken/ being taken by Air India in this regard;
- (c) whether the Government has asked Air India to submit the progress report on a monthly basis and if so, the details thereof; and
- (d) the fresh steps taken by the Government to streamline the operations of Air India by ensuring optimum use of its manpower and available infrastructure?

**Answer**

Minister of CIVIL AVIATION (Shri Ashok Gajapathi Raju Pusapati)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT IN REPLY TO PARTS (a), (b), (c) AND (d) LOK SABHA STARRED QUESTION NO.256 TO BE ANSWERED ON 8.12.2014 REGARDING AIR INDIA TABLED BY SHRI SHRI JAYADEV GALLA, M.P

(a) and (b): Yes, Madam. The Government has issued broad guidelines to improve the performance and profitability of Air India. The broad guidelines include regular route profitability analysis, effective utilization of fleet, rationalisation of manpower, customer friendly services, effective management of delayed flights, aggressive marketing of first class and business class seats, proper monitoring of on-time performance, effective inventory management, revenue from ancillary business, special emphasis on passenger amenities, and on aircraft and passenger safety etc.

Some of the steps taken by Air India in this regard are as follows:

- i. As a part of rationalisation and manpower harmonisation, AI has revisited and recast standard work force parameters.
- ii. The aircraft /manpower ratio has been reduced to 1:125 from 1:264.
- iii. Route economic analysis is being done on a weekly basis, with regular monitoring by the Board.
- iv. Plan for optimal utilisation of fleet developed.
- v. Customer feedback mechanism developed and the inputs received are regularly analysed.
- vi. Customer friendly website implemented.
- vii. Efforts being made to attract corporate clients and other high-end passengers to fill premium class.
- viii. OTP is monitoring twice a day by CMD.
- ix. To enhance revenue from ancillary business, AI has monetised boarding passes, baggage tags and on board usage of facilities like overhead bins, meal trays, headrest etc. and the In Flight Entertainment System.

(c): Yes, Madam. Air India submits monthly report to the Government on the following:

- i. Delays beyond 30 minutes
- ii. Route-wise profitability.
- iii. Financial Performance.

Further, Air India furnishes On Time Performance (OTP) data on a daily basis.

(d): The above parameters are regularly monitored by the Government. Further, the Cabinet Committee on Economic Affairs (CCEA) approved a Turnaround Plan (TAP) and Financial Restructuring Plan (FRP) for Air India in its meeting held on 12.04.2012. In compliance with the same, an Oversight Committee has been set up under the Chairmanship of Secretary, Ministry of Civil Aviation with Expenditure Secretary, Additional Secretary and Financial Adviser, Ministry of Civil Aviation, Joint Secretary of Ministry of Civil Aviation and SBI Caps as members, to monitor the Operational and Financial Performance of Air India. Regular meetings of the Oversight Committee are held every three months. So far, nine meetings of Oversight Committee have been held.