

(30)

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 3131
(To be answered on the 3rd August 2017)

ROUTES WITHDRAWN FROM AIR INDIA

3131. SHRI RAHUL SHEWALE
SHRI RAM CHARAN BOHRA

Will the Minister of CIVIL AVIATION
नागर विमानन मंत्री

be pleased to state:-

- (a) the number of domestic and international routes withdrawn from Air India during each of the last three years;
- (b) the number of such withdrawn routes allocated to the Private Airlines during the said period;
- (c) whether the Government has conducted any study on the profitability of the said routes before withdrawing them from Air India, if so, the details thereof;
- (d) the profits earned/losses suffered by Air India on diversion of routes to Private Airlines during the said period;
- (e) the steps taken/being taken by the Government to improve the profitability of Air India;
- (f) the details of incidents of withdrawal/termination of flight services during the last three years and the current year; and
- (g) whether the Government proposes to restart/replace such flights or start new flights as their substitute and if so, the details thereof and if not, the reasons therefor?

ANSWER

Minister of State in the Ministry of CIVIL AVIATION
नागर विमानन मंत्रालय में राज्य मंत्री

(Shri Jayant Sinha)

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- (a): No operational domestic and international routes were withdrawn from Air India.
 - (b) to (d): Does not arise in view of (a) above.
 - (e): Government had approved a Turnaround Plan (TAP) / Financial Restructuring Plan (FRP) for operational and financial turnaround of Air India. The TAP/FRP provides equity infusion of Rs.30231 crores upto 2021 subject to achievement of certain milestones as laid down in the TAP/FRP. The Company has made substantial progress in both Operational as well as

Financial Areas as per TAP Milestones. As a part of the Turnaround Strategy for Air India Ltd., the company, with the overall support of the Government, has initiated a number of steps in order to cut costs and losses. These steps, inter-alia, include the following:

i. Route rationalization of erstwhile AI & IA route and elimination of route network involving parallel operations.

ii. Rationalization of certain loss making routes.

iii. Enhanced utilization of new fleet resulting in production of higher Available Seat Kilometers (ASKMs).

(f): Does not arise in view of (a) above.

(g): Government has laid down Route Dispersal Guidelines (RDG) with a view to achieving better regulation of air transport services taking into account the need of different regions of the country. The domestic air services in the country have been deregulated. It is up to the airlines to provide air services to specific places depending upon the traffic demand and commercial viability. The Scheduled domestic airlines are free to operate anywhere within the country subject to compliance of RDG.

Also Indian carriers are eligible to operate to foreign destinations as per the respective bilateral air services agreements with concerned foreign countries. However, actual operations by any airline is always guided by its commercial judgement depending upon the traffic demand and economic viability of operations.
