

(e) The turnaround plan of Air India is being monitored periodically by a Committee of Secretaries and a Group of Ministers.

Probability of privatisation of AI and IA

24. SHRI MOINUL HASSAN: Will the Minister of CIVIL AVIATION be pleased to state:

- (a) what led Government to merge Air India and Indian Airlines in 2007;
- (b) whether this move of Government has given any dividend to national exchequer;
- (c) if not, whether Government is having any agenda to privatise these two airlines; and
- (d) by when Government is going to *status-quo ante*?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL):

(a) Air India and Indian Airlines were operating in a largely protected environment. With the opening of aviation sector, leading international carriers had increased coverage and frequency to major cities in India and domestic carriers also significantly ramped up operations. The declining market share, declining operating and financial performance and competition with each other posed a serious threat to future survival of the two airlines on a stand alone basis. It was thus felt that in an increasing consolidating global aviation environment, where 'critical mass/size' is a key success factor, combining the two State owned airlines into a single merged entity would better equip them to survive and prosper amidst fierce global and domestic competition as it would provide an opportunity to leverage their combined asset and capital base better and build a stronger sustainable business.

(b) The new company formed after merger of Air India and Indian Airlines viz. National Aviation Company of India Limited has incurred losses in the last two years due to high fuel prices in 2008-09, prevalent economic recession, severely low yields and load factors and hence no dividend has been declared.

- (c) No, Sir.
- (d) No such proposal is under consideration of the Government.

Upgrading security infrastructure at airports

25. SHRI A. ELAVARASAN: Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether it is a fact that despite increased terror threat to aviation, the Bureau of Civil Aviation Security (BCAS) has failed to utilize the funds meant for upgrading security infrastructure and equipments;
- (b) whether it is also a fact that Government had provided Rs. 218.25 crores to BCAS for the Eleventh Plan following increasing security threat to aviation installation and airlines but the agency has not utilized the funds; and

(c) if so, the reasons for not using such allocated funds and the steps taken by Government for optimum utilization of these funds allocated for this purpose?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL):
(a) No, Sir. Since BCAS is a Policy and Regulatory Authority, no funds for upgrading Security Infrastructure are given to BCAS. Expenditure on Security Infrastructure is met from the Passenger Service Fee (PSF) collected by Airport Operators from Passengers.

(b) No, Sir.

(c) Does not arise.

Oxygen bars at airports

†26. SHRI BRIJLAL KHABRI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Government is considering to install oxygen bars at major airports in the country;

(b) if so, the details thereof; and

(c) by when a final decision is likely be taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL):
At present, no such proposal is under consideration. However, all airport operators manage First Aid and associated facilities at airports.

(b) and (c) Do not arise.

Losses to Air India due to strike by pilots

27. SHRI GIREESH KUMAR SANGHI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) the total amount of loss suffered by Air India on account of strike by pilots;

(b) whether it is a fact that a loan of Rupees five hundred crores has been extended by the State Bank of India to Air India for making payment of delayed salaries to the pilots;

(c) if so, the terms and conditions of this loan agreement;

(d) whether Government contemplates to formulate a long term policy for revival of the ailing aviation industry; and

(e) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL):
(a) Air India incurred a loss of approx. Rs. 65 crores due to the Pilots strike in September, 2009.

(b) and (c) Yes, Sir. State Bank of India had approved an additional Short term Loan facility of Rs. 500 Crores for meeting the Working capital requirement of NACIL. However, NACIL

†Original notice of the question was received in Hindi.