

(b) if so, the details in this regard and the probable changes contemplated by Government; and

(c) by when the new aviation policy will be framed?

THE MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH): (a) to (c) To have a sustainable orderly growth of the aviation sector, the ministry has felt the need to spell out a long term Civil Aviation Policy. Accordingly on 22.12.2011, a Committee has been constituted under the Chairmanship of Secretary, Civil Aviation to formulate a Civil Aviation Policy so as to provide a road map for development. Government has identified focus areas and a consultation paper has been placed on the website of the Ministry (www.civilaviation.nic.in) inviting comments from all stakeholders. The comments received from various organization are under examination.

Foreign airlines investment in Airlines in India

2956. SHRI RAJKUMAR DHOOT: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that foreign airlines are not coming forward for investment in Airlines in India due to high tax regime in particular on ATF, Airport use and other taxes;

(b) if so, the details thereof; and

(c) the remedial measures Government propose to take in this regard?

THE MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH): (a) to (c) At present no foreign airlines are allowed to participate in the equity of domestic carriers. The proposal to allow investment by foreign airlines in the domestic carriers is under examination of the Department of Industrial Policy and Promotion (DIPP).

Profitability of Air India

2957. SHRI T.M. SELVAGANAPATHI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Government has decided to infuse into Air India a sum of Rs. 30,000 crore till 2020;

(b) whether it is a fact that many steps have been proposed to improve the profitability of Air India;

(c) if so, the details thereof;

(d) whether it is a fact that Government has decided to make Air India separate entity away from Government; and

(e) if so, the details thereof?

THE MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH): (a) Yes, Sir.

(b) and (c) In order to improve its operating and financial performance, Air India has already taken various steps which include (i) Complete route rationalization of erstwhile Air India and Indian Airlines routes and elimination of route network involving parallel operations; (ii) Rationalization of certain loss 'making routes; (iii) induction of brand new aircraft on several domestic and international routes to increase passengers appeal; (iv) Phasing out of old fleet and consequential reduction of maintenance and engineering costs; (v) Return of leased aircraft at the end of their tenure or prematurely; (vi) Freezing of employment In non- operational areas; (vii) Redeployment of staff to cut in-fructuous expenditure; (viii) Grounding of ageing fleet including B747-400 which would be used only for certain lines of operations and for operating VVIP flights; (ix) Relocation of EDs/IBOs from abroad back to India; (x) Closure of overseas offline offices at certain locations; (xi) Dismantling of the Frankfurt hub and establishment of the Delhi hub resulting in substantial saving due to restructuring of routes; (xii) Establishment of an Integrated Operations Control Centres.

(d) and (e) Yes, Sir. The Turn Around Plan (TAP) approved by the Cabinet Committee on Economic Affairs in its meeting held on 12.4.2012 envisages a business model that includes Independent ground handling and MRO operations from the main airlines business.

Expansion of aviation market in India

2958. SHRI RAMA CHANDRA KHUNTIA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether India needs more aircraft in view of the increase and expansion of aviation market;

(b) whether Government has any initiative for manufacturing bigger indigenous aircraft in India so that the job is not shifted to France, USA, Singapore and other countries; and

(c) whether India has no workshop for the maintenance of aircrafts flying in India?