

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI K.C. VENUGOPAL): (a) to (e) At present there is no proposal with the Government to give subsidies to airlines operating on unprofitable routes.

Withdrawal of flights from domestic routes by Air India

3275. DR. T.N. SEEMA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Air India has withdrawn its flights from several domestic routes including Chennai-Trivandrum, Trivandrum-Bangalore despite the fact that other airlines are operating on the same sectors with significant load;

(b) if so, the details thereof;

(c) the mechanism in place to decide the operations and cancellations of flights in various sectors by Air India;

(d) whether the Committee constituted by Government for recommending various cost cutting measures and to ensure best and optimal utilization of various resources including human resources of Air India has submitted its report; and

(e) if so, the details thereof, if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI K.C. VENUGOPAL): (a) and (b) Yes, Sir. In accordance with Turn Around Plan (TAP) approved by Government for Air India, some flights, which were not meeting the fuel cost/cash cost of operations, have been withdrawn by the airline. The details are given in Statement (*See* below). However, commencement and withdrawal of flights by any airline depend upon the commercial judgement of the airline.

(c) Air India periodically monitors the carriage/load factors/financial performance of services on its network and makes efforts to improve their performance. Whenever any service recurrently give rise to cash losses, Air India analyses the reasons for the losses and based on the strategic importance of such services to its network arrives at a decision whether to continue or withdraw such services. While determining the desirability or otherwise of discontinuing operations of less-making services Air India takes into account the revenue contributions made by the subject services to its other services by way of feeder traffic. As such non-profitability of any one flight is not taken in isolation as the sole barometer of its financial performance.

(d) and (e) Yes, Sir. The Committee has submitted its report to the Government and its recommendations mainly relate to efficiency audit, strong accountability at all levels, operating model, rationalization of loss making routes, dynamic pricing, passenger facilities etc.

*Statement**Withdrawal of flights from domestic routes*

Flight No.	Route	Withdrawn	Revenue deficit over cash costs		Load factor (%)	Remarks
			Period	(Rs. in crore)		
AI 769-770	Kolkata-Bhubaneswar and <i>VV</i>	Nov., 12	Apr.-Oct., 12	-3.08	31.3	Served by Alliance Air (6 flights/week)
AI 537	Chennai-Vizag-Bhubaneswar-Chennai	Nov., 12	Apr.-Oct., 12	-8.61	47.1	Currently de-linked
AI 513	Chennai-Trivandrum	Nov., 12	Apr.-Oct., 12	-4.49	38.8	Air India continues to link Chennai-Trivandrum on its flight Chennai-Bangalore-Trivandrum-Male and <i>vv</i> (daily) and Chennai-Trivandrum-Sharjah and <i>vv</i> (daily)
AI 507	Trivandrum-Bangalore	Nov., 12	Apr.-Oct., 12	-3.69	37.8	Air India continues to link Bangalore-Trivandrum on its flight Chennai-Bangalore-Trivandrum-Male and <i>vv</i> (daily)
AI 723-724	Kolkata-Imphal and <i>VV</i>	Feb., 13	Apr.-Feb., 13	-9.93	54.9	Air India offers flights as Kolkata-Imphal-Aizwal-Kolkata - 4 flights/week and Kolkata-Aizwal-Imphal-Kolkata - 3 flights/week