

(c) whether backlog of airport dues to Air India exists in case of Delhi Airport and Delhi International Airport Limited (DIAL) also; and

(d) if so, the total dues Air India owes to airports and the reasons for non-payment of the same?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI G.M. SIDDESHWARA): (a) No, Sir.

(b) Does not arise.

(c) Yes, Sir.

(d) Air India owes M/s Delhi International Airport Pvt. Ltd. (DIAL) a sum of ₹ 631.33 crores as on May 31, 2014 and M/s Mumbai International Airport Pvt. Ltd. (MIAL) a sum of ₹ 350.56 crores as on 30th June, 2014. The reasons for delay in payment are on account of liquidity constraints faced by Air India.

Revival of Air India

138. SHRIMATI AMBIKA SONI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether there is a proposal to give infusion of capital to Air India (AI) as part of turnaround plan and to meet the shortage in the equity;

(b) what would be the amount of money that would be extended to Air India for restructuring its capital;

(c) whether Air India has taken steps to cut costs in the expenditure like cutting loss-making routes and wages and sale of old aircraft and real estate assets; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI G.M. SIDDESHWARA): (a) and (b) The Government has approved Air India's Turnaround Plan (TAP) and Financial Restructuring Plan (FRP) on 12.04.2012, that provided for infusion of additional equity by the Government, cost reduction and improved operational performance. The financial support approved under TAP from the Government is as under :

(i) Induction of upfront equity of ₹ 6,750 crores,

(ii) Equity for cash deficit support of ₹ 4,552 crores from FY 2012-13 to FY 2017-18.

(iii) Equity for already guaranteed aircraft loan of ₹ 18,929 crores till FY 2021.

- (iv) GoI guarantee for repayment of principal amount and payment of Interest on the Non-Convertible Debentures (NCDs) of ₹ 7400 crores proposed to be issued by Air India to the financial institutions, Banks, LIC, EPFO.

Till date, an amount of ₹ 15033 crores has been released as equity support to Air India.

(c) and (d) Yes, Sir. Air India has taken various steps to cut costs in expenditure, which are as follows:-

1. Route rationalization of erstwhile AI and IA routes and elimination of route network involving parallel operations.
2. Rationalization of certain loss making routes.
3. Induction of brand new aircraft on several domestic and international routes to increase passengers appeal.
4. Phasing out of old fleet and consequential reduction in maintenance cost.
5. Freezing of employment in non-operational areas.
6. Enhanced utilization of new fleet resulting in production of higher ASKMs
7. Closure of overseas offline offices at certain locations.
8. Introduction of PSS (Passenger Service System) to have single code and SAP ERP based solutions throughout the organization in terms of increase in revenue and decrease in cost.
9. Establishment of Integrated Operations Control Centre (IOCC) and the Central Planning and Control System. Air India signed a broad ranging agreement for establishing its Central Planning and Control IT System (CPCS) with M/s Sabre Airline Solutions who are industry leaders in this field. It will cover Network Planning and Scheduling, Flight Operations Control (including integrated Operations Management and Hub Management) and a comprehensive Crew Management System.
10. Plans to Operationalize Subsidiary Companies such as AIATSL and AIESL and transfer of manpower and equipment to these subsidiary companies.
11. Upgradation of FFP and Introduction of several marketing initiatives including Companion Free Scheme, Apex fare, GOI packages, Preferred Agents Partnership, Promotion of web bookings and other promotional schemes like AI Holidays, Get Upfront scheme, etc.

12. Air India has withdrawn 5 domestic and 7 international routes during the last two year which have not been able to recover the ATF costs/Cash cost of operations and were not of strategic importance in domestic and international sectors.
13. Wage negotiation after implementation of Dharmadhikari Committee report is underway.
14. Air India is also in the process of monetization of some of its assets.

New air routes/airports in Himalayan Region

139. SHRI TARUN VIJAY: Will the Minister of CIVIL AVIATION be pleased to state:

(a) the details of the schemes to open new air routes and new airports/heliports in Himalayan areas of Uttarakhand, Sikkim, Arunachal Pradesh, Nagaland and Manipur; and

(b) the details of existing air routes and quantum of air flights and passenger traffic annually in these areas?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI G.M. SIDDESHWARA): (a) Government of India has promulgated a policy for establishment of new greenfield Airports/heliports in the country in 2008. Airports Authority of India (AAI) is constructing a new airport in Pakyong in Sikkim. Work is also in progress for operationalization of Tezu airport in Arunachal Pradesh for ATR type of aircraft operation. There is a proposal to develop a new Greenfield airport at Itanagar in Arunachal Pradesh by AAI. Government of India does not have schemes for helipads in these areas. Helipads in these areas are mainly constructed by State Governments.

(b) Helicopter routes namely India valley, Juliet Valley, Kilo Valley, Mima Valley, Mike Valley, November Valley, Tenga Valley, Bhutan Valley for VFR operations have been established in Arunachal Pradesh. In Uttarakhand helicopters are operated at the behest of State Government from Phata to Kedarnathji temple on seasonal basis in May-June and September- October every year.

Existing Air Routes for fixed wing operations are: (1) W85 connecting Dehradun- Pant Nagar- Lucknow (2) W55 Connecting Agartala-Silchar-Imphal-Dimapur (3) W83 connecting Lengpui-Imphal (4) W54 connecting Agartala-Imphal. There is no scheduled flight operating to/ from Arunachal Pradesh and Sikkim at present. Quantum of air flights movements and passengers traffic annually (2013-14) is as under: