

**Splitting of AI**

2424. DR. K. V. P. RAMACHANDRA RAO: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government considers Air India financially and commercially viable; and

(b) if so, whether Government considers splitting Air India into two or three viable entities with clearly focus on thrust areas like South, North and Eastern India and thus contribute to more air connectivity?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (DR. MAHESH SHARMA): (a) Yes, Sir. The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 12.04.2012, approved a Turnaround Plan (TAP)/ Financial Restructuring Plan (FRP) for operational and financial turnaround of Air India (AI) subject to achievement of certain laid down milestones by AI. In compliance with TAP/ FRP, an Oversight Committee has been set up under the Chairmanship of Secretary, Ministry of Civil Aviation with Expenditure Secretary, Additional Secretary and Financial Adviser, Ministry of Civil Aviation, Joint Secretary of Ministry of Civil Aviation and SBI Caps as members, to monitor the Operational and Financial Performance of Air India *vis-a-vis* the milestones set under TAP/ FRP. Meetings of the Oversight Committee are held every three months. So far, eleven meetings of Oversight Committee have been held.

The Company has achieved the Targets set out in the TAP milestones, and has made substantial progress in both Operational as well as Financial Areas. The Operating Loss has consistently reduced and in 2014-15 it is ₹ 2171.40 crores as compared to ₹ 5138.69 crores in 2011-12. The Net Loss is expected to be ₹ 5547.40 crores in 2014-15 as against the loss of ₹ 7559.74 crores in 2011-12.

(b) No such proposal is under consideration of the Government.

**Return of leased Aircrafts by Alliance Air**

2425. SHRI RITABRATA BANERJEE: Will the Minister of CIVIL AVIATION be pleased to state whether it is a fact that Alliance Air management have decided to return the leased ATR 42-320 aircrafts, if so, the details and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (DR. MAHESH SHARMA): Alliance Air had seven ATR 42 aircraft on lease, of which three aircraft have already been returned to lessor as the leased aircraft are required to be returned to lessor on completion of lease term. Out of the remaining four aircraft, two aircraft have been grounded for return, as their lease term has expired. The remaining two ATR 42, are presently part of the operating fleet of Alliance Air.