

Affairs (CCEA) in its meeting held on 12.4.2012, approved a Turnaround Plan (TAP)/ Financial Restructuring Plan (FRP) for operational and financial turnaround of Air India subject to achievement of certain laid down milestones by AI. 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 financial performance of Air India in FY 2014-15 in comparison to FY 2011-12, when the Turnaround Plan was initiated are as follows:

- (i) The Operating Loss has consistently reduced since merger and in 2014-15, the same stands at ₹ 2636.19 crores as compared to ₹ 5138 crores in 2011-12.
- (ii) As per 2014-15, the Net Loss is ₹ 5859.91 crores as against the loss of ₹ 7559.74 crores in 2011-12 *i.e.* a reduction by 22.5%.
- (iii) The Company has turned EBIDTA positive by ₹ 337.77 crores in 2014-15 as against the negative EBIDTA of ₹ 2236.95 crores in 2011-12.
- (iv) Total Revenue increased from ₹ 14713.81 crores in 2011-12 to ₹ 20606.27 crores in 2014-15 *i.e.* by ₹ 5892.46 *viz* by 40.1% as compare to levels of 2011-12.

(c) Civil Aviation is a highly dynamic and competitive sector. Profit of a route depends on multiple factor such as seasonality of demand, economic growth, festivals, weather patterns etc. and routes do not remain profitable or loss making permanently. In view of the commercially confidential nature as well as its psychological impact on travel patterns the information cannot be revealed.

MoU with Korea for better air connectivity

980. SHRI RAVI PRAKASH VERMA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Central Government has signed a Memorandum of Understanding (MoU) with the Republic of Korea to enhance the existing air service cooperation between the two countries;

(b) if so, the details thereof;

(c) the names of cities proposed to be connected will Republic of Korea; and

(d) the extent to which the air connectivity will be enhanced after signing of aforesaid MoU?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (DR. MAHESH SHARMA): (a) to (c) Yes Madam. A Memorandum of Understanding (MoU) was signed between Ministry of Civil Aviation, Government of India and Ministry of Land, Infrastructure and Transport of the Government of Republic of Korea on 15th October, 2015 at New Delhi giving effect to the following:—

- (i) Enhancement in capacity entitlements from 6 services to 19 services per week for the designated carriers of India as well as Republic of Korea
 - (ii) grant of two additional points of call in India-Chennai and Bangalore for the designated carriers of Republic of Korea
 - (iii) grant of two additional beyond points of call-Seattle and Vancouver for the designated carriers of India
 - (iv) grant of additional intermediate points of call-Ho-chi-Minh city for the designated carriers of both sides
 - (v) both sides agreed to allow domestic code-share to any four points in their respective countries.
- (d) With these improved arrangements, passengers travelling between India and Korea will benefit from increased frequency and will have wider travel options.

**Avoidance of delay in modernisation and upgradation
of airports and helipads**

981. SHRI B.K. HARIPRASAD: Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether Government has received any request from the States for modernisation of the airports and helipads and if so, the details thereof, State/UT and airport-wise;
- (b) whether Government has directed the airport regulator to put in place an effective monitoring mechanism to avoid delays in upgradation/modernisation plans of the airports/helipads and if so, the details thereof; and
- (c) the other steps being taken to ensure completion of upgradation of non-metro airports without any further cost escalation?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (DR. MAHESH SHARMA): (a) Details of proposal received are given in the Statement (*See below*).