

(c) the reasons for such grim scenario in aviation sector;

(d) whether Government is aware that, due to non-payment of salary to employees, a number of flights have been cancelled in recent past and passengers had to face hardships;

(e) if so, the details thereof; and

(f) the details of action Government proposes for timely payment of salary to staff and to check undue cancellation of flights and hardships of passengers?

THE MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH): (a) and (b) Air India Limited has disbursed salary to its employees due upto January, 2012. No data is available about other airlines in the Ministry.

(c) Government is conscious of the grim financial conditions of the Air India and the aviation sector in general. Stiff competition among various airlines, spiralling ATF prices and the grim worldwide and specially European economic crisis have contributed to the large losses across the aviation sector.

(d) to (f) The Government has initiated several steps to tide over the financial crisis of Air India. A Comprehensive Financial Restructuring Plan/Turn Around Plan has been approved by Group of Ministers and will soon be placed before the Cabinet. This will help Air India to meet its operational and financial obligations.

Debt restructuring plan of Air India

337. SHRI Y.S. CHOWDARY: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that GoM has cleared Rs. 21,000 crore debt restructuring plan for Air India;

(b) if so, the details thereof; and

(c) the reasons therefor?

THE MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH): (a) to (c) The GoM in the meetings held on 28.10.2011 and 07.02.2012, accepted the recommendations of the a Group of Officers constituted by GoM to vet the Financial Restructuring Plan/ Turn Around Plan (FRP/TAP) of Air India which included the conversion of Rs. 11,000 crores of working capital into long-term loans, issue of non-convertible debentures of Rs. 7400 crores, guaranteed by the Government. The balance of the working capital would be in the form of a Cash Credit Arrangement with the Banks. This, coupled with equity infusion by Government, is to assist the airline in regaining its cash flow by postponement of debt repayment.

Disastrous landing of Jet Airways plane

338. SHRI GOVINDRAO ADIK: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that a Jet Airways' ATR-72 plane was approaching