

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 168
(TO BE ANSWERED ON THE 1st December 2015)

FUNDS THROUGH ECB FOR AIR INDIA

168. DR. T. SUBBARAMI REDDY
SHRI PAUL MANOJ PANDIAN

Will the Minister of CIVIL AVIATION be pleased to state:-

- (a) whether Air India is proposing to raise funds through external commercial borrowing (ECB) to meet working capital requirements;
- (b) if so, the details thereof;
- (c) the average period of maturity of loan; and
- (d) whether the funds would be used to fund for maintenance of grounded aircraft and purchase of spare parts to increase its fleet strength and if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

(Dr Mahesh Sharma)

(a) and (b): Air India has concluded agreement with City Bank/ State Bank of India for loan of USD300 million External Commercial Borrowing (ECB) to meet its Working Capital requirements, especially towards aircraft spare payments. The said amount is being drawn in installments.

(c): The ECB loan has an average maturity of 3 years and is repayable over five years in installments.

(d): Yes, Sir.
