

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 3526
(TO BE ANSWERED ON THE 27th March 2018)

Constitution of AISAM for disinvestment of AI

3526. DR. R. LAKSHMANAN

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

- (a) whether Government has constituted Air India Specific Alternative Mechanism (AISAM) to guide the process of strategic disinvestment from time to time;
- (b) if so, the details thereof;
- (c) whether Air India Specific Alternative Mechanism has given any guidance/recommendation for the disinvestment of Air India; and
- (d) if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

(Shri Jayant Sinha)

(a) and (b): The Cabinet Committee on Economic Affairs (CCEA), in its meeting held on 28.06.2017, has given in principle approval for considering strategic disinvestment of Air India and its five subsidiaries. The CCEA constituted an Air India Specific Alternative Mechanism (AISAM) to guide the process of strategic disinvestment from time to time and decide the following:

- i. Treatment of unsustainable debt of Air India
- ii. Hiving off of certain assets to a shell company
- iii. Demerger and strategic disinvestment of three profit-making subsidiaries
- iv. The quantum of disinvestment and
- v. The universe of bidders

(c) and (d): The guidance of AISAM are reflected in Preliminary Information Memorandum (PIM) for inviting Expression of Interest (EOI) for strategic disinvestment of Air India.
