

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 4019
(TO BE ANSWERED ON THE 3rd April 2018)

Huge debt of Air India

4019. SHRI PARTAP SINGH BAJWA

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

- (a) whether the public sector aviation company Air India is burdened with huge debt;
- (b) if so, the details of the total amount of debt outstanding against Air India as on 31 December, 2017;
- (c) the details of the estimated loss likely to be suffered by the Air India during the current financial year 2017-18; and
- (d) the corrective measures taken/being taken by Government to address the issue?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

(Shri Jayant Sinha)

(a) and (b): Yes, Sir. As per the provisional figures, the total loans of the company as on 31.12.2017 is around Rs 54,861.16 crore.

(c): As per the provisional estimates for the year 2017-18, the company is estimated to suffer a Net Loss of Rs 3579 crore.

(d): Government had approved a Turnaround Plan (TAP) / Financial Restructuring Plan (FRP) for operational and financial turnaround of Air India. The TAP/FRP provides equity infusion of Rs.30231 crore upto 2021 subject to achievement of certain milestones as laid down in the TAP/FRP. Till date, an amount of Rs.26545.21 crore has been released as equity support to Air India. As a part of the Turnaround Strategy for Air India Limited, the Company, with overall support of the Government, has initiated a number of steps in order to cut costs and losses. These steps, inter-alia, include the following :

- i) Route rationalisation of erstwhile AI I& IA routes and elimination of route network involving parallel operations.
- ii) Rationalisation of certain loss making routes.
- iii) Enhanced utilisation of new fleet resulting in production of higher Available Seat Kilometers (ASKMs).
