

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 2903
(TO BE ANSWERED ON THE 27th March 2023)**

LOAN REPAYMENT OF AIR INDIA

2903. SHRI KUMAR KETKAR

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

- (a) the loan component of Air India at the time of sale of Air India;
- (b) the amount of loan component taken over by the TATAs;
- (c) the amount of loan component taken over by the Government; and
- (d) the monthly outflow on account of repayment on loan?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

(GEN. (DR) V. K. SINGH (RETD))

(a) to (c) The strategic investor for Air India took debt amounting to Rs. 15300 crore (85% of Rs. 18000 crore) and deposited remaining Rs. 2700 crore (15% of Rs. 18000 crore) with the Government.

Prior to the transaction of strategic disinvestment, government provided financial support of Rs. 61130.96 crore to AI Assets Holding Limited (AIAHL) in the form of equity for repayment of past government borrowings, government guaranteed SLB Lease rentals and dues/liabilities of Air India.

(d) For the earlier transferred debt of Air India to AIAHL, the Government of India guaranteed NCDs amounting to Rs. 21985 crore in three phases were issued by AIAHL. Interest on NCDs issued by AIAHL is payable on six monthly basis. The annual outflow in respect of payment of interest of NCDs is approx. Rs. 1107 crore. After completion of the tenure of the NCDs, budgetary support will be provided for principal payment of NCDs.
