

**GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
LOK SABHA**

**UNSTARRED QUESTION NO. : 2434  
(To be answered on the 16<sup>th</sup> March 2017)**

**AIR INDIA RESTRUCTURING PLAN**

2434.      **SHRI JOSE K. MANI  
SHRI M. RAJA MOHAN REDDY  
SHRI KESINENI NANI  
DR. K. GOPAL  
SHRI P. KUMAR  
SHRI B. SENGUTTUVAN**

**Will the Minister of CIVIL AVIATION**

**नागर विमानन मंत्री**

**be pleased to state:-**

- (a) whether the Government proposes to rescue Air India by roping in a consortium of banks led by SBI as strategic investors by converting its working capital debt of Rs. 28,000 crore into equity, if so, the details thereof;
- (b) whether as per the turnaround plan/ financial restructuring approved by the Government back in 2012, Air India is required to monetize its assets and generate Rs. 5,000 crore by way of sale, leasing or developing an asset as a joint venture, if so, the details thereof;
- (c) whether Air India has been in possession of some properties which are lying vacant and unused for a long time and if so, the details thereof;
- (d) the details of net profit and operating ratio of Air India during the last three years;
- (e) whether Air India has any outstanding debts, if so, the details thereof for the last three years and bailout package given to revive Air India during the above period;
- (f) the details of international segments that provide highest profit/ revenue for Air India; and
- (g) whether Government proposes to expand Air India operations by expending its fleet of aircraft and if so, the details thereof?

**ANSWER**

**Minister of State in the Ministry of CIVIL AVIATION**

**नागर विमानन मंत्रालय में राज्य मंत्री**

**(Shri Jayant Sinha)**

**(a):** Air India's Turnaround Plan is underway and seeks to strengthen all aspects of Operating and Financial performance. To that end, Air India has been in continuous discussions with its lenders to improve its balance sheet.

**(b)&(c):** As per TAP/FRP, Air India is required to generate an amount of Rs.5,000 crores from Monetization of assets over a period of ten years w.e.f. FY 2012-13. Air India is in possession of some properties which are lying vacant and unused for various reasons like location, capital expenditure, land use, allotment terms & conditions etc. However, Air India has started monetization of the properties as far as possible. The list of vacant /unused properties is attached as Annexure -1

**(d):** The details of Net Profit/Loss and Operating Ratio of Air India during the last three years are attached as Annexure- 2

**(e):** Yes, Madam. The total/outstanding debts of Air India for FY 2013-14, FY 2014-15 and FY 2015-16 was Rs 48359 crores, Rs 49562 crores and Rs 50357 crores respectively. The Equity Support extended to Air India Ltd. by the government during last three years to revive the company's performance is attached as Annexure-2.

**(f):** The highest International Segment revenue as per audited account for the FY 2015-16 is USA/Canada segment. The Revenue is Rs. 18159.9 million.

**(g):** With the augmentation of its fleet AI will be able to expand its network. However, with the repeal of Air Corporation Act in Mar 1994, the Indian domestic aviation was totally deregulated. Airlines are free to induct capacity with any aircraft type, free to select whatever markets and network they wish to service and operate subject to compliance of Route Dispersal Guidelines (RDGs) issued by the Government.

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USQ 2434

Annexure -1 to LSUQ 2434

Details of AI Properties (21 Nos.) lying unused

Sl. No.	Description/Location
1.	Commercial Plot For B.O.Rail Head Complex, Rakh Bahu, Tehsil, Jammu
2.	Residential Plot for Staff Qrs., Sec-3, Trikuta Nagar, Jammu
3.	Residential Plot, B Block, Malviya Nagar, Jaipur
4.	Residential Plot No.1 to 11, Moti Magri Scheme, Udaipur.
5.	Land for Booking Office, Plot No - 2000 & 2042, 17th Main Road, HAL II Stage, Indiranagar, Bengaluru 560038.
6.	Land for office premises at Survey nos- 34/1,34/2, 46/1,46/3, 46/4 in Udayagiri village, Devanahalli, Bengaluru 560038
7.	Land for Housing Colony at Survey nos- 45 -47, 52, 53-54, 55, 56, and 57 at Gangamuthanahalli village, Devanahalli, Bengaluru
8.	Residential cum Commercial Land at Lakshmi House, Mount Road, Teynampet, Chennai.
9.	Residential land for Housing Colony at Sy. No. 1279 to 1283, NCC Nagar, Chettivilakom village, Trivandrum, Kerala - 695001
10.	Vacant Land for B.O. & Staff Qrs. at Jyoti Nagar, Assam Medical College Road, Dibrugarh
11.	Vacant Land at Tourist Lodge Compound, Kohima Road, near Super Market, Dimapur
12.	Vacant Residential Land for Staff Qrs., Village Borjhar, Circle Azara, Kamrup District, Guwahati
13.	Residential land for Staff Quarters at Mondal Ganthi, Khaikhali, Kolkata
14.	Commercial Land at East Gandhi Maidan, Patna
15.	Residential land for staff Quarters at Sardar Nagar, Vibhag-1, Near Indira Bridge, Hansol, Ahmedabad
16.	Land for Commercial Office, Plot No.4,5,6,7, Town Centre, CIDCO, Jalna Road, Aurangabad
17.	Commercial Plot Near Pradarshan Ground, Off-Bhid Bhajan Road, Jamnagar
18.	06 Residential Plots No RDP-2/3(1147.68), 4/251(887.63), 4/253(800.10), 4/255(800.10), 4/257(887.10) and 4/261(887.63) at Charkop, Kandivli west, Mumbai
19.	Commercial Plot at C.S No.125, ward No.1, Dhebar Rd., Rajkot
20.	Residential Plot no-43,44 78 & 79. Village Nana Mava Rajkot
21.	Commercial Plot T.P. Scheme No.9, Plot No.1 Off-VIP Road, Karelibaug Vadodara.

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**NET PROFIT/LOSS AND OPERATING RATIO OF AIR INDIA**

(Rs in Crores)

Particulars	2013-14	2014-15	2015-16
Net Profit/(Loss) after Tax	(6279.60)	(5859.91)	(3836.77)
Operating Ratio	121.65	113.31	99.47

**EQUITY SUPPORT BY THE GOVERNMENT**

(Rs. in Crores.)

Particulars	2014-15	2015-16	2016-17
Equity Support Sanctioned by Govt.	5780	3300	2574.65