

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 872
(To be answered on the 20th July 2017)

DISINVESTMENT/PRIVATISATION OF AIR INDIA

872.

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 SHRI KAUSHALENDRA KUMAR
 KUMARI SHOBHA KARANDLAJE
 DR. HEENA VIJAYKUMAR GAVIT

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) the details of loss incurred by the Air India during the last three years and financial assistance provided by the Government during the said period to the national carrier;
- (b) whether the Government has given in-principle approval for strategic disinvestment/privatisation of State owned Air India;
- (c) if so, the details thereof including the modalities being worked out in this regard;
- (d) the total market share and the quantum of debt of Air India as on date;
- (e) whether the Government would consult all stake holders including workers union before going for disinvestment;
- (f) if so, the details thereof along with the time by which this strategic disinvestment would take place; and
- (g) the manner in which interest of the employees union and assets of Air India would be protected?

ANSWER

Minister of State in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री

(Shri Jayant Sinha)

(a): The Net Loss of Air India(AI) during the last three Financial Years as per audited accounts is given below:

Year	Net Loss (Rs. Crores)	Financial assistance provided (Rs. Crores)
2015-16	3836.77	6000

2014-15	5859.91	5780
2013-14	6279.60	3300

(b) and (c): Yes, Madam. 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 and constitution of Air India Specific Alternative Mechanism.

To implement the decision of CCEA, appointment of Transaction Adviser, Legal Adviser and Asset Valuer shall be taken up as per terms and conditions and scope of work of Advisers/ Valuer in accordance with the model RFPs suggested by the Department of Investment and Public Asset Management.

(d): The domestic market share of Air India for the FY 2016-17 is 14.2% and in the current FY the domestic Market Share of AI for the month of May 17 is 13.0%.

The total debt of Air India Ltd as on 31st March 2017 is Rs 48,876.81 crores (Prov).

(e) to (g): To implement the CCEA decision, an Air India Specific Alternative Mechanism has been constituted which will decide the course of further action.
