

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 1132
(To be answered on the 21st December 2017)

DISINVESTMENT/PRIVATIZATION OF AIR INDIA

1132. SHRI B. VINOD KUMAR
SHRI KALIKESH N. SINGH DEO
SHRI MULLAPPALLY RAMACHANDRAN
SHRI SANTOKH SINGH CHAUDHARY
KUNWAR BHARATENDRA
SHRI INNOCENT
DR. K. GOPAL

Will the Minister of CIVIL AVIATION
नागर विमानन मंत्री

be pleased to state:-

- (a) whether the Government has finalised transaction advisers and bidders for the Air India's strategic disinvestment, if so, the details thereof;
- (b) the total market share and the quantum of debt of Air India as on date;
- (c) whether the privatisation of the national carrier would contribute to the reduction of the massive debt and provide a relief to the taxpayers and if so, the details of the quantum of the debt expected to be released;
- (d) whether the Government has decided on the quantum of the equity to be sold, if so the details thereof;
- (e) whether the Government has consulted all stakeholders including workers union before the disinvestment, if so, the details thereof; and
- (f) the details of proposal to offer VRS to Air India employees before disinvestment takes place and 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): Appointment of M/s Ernst & Young LLP as Transaction Adviser for strategic disinvestment of Air India and its subsidiaries/JV has been finalised.

(b): The details of average market share for the period April 2017 to October 2017 are as under:

***Domestic -----13.18%**

****International-----16.28%**

***Source-DGCA**

**** Source- IATA DDS,including Air India Express.**

As per the provisional figures for FY 2016-17 the total Loans of the company as on 31.3.2017 are around Rs 48,877 crores.

(c) & (d): 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 (AISAM) to guide the process on strategic disinvestment from time to time and decide on five issues.

(e): No, Madam.

(f): At present, Air India has no proposal to offer VRS to its employees before disinvestment takes place.
