

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 705
(To be answered on the 7th February 2019)**

TENDER TO TRAVELPORT

705. DR. ANUPAM HAZRA

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) the details of the notification of tender– the tender number, prerequisites for prospective bidders, evaluation criteria, conflict of interest provision etc. in the G.D.S. tender which has been exclusively awarded to Travelport as per notification from Air India dated 13th October 2018;
- (b) the list of all bidders who had bid in said tender which has been awarded to Travelport;
- (c) whether a sole and exclusive criteria exists for awarding such a tender and whether other major airlines in the world do such exclusive G.D.S. awards;
- (d) the details of communication informing bidders on whether they are successful or not; and
- (e) whether the previous management of Air India categorically mention that G.D.S. can not be a tender decision and hence there should be no tender for G.D.S. partnership?

ANSWER

Minister of State in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री

(Shri Jayant Sinha)

(a): The decision for having a sole /exclusive GDS for Point of Sale- India was taken by Air India to induce competition amongst service providers so as to get the best/lowest price from service providers. In order to select one GDS company for exclusive distribution of Air India's domestic inventory in Point of Sale (POS)- India, Limited Tender was issued to the 4 GDS Companies in India namely Amadeus, Travelport, Sabre and Abacus, which were already distributing Air India inventory. The Limited tender was issued on 07th September 2016. Two bids were received before the last date for bidding which was 22nd September 2016. The Limited tender invited offers from only the existing 4 GDS service providers in India. Thus only these 4 GDS service providers were eligible to offer their rates. The objective of the Limited tender was to lower the cost of operations. Air India had issued a

notification to the travel partners on 11th October, 2018 informing them changes in Point of Sale- India access to Air India inventory through GDS.

(b): Out of the four, only two GDS Companies namely Amadeus and Travelport submitted their bids.

(c): The sole GDS criteria was done in order to have competition amongst the various GDS providers, to get lower rates. It is learnt that some airlines in other countries have adopted the practice of exclusive partnership for distribution of inventory.

(d): Travelport was L1 (Lowest One) bidder and Amadeus was L2 (Second Lowest) bidder. Thereafter discussions were held with both parties to improve their rates. Travelport continued to be the lowest bidder (L1). Vide letter dated 4.6.2018, M/s Amadeus was informed that the proposals received from Amadeus failed to address the Air India's concerns. Accordingly, the termination notice for the existing contract was issued.

(e): At every stage wide spectrum of opinions were invited and considered and a complete assessment was done keeping in mind the pros and cons of the decision and ultimately the decision to go ahead with the implementation through limited tender was made by Air India.
