

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 901
(To be answered on the 17th September 2020)**

SALE OF AIR INDIA

901. SHRI SHANMUGA SUNDARAM K.

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) whether the Government proposes to sell Air India now after putting it on hold last year due to poor response or no bidding;
- (b) if so, the details thereof including accumulated loss incurred by the national carrier;
- (c) whether the Government proposes to invite 100% Foreign Direct Investment (FDI) in Air India;
- (d) if so, the status of Substantial Ownership and Effective Control (SOEC) after 100% FDI and the steps to be taken by the Government for rescue operations in case of emergency; and
- (e) the position of unpaid salary to the Pilots, cabin crew and the ground staff?

ANSWER

Minister of State (IC) in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री (स्वतंत्र प्रभार)

(Shri Hardeep Singh Puri)

(a) & (b): The Preliminary Information Memorandum (PIM) for inviting Expression of Interest for sale of 100% equity share capital of Air India Limited (AIL) including AIL's 100% shareholding in the Air India Express Limited (AIXL) and 50% shareholding in Air India SATS Airport Services Private Limited (AISATS) has been issued on 27.01.2020. However, in view of prevailing situation arising out of COVID 19, last date for submission of EOIs has been extended to 30.10.2020. As per the Audited Accounts of FY 2018-19, the accumulated losses of Air India as on 31st March 2019 were Rs 62,614.42 crore.

(c): Yes sir.

(d): As per Press Note dated 19.03.2020 issued by Department for Promotion of Industry and Internal Trade (DPIIT) regarding review of Foreign Direct Investment (FDI) Policy on Civil Aviation, foreign investment in M/s Air

India Ltd. shall be subject to the following conditions:

(i) Foreign investment(s) in M/s Air India Ltd., including that of foreign airline(s) shall not exceed 49% either directly or indirectly except in case of those NRIs, who are Indian Nationals, where foreign investment(s) is permitted up to 100% under automatic route.

(ii) Substantial ownership and effective control of M/s Air India Ltd. shall continue to be vested in Indian Nationals as stipulated in Aircraft Rules, 1937.

Further, in case of emergency, if Air India is privatized, the Government can charter commercial services from Air India or its competitors to attain the same services.

(e): All Air India staff have been paid salaries upto the month of August 2020. Further, allowances of Cabin Crew/Pilots have been paid upto June 2020.
