GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 662
(To be answered on the 4th February 2021)

STATUS OF AIR INDIA

662. SHRI RAJIV RANJAN SINGH
       ALIAS LALAN SINGH

Will the Minister of CIVIL AVIATION
नागर विमानन मंत्री
be pleased to state:-

(a) the steps being taken for sale of Air India and its present status thereof;
(b) whether the Government has any plan to provide some economic package for
revival of Air India; and
(c) if so, the details thereof?

ANSWER

Minister of State (IC) in the Ministry of CIVIL AVIATION
नागर विमानन मंत्री (स्वरूपा) (Shri Hardeep Singh Puri)

(a): The Preliminary Information Memorandum (PIM) for inviting Expression of
Interest (EOI) for strategic disinvestment of 100% stake of Government of India in
Air India along with 100% stake in Air India Express Ltd and 50% stake in Air
India SATS was issued on 27.01.2020. Due to the COVID-19 pandemic, the last
date for submission of EOI was extended from time to time. The Last date for
submission of EOI was 14.12.2020. As per the process of the disinvestment, the
Expression of Interest in response to PIM by any group or entity was to be
submitted to the Transaction Advisor. Post completion of the evaluation of the
EOIs received, the Transaction Advisor will directly intimate the Qualified
Interested Bidders in relation to their qualification and the next steps for the
proposed transaction.

(b) and (c): The Government is committed to the disinvestment of Air India. In
order to effectively prepare Air India for disinvestment, the Government prepared
a plan to bring operational and financial efficiency in Air India. This Plan focuses
on the financial and operational efficiencies so that substantial increase in revenue
or cost saving could be achieved. Also, operational and financial performance
parameters and milestones as fixed by the Government are regularly being
reviewed. Further, in FY 2020-21, GoI Guarantee support of Rs 964 crore has
been provided to Air India which has helped them to raise new working capital
loans from Indian banks. Further, Government has also extended the existing GoI
Guarantee of Rs 6693 crore for working capital requirements and USD 819 million
for refinancing of aircraft bridge loans. National Small Saving Fund (NSSF) loan of
Rs 4500 crore has also been provided to Air India in FY 2020-21.

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