

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 239
(To be answered on the 8th December 2022)**

POOR PERFORMANCE OF AIASL

239. SHRI MARGANI BHARAT

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) whether the Government has started the process of selling Alliance Air, Air India Engineering Services and Air India Airport Services;
- (b) if so, the details thereof;
- (c) the reasons for poor performance of Air India Airport Services Ltd. (AIASL); and
- (d) whether any timeline has been fixed for selling the above companies and if so, the details thereof?

ANSWER

Minister of State in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री

(GEN. (DR) V. K. SINGH (RETD))

(a) to (c) Cabinet Committee of Economic Affairs (CCEA) on 28.06.2017 accorded an "In-Principle" approval for the strategic disinvestment of Air India Limited (AIL) and five of its subsidiaries and Joint Venture. Air India Specific Alternative Mechanism (AISAM) was constituted to guide the process of strategic disinvestment. Strategic Disinvestment of Air India including AIL's 100% shareholding in the Air India Express Limited and 50% shareholding in AISATS has been concluded on 27.01.2022.

AISAM noted that Alliance Air Aviation Limited (AAAL), AI Engineering Services Limited (AIESL) and Hotel Corporation of India Limited (HCI) were in loss whereas AI Airport Services Limited (AIASL) was in profit. Selling these subsidiaries separately would attract more competition in bidding as eligibility of bidders would generally be less restrictive. The process of disinvestment of remaining subsidiaries has been initiated by Department of Investment and Public Asset Management (DIPAM) and Roadshows have been held for AIASL and AIESL.

(d) Disinvestment process depends on many variables, as such no concrete timelines are prescribed for the same.
