

**GOVERNMENT OF INDIA  
CIVIL AVIATION  
LOK SABHA**

UNSTARRED QUESTION NO:1198  
ANSWERED ON:01.12.2014  
GROUND HANDLING SERVICES  
Premachandran Shri N.K.

**Will the Minister of CIVIL AVIATION be pleased to state:**

- (a) whether Air India has recently entered into a joint venture for ground handling services;
- (b) if so, the details thereof along with the name of its partner and the reasons for this joint venture;
- (c) whether this joint venture is profitable to Air India; and
- (d) if so, the details thereof along with the profits earned by Air India through this joint venture?

**Answer**

Minister of State in the Ministry of CIVIL AVIATION (Dr Mahesh Sharma)

(a) and (b): Yes, Madam. Air India has set up a Joint Venture(JV) with Singapore Airport Terminal Service named as AISATS AIRPORT SERVICES PVT. LTD, for Ground Handling with the approval of Cabinet. As international experience in Ground Handling was one of qualifying criteria for selection of ground handler at green field airports, Air India decided to partner with SATS and entered into a JV.

(c) and (d): Yes, Madam. The Joint Venture has been profitable for Air India. AISATS has declared dividend of 15% i.e. Rs.6 crores each year, during the previous 2 financial years. Also, the net worth of the JV as on 31st March,2014 stands at Rs.196.25 crores and AI's share as 50% partner in the JV has increased to Rs.98.12 crores.