

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:1189
ANSWERED ON:01.12.2014
BAILOUT PACKAGE FOR AIR INDIA
Sundaram Shri P.R.

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government has approved a financial bailout package for Air India;
- (b) if so, the details thereof;
- (c) whether Air India has already received half of the total amount to be given by the Government under this package; and
- (d) if so, the details thereof?

Answer

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

(a): Yes, Madam.

(b): The Government has approved Turnaround Plan (TAP) and Financial Restructuring Plan (FRP) to improve the operational and financial performance of Air India. Under TAP and FUP, Govt. of India approved the infusion of the equity of Rs.49582 crores upto 2032 including :

- i) Upfront Equity Infusion of Rs.6750 crores,
- ii) Equity Infusion towards Cash Deficit of Rs.4552 crores,
- iii) Equity Infusion towards Guaranteed Aircraft Loans of Rs. 18929 crores, and
- iv) Government has guaranteed the re-payment of Principal amount Rs.7400 crores and the interest of Rs. 11,951 crores on the Non-Convertible Debentures (NCDs).

(c): No, Madam.

(d): Equity Support received by Air India under TAP/FRP till 24.11.2014 is Rs.18480 crores.