

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1372  
ANSWERED ON:18.07.2014  
BAILOUT PACKAGE TO AIR INDIA  
Yadav Shri Om Prakash

**Will the Minister of FINANCE be pleased to state:**

- (a) Whether the Government has approved any financial bailout package for revival of Air India; and
- (b) If so, the details thereof along with the reasons for approving such bailout package which are not available to other aviation companies?

**Answer**

Minister of Finance: SHRI ARUN JAITLEY

(a) Yes, Sir.

(b) In view of the huge losses suffered by Air India (a Government of India Enterprise) for the year 2007-08 to 2010-11, and its mounting debt burden, the Government decided to formulate a Turn Around Plan and a Financial Restructuring Plan to improve the operational and financial performance of Air India. The Government approved Air India's Turn Around Plan (TAP) and Financial Restructuring Plan (FRP) on 12.4.2012, that provided for infusion of additional equity by the Government, cost reduction and improved operational performance. The financial support approved under TAP from the Government is as under:-

i. Induction of upfront equity of Rs. 6,750 Crore. ii. Equity for Cash deficit support of Rs. 4,552 crore from FY 2012-13 to till FY 2017-18 iii. Equity for already guaranteed aircraft loan of Rs. 18,929 crore till FY 2021; iv. GOI Guarantee for repayment of Principal amount and payment of Interest on the Non Convertible Debenture (NCDs) of Rs. 7,400 crore proposed to be issued by Air India to financial institutions, Banks, LIC, and EPFO.