

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:2055

ANSWERED ON:27.07.2017

Performance of Air India

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Will the Minister of CIVIL AVIATION be pleased to state:

- (a) the total amount so far pumped by Government in Air India during the last three years to make it functional;
- (b) whether in spite of that Air India is continuously incurring losses and if so, the reasons therefor;
- (c) whether the Government has asked the NITI Aayog to draw a roadmap for ailing Air India and if so, the details thereof;
- (d) whether NITI Aayog has submitted its recommendations to the Government and if so, the details thereof and strategy likely to be adopted by the Government for the future of Air India;
- (e) the details of subsidiaries of Air India together with the functions;
- (f) the details of the physical and financial performance of Air India and its subsidiaries during the last three years; and
- (g) the market share of Air India during the said period?

Answer

The Minister of State in the Ministry of CIVIL AVIATION

(Shri Jayant Sinha)

(a): The Equity Infusion received by Air India Ltd. from the Govt. under the Turnaround Plan approved by the government for the last three years is as under:

2016-17: Rs. 2465.21 crores

2015-16: Rs. 3300 crores

2014-15: Rs. 5780 crores.;;

(b): Air India over the past few years and especially since the implementation of the Turnaround Plan, has been constantly improving its operational as well as financial performance. In the Financial Year 2015-16, the company has posted an Operating Profit of Rs.105 crores. In the Financial Year 2016-17 also the company has been steadily improving its all round performance.

(c) & (d): NITI Aayog submitted on 12th May, 2017, its recommendations (fourth tranche) on strategic disinvestment of CPSE. NITI Aayog has recommended disinvestment of Air India and five of its subsidiaries and suggested the mode of strategic disinvestment and the method of valuation of the company and its subsidiaries. The recommendations of NITI Aayog were placed before the Core Group of Secretaries on Disinvestment (CGD) for consideration and making recommendations for a decision of CCEA. The recommendations of CGD, based on the report of NITI Aayog, were placed before the Cabinet Committee on Economic Affairs (CCEA) for consideration. The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 28.06.2017, has given in-principle approval for considering strategic disinvestment of Air India and its five subsidiaries and constitution of Air India Specific Alternative Mechanism which will decide the course of further action.;

(e): The details of subsidiaries of Air India together with the functions, are available at Annexure-1;;

(f): The details of the physical and financial performance of Air India and its subsidiaries during the last three years are available at Annexure-2.

(g): The domestic market share of Air India in the last 03 years is following:

2014-15 17.9%

2015-16 15.9%

2016-17 14.2%