

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 616
(To be answered on the 22nd July 2021)**

DISINVESTMENT OF AIR INDIA

616. SHRI MANISH TEWARI

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) the status of disinvestment of Air India;**
- (b) whether the disinvestment-bound Air India proposes to raise Rs. 200 to Rs. 300 crore by selling commercial and residential real estate assets in different parts of the country and if so, the details thereof;**
- (c) whether a special purpose vehicle- Air India Assets Holding Limited (AIAHL) has been set up to sell the non-core assets of Air India and if so, the details thereof;**
- (d) whether the Government has lowered the reserve price of some of these properties after previous attempt was failed to attract bidders even at base price and if so, the details thereof; and**
- (e) whether for some properties the reserve prices have been cut by around 10 percent from the last attempt 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): The Preliminary Information Memorandum (PIM) for inviting Expression of Interest (EOI) for strategic disinvestment of 100% stake of Government of India in Air India along with 100% stake in Air India Express Ltd and 50% stake in Air India SATS was issued on 27.01.2020. Due to the COVID-19 pandemic, the last date for submission of EOI was extended from time to time. The last date for submission of EOI was 14.12.2020. Multiple Expression of Interests (EoIs) were received by Transaction Advisor. The EoIs were evaluated by the Transaction Advisor for selection of Qualified Interested Bidders (QIBs). Request for Proposal (RFP) along with draft Share Purchase Agreement (SPA) have been shared with QIBs by the Transaction Adviser on 30.03.2021 for submission of financial bids. The financial bids are likely to be received by 15.09.2021.

(b) and (c): A Special Purpose Vehicle (SPV) i.e. Air India Assets Holding Limited (AIAHL), has been setup inter-alia for warehousing non-core assets of Air India Limited. Monetization proceeds of non-core assets of Air India are to be used to offset the debt of Air India transferred to AIAHL.

(d) and (e): The reserve prices of properties were fixed by the Oversight Committee of Air India as the highest value received from three valuers. The Oversight Committee approved 10% reduction in the reserved prices of 16 properties after previous attempts to auction the properties failed to attract bidders.