

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 1756
(To be answered on the 28th November 2019)

DISINVESTMENT OF AIR INDIA

1756. MS. MALA ROY

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) the steps being taken by the Government for the disinvestment of Air India;
- (b) the reasons behind the decision taken to disinvest instead of reviving the national carrier; and
- (c) the details of Government's plan in this regard?

ANSWER

Minister of State (IC) in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री (स्वतंत्र प्रभार)

(Shri Hardeep Singh Puri)

(a) to (c): The Government is committed to the strategic disinvestment of Air India and has constituted an Air India Specific Alternative Mechanism (AISAM) to guide the process of strategic disinvestment from time to time. Earlier, Preliminary Information Memorandum (PIM) for inviting Expression of Interest (EOI) for the strategic disinvestment of Air India was issued on 28.03.2018. However, no bids were received till the last date for receiving the bids. AISAM has now approved the re-initiation of the strategic disinvestment of Air India and its subsidiaries. The preparation of Preliminary Information Memorandum (PIM) for inviting Expression of Interest (EOI) for the strategic disinvestment of Air India is in process.

The Government has decided to disinvest Air India due to its fragile finances and its continued and accumulated losses. Further financial support to revive the airline in a mature and competitive aviation market would not be the best use of scarce financial resources of the Government.
