

Grounding of aircrafts due to safety considerations

32. SHRI T. RATHINAVEL: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the Seventeen aircrafts have been grounded due to safety considerations;

(b) if so, the details thereof;

(c) whether it is also a fact that the airlines affected by the said decision have cancelled many domestic flights;

(d) whether it is also a fact that the grounding of such large number of flights would hit services in the country; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI JAYANT SINHA): (a) and (b) On the basis of Emergency Airworthiness Directive (EAD) no. 2018-0041-E on 09.02.2018 issued by European Aviation Safety Agency (EASA) and keeping in view the safety of aircraft operations, 11 A320 neos aircraft installed with PW 1100 engines having engine Serial No. 450 & subsequent (8 of Indigo and 3 of Go Air) were grounded.

(c) to (e) Due to the grounding, Indigo Airlines had cancelled 776 flights from 13.03.2018 to 02.04.2018 and Go Air had cancelled 150 flights from 12.03.2018 to 08.04.2018. However, after replacing the engines affected by the above EAD and by installing modified engines all grounded aircraft were put into service by both airlines.

Calling off disinvestment of Air India

33. SHRI DEREK O'BRIEN: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government has called-off the Air India disinvestment deal;

(b) if so, what are the reasons therefor;

(c) if Government is not certain of the situation of Air India in the aviation market, why has it floated and rushed the idea of disinvestment without giving proper thought into it; and

(d) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI JAYANT SINHA): (a) and (b) The Preliminary Information Memorandum (PIM) for inviting Expression of Interest (EOI) for the Strategic Disinvestment of Air India including its shareholding in Air India Express and AI SATS was issued on 28th March, 2018. No EoI/ bid was received till the last date of receipt of bids *i.e.* 31/05/2018.

Probable reasons as analyzed by the Transaction Advisor *i.e.* M/s EY for non-receipt of bids *inter alia*, are GOI 24% stake and corresponding rights, high amount of allocated debt, changes in macro environment, individuals not being allowed to bid, profitability track record, and bidders not being able to form a consortium within given time period. The Government remains committed to disinvestment of its stake in Air India.

(c) and (d) NITI Aayog in its recommendations, on Strategic Disinvestment of the Central Public Sector Enterprises on May 12, 2017 had given the rationale for the disinvestment of Air India and has referred to the fragile finances of the company, among various other reasons. Air India has been incurring continuous losses and has huge accumulated losses. Further, NITI Aayog in its report on Air India has stated that further financial support in a mature and competitive aviation market would not be the best use of scarce financial resources of the Government. 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 Alternate Mechanism (AISAM) to guide the process of strategic disinvestment from time to time.

Display of art collections of Air India in the National Gallery of Modern Art

34. SHRI RITABRATA BANERJEE: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that National Carrier Air India is in talks with the Ministry of Culture to hand over its priceless art collections to the Ministry for their display in the National Gallery of Modern Art in various metros; and

(b) if so, the details thereof and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI JAYANT SINHA): (a) and (b) Air India is in possession of paintings and most of them