

Disinvestment of Air India

173. SHRI BHUBANESWAR KALITA: Will the Minister of CIVIL AVIATION be pleased to state:

- (a) the details of subsidiaries of Air India together with their functions;
- (b) the details of their physical and financial performance during the last three years;
- (c) whether Government has taken a decision to sell total stakes in Air India, if so, the details thereof; and
- (d) whether disinvestment of Air India would also include disinvestment of all its subsidiaries, if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI JAYANT SINHA): (a) The details of subsidiaries of Air India along with their functions are as under:

1. Air India Air Transport Services Ltd - Air India Air Transport Services Limited (AIATSL) is a wholly owned subsidiary of Air India Limited, performing ground handling activities upon hiving off ground handling activities by Air India. It was operationalized on 1st February, 2013 and started autonomous functioning with effect from 1st April 2014. AIATSL is performing ground handling presently at 75 Airports in India and is offering a comprehensive range of services such as station management, passenger handling, ramp handling, aircraft cabin cleaning services, VIP/VVIP flight handling, cargo and mail handling, load control, flight operations and cargo warehouse handling.
2. Air India Express Limited-Air India Express Limited (AIXL) is an Indian low cost airline which started its operations from 29th April 2005. It operates around 593 flights per week to 31 destinations including the Middle East and Southeast Asia.
3. Air India Engineering Services Limited-Air India Engineering Services Limited (AIESL) caters to engineering maintenance, repair and overhaul (MRO) service to the aircraft of Air India, AASL (Airline Allied Services Limited) and AIXL (Air-India Express Limited). It offers line maintenance facility to around 78 domestic stations.

4. Airline Allied Services Limited - Airline Allied Services Limited (AASL), a wholly owned subsidiary of Air India Limited, is a scheduled regional airline operating passenger flights under the brand name of Alliance Air. Alliance Air primarily provides connectivity to Tier 2 and Tier 3 cities and a feeder airline to the network & in complete synergy with Air India Limited.
5. Hotel Corporation of India Ltd (HCI)- HCI has four units viz. Centaur Hotel, Delhi, Chefair Delhi, Chefair Flight Catering, Mumbai and Centaur Lake View Hotel, Srinagar. It also operates the T3 lounge at IGI Airport.
- (b) The details of physical and financial performance during the last three years of subsidiaries of Air India are given in the statement (*See* below)
- (c) The Government has no plan to exit Air India by offering sale of 100 per cent stake.
- (d) 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. The Government remains committed to the disinvestment of Air India. In this regard, the Air India Specific Alternative Mechanism (AISAM) has decided as follows:
- (i) In view of volatile crude prices and adverse fluctuations in exchange rates, the present environment is not conducive to stimulate interest amongst investors for strategic disinvestment of Air India in immediate near future. The issue would be revisited once global economic indicators including oil prices and forex conditions stabilize,
- (ii) To separately decide the contours of the mode of disposal of the subsidiaries viz. Air India Engineering Services Limited (AIESL), Air India Air Transport Services Limited (AIATSL) and Airline Allied Services Limited (AASL).

Statement

Details of physical and financial performance of subsidiaries of Air India

1. **Air India Air Transport Services Limited:**

Physical & Financial Performance of AIATSL during the last three years -

Particulars	2015-16	2016-17	2017-18 (Prov.)
Manpower Data	9001	11526	12992
Number of flights handled	1,19,218	1,31,205	1,43,470

Particulars	2015-16	2016-17	2017-18 (Prov.)
Total Revenue (₹ in crores)	636.90	618.72	667.96 (Prov)
Profit before tax (₹ in crores)	104.77	51.78	122.15(Prov.)

2. Air India Express Limited:

Physical and Financial Performance of Air India Express Limited during the last three years:

Particulars	2015-16	2016-17	2017-18 (Prov.)
Available Seat Kms (Ask) - Million	8730	11574	13195
Revenue Passenger Kms (Rpk) - Million	7189	8786	10051
Passenger Load Factor - %	82.3	75.9	76.2
No. of Passengers Carried (Million)	2.8	3.42	3.89
Aircraft Utilization - Hrs/Day (On Total Fleet)	11.3	12.2	12.7
On-Time Performance (Otp) - %	82.3	78.6	85
Operating Revenue (₹ in crores)	2910	3330	3546
Total Revenue (₹ in crores)	2918	3356	3620
Operating Profit / Loss (₹ in crores)	682	565	473
Net profit / Loss (₹ in crores)	362	297	262

3. Air India Engineering Services Limited:

Physical and Financial Performance of Air India Engineering Services Limited for past three years:

Particulars	(Rupees in crores)		
	2015-16	2016-17	2017-18 (Prov.)
Operating Income	620.27	740.45	783.26
Operating Expenses	1174.37	1251.36	1180.23
Operating Profit	-554.10	-510.91	-396.97
Total Revenue	620.27	740.48	794.43
Total Expenditure	1178.89	1251.36	1290.09

Particulars	2015-16	2016-17	2017-18 (Prov.)
Profit / (Loss) before Other Comprehensive Income		-510.88	-495.66
Other Comprehensive Income	0.00	-7.01	51.22
Total Comprehensive Income	-558.62	-517.89	-444.44

4. Airline Allied Services Limited :

Physical and Financial Performance of AASL during the last three years -

Particulars	2015-16	2016-17	2017-18 (Prov.)
ASKM (Million)	342.639	470.589	729.714
RPKM (Million)	227.984	323.771	570.335
Seat Factor (%)	66.5	68.8	78.2
Passengers carried (Million)	0.400	0.625	1.281
Total Revenue (₹ crore)	273.86	398.17	602.19
Total Expenses (₹ crore)	472.61	684.87	865.95
Profit/(Loss) (₹ crore)	(198.75)	(286.70)	(263.76)

5. Hotel Corporation of India Ltd:

Physical and financial performance of Hotel Corporation of India Limited is during the last three years -

Particulars	2015-16	2016-17	2017-18 (Prov.)
Income (₹ In Lakhs)	4751.29	5255.99	5512.71
Expenditure ₹ In Lakhs)	8178.45	9348.99	9046.18
Gross Operating (Loss) (₹ In Lakhs)	(3427.16)	(4093.00)	(3533.47)
Net Profit/(Loss) after adjustment	(5775.67)	(6176.98)	(5528.86)
No. of Room nights sold	53573	52301	68615
No. of Flights Catered	6662	14741	16363

Water aerodromes in the country

174. SHRI MD. NADIMUL HAQUE: Will the Minister of CIVIL AVIATION be pleased to state:

(a) the details of the number of water aerodromes to be set up across the country;