

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 2402
(TO BE ANSWERED ON THE 8th August 2022)

**PROTECTION OF INTERESTS OF EMPLOYEES AFTER TATA'S
TAKEOVER OF AIR INDIA**

2402. SHRI ABIR RANJAN BISWAS

Will the Minister of CIVIL AVIATION be pleased to state:-

- (a) whether the employees' salaries, benefits, privileges, standing orders, and working conditions have been protected after Tata's takeover of Air India, if so, for what period;
- (b) whether there is any deductions from the provident fund of individual employees on transfer to EPFO for any reason, if so, the reasons therefor;
- (c) whether Government has stopped the pandemic deductions from Air India's employees' salaries before the takeover by TATA's; and
- (d) if so, the details thereof and, if not the reasons therefor?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

(GEN. (DR) V. K. SINGH (RETD))

(a): As per the Share Purchase Agreement signed amongst the Government, M/s Talace Pvt. Ltd and Air India, M/s Talace Pvt. Ltd., inter-alia, shall ensure that they shall not change the terms of the employment including seniority and compensation of the employees in any manner that may adversely impact the employees other than as per organisation structure for a period of one year from the closing date i.e 27.01.2022.

(b): The PF accounts of employees of Air India were transferred to Employee Provident Fund Organization (EPFO) w.e.f 01.12.2021. No amount was deducted from PF account of employees of Air India at the time of transfer to EPFO.

(c) & (d): Ministry of Civil Aviation after reviewing the financial position of the company due to impact of COVID 19 pandemic, had rationalised the allowances of Air India employees in line with Industry standards vide Order dated 15.07.2020.

The Ministry had further reviewed the financial position of the company and it was, inter-alia, decided to revise the applicable reduction in cut of Flying Allowance of Pilots from 40% to 35% and to revise the applicable reduction in cut of Flying Allowance of cabin crew from 20% to 15% vide order dated 18.12.2020. The matter was again reviewed in July, 2021. However, keeping in view of the financial position of company, no further reduction in cut in allowances were made.
