

Cabinet gives 'in principle' approval for disinvestment of Air India and five of its subsidiaries

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The Cabinet Committee on Economic Affairs, chaired by the Prime Minister Shri Narendra Modi, has given its approval to fourth tranche recommendations of NITI Aayog on strategic disinvestment of CPSE (strategic disinvestment of Air India and five of its subsidiaries) based on the recommendations of Core Group of Secretaries on Disinvestment (CGD).

(i) 'In principle' approval for considering strategic disinvestment of Air India and five of its subsidiaries.

(ii) Constitution of an Air India-specific Alternative Mechanism headed by Minister of Finance including Minister for Civil Aviation and such other Minister(s) to guide the process on strategic disinvestment from time to time and decide the following:

- a. Treatment of unsustainable debt of Air India;
- b. Hiving off of certain assets to a shell company;
- c. Demerger and strategic disinvestment of three profit-making subsidiaries;
- d. The quantum of disinvestment; and
- e. The universe of bidders.

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