

NEW DELHI: [Air India](#) has sought immediate restoration of Rs 2,200-crore [equity infusion](#) from the government to meet its operational requirements as the process to sell the debt-laden airline has now been put on the back burner.

Once this decision is formally adopted by the group of ministers led by FM [Arun Jaitley](#), AI will be asked to consider its fleet requirements and see how many planes it needs to take on lease to ensure its market share does not get eroded further as private Indian carriers have collectively ordered almost 1,000 planes. Renting planes, instead of buying them, does not need government nod.

"The government has given guarantee for a Rs 1,000-crore loan (which had been revoked by banks earlier). We hope to give May's flying allowances - which form up to 65-70 per cent of a pilot's total pay - by Thursday," said a senior airline official.

Meanwhile, those involved with the failed divestment of AI claim that certain players are still in touch with the government, saying they would be interested in acquiring the airline if the terms of sale are changed. "There is a precedent for that. Terms of [Pawan Hans](#) divestment and handing over management of Ahmedabad and Jaipur to private players were changed after the first attempt to do so drew a blank. People interested in AI also expect the same. AI is losing Rs 15 crore a day and this figure will rise as oil prices go north. Deferring AI sale will mean a huge hole of close to Rs 6,000 crore in the exchequer's pocket in a year," said a person close to the failed transaction.

While "disappointed" at AI's deferred divestment, CAPA India head Kapil Kaul said, "Continuing government ownership with no clear road map will lead AI to extreme insignificance and possibly closure. Funding large-scale losses is grossly unfair to the tax payer. There will never be a perfect timing for AI divestment as conditions have to be structured by some bold decisions. The government should now focus on a comprehensive enterprise-wide restructuring under a special administration to scale down losses."

Meanwhile, pilots awaiting their flying allowances say they are operating in very stressful conditions that may affect safety. The southern region of [Indian Commercial Pilots' Association](#)

has issued a list of do's and don'ts for its members that may lead to flight delays by adhering strictly to all norms.