

## Plans afoot to sell 2 Air India subsidiaries soon

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To complete the sale of two ex-Air India units by this fiscal, the Centre is looking at inviting expressions of interest (EoI) by next month.

The government is planning to put former Air India ground handling and engineering units on sale and conducted road shows with prospective buyers for the same.

According to people with knowledge of the matter, the road shows for AI Airport Services (AIASL) and AI Engineering Services (AIESL) were carried out by the department of investment and public asset management (DIPAM) last week to analyse bidders' interest.

The road shows witnessed the participation of major players, industry sources told Economic Times. For the ground handling unit, Indian companies like the Bird group and Tata Sons took part along with some major international companies like Swiss ground handling company Swissport and Turkish firm Celebi Aviation Holding.

The road show for AI Engineering Services also saw participation from Tata Sons and the Adani group.

These road shows are being organised so as to take feedback from the industry so that the EoIs can be made in a way to get more response, said government officials. "We want to incorporate feedback from the industry so that the sale process is simple and fast," a government official told the publication.

Furthermore, two agencies have been appointed to physically verify and tag the assets of the two companies that lie across airports in India.

Meanwhile, industry executives are of the view that the Centre should put both the companies on the block as soon as possible as the companies derive values by virtue of Air India being their largest customer. The share purchase agreement entered between Tata Sons and the government during Air India's disinvestment has a lock-in period of 3 years during which the carrier is required to continue its business with the ground handling and engineering unit.

Suggesting that AIESL has an expertise across sectors like base maintenance, line maintenance or component overhaul services, an executive of an aircraft

maintenance company said, "AIESL is a great asset with a trained workforce and certification from major global original equipment manufacturers. We expect global companies to bid for the same."

As part of the disinvestment process, four of Air India's former subsidiaries - AI Air Airport Services, Airline Allied Services or Alliance Air, AI Engineering Services and Hotel Corporation of India - along with non-core assets and other non-operational assets, were transferred to as special purpose vehicle AI Assets Holdings.

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