

Excited' to have Air India back, says Chandrasekaran as Tata Group formally takes over airline

The Tata Group said in a statement it would like to "acknowledge Prime Minister Narendra Modi's commitment to reforms and faith in India's entrepreneurship spirit, which made this historic transition possible".

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On October 25, the government had signed the share purchase agreement with Tata Sons for the sale of national carrier Air India for Rs 18,000 crore.

The Tata Group announced on January 27 that the transaction for the purchase of Air India from the Government of India is complete, and the Group has formally taken over the management and control of the airline starting today.

Tuhin Kant Pandey, Secretary, Department of Investment and Public Asset Management (DIPAM) said: "The strategic disinvestment transaction of Air India successfully concluded today with transfer of 100 percent shares of Air India to M/s Talace Pvt Ltd along with management control. A new Board, led by the Strategic Partner, takes charge of Air India."

A statement released by the Tata Group read: "The transaction covers three entities – Air India, Air India Express, and AI SATS. While Air India is India's flag carrier and premier full-service airline, Air India Express is a low-cost carrier and AI SATS provides a comprehensive suite of ground handling and cargo handling services."

[Check LIVE Updates on Tata takeover of Air India here](#)

N Chandrasekaran, Chairman, Tata Sons Pvt Ltd, said: "We are excited to have Air India back in the Tata Group and are committed to making this a world-class airline. I warmly welcome all the employees of Air India to our Group and look forward to working together."

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In his message to Air India employees, the Tata Sons Chairman said: "From the day of the announcement, one word has been on everyone's lips: homecoming. We are proud to welcome Air India back to the Tata family, after all these years."

Reminiscing the first Air India flight he had taken in December 1986, Chandrasekaran wrote: "I, like many others, have enjoyed reflecting on stories from the airline's brilliant past. Such memories are wonderful, but now is the time to look ahead. Today is the beginning of a new chapter. The entire nation's eyes are on us, waiting to see what we will achieve together. To build the airline our country needs, we need to look to the future."

"I write this letter on behalf of the Tata Group, to welcome you to our family. Our Group has its own stories past. I have learned that to preserve what is best about the past, requires constant change. It is by evolving, adapting and embracing the future that we best honour a glorious history," he added.

Ratan N Tata, Chairman Emeritus, Tata Sons and Tata Group, joined Chandrasekaran in thanking the Government of India and its various departments for the successful completion of this important transaction.

The Group said in a statement: "The Tata Group would like to acknowledge Prime Minister Narendra Modi's commitment to reforms and faith in India's entrepreneurship spirit, which made this historic transition possible. Our Prime Minister has in action demonstrated what his commitment to 'Minimum Government, Maximum Governance' means. We philosophically agree with the Prime Minister's vision for the aviation sector, of making it affordable and ensuring it contributes to boosting 'Ease of Living' for citizens."

The **Tata Group emerged as the winning bidder** to take over the loss-making national carrier after the Government of India announced in October 2021 that the highest bid to acquire 100 percent equity shares of Air India and Air India Express and 50 percent stake in AISATS was made by the Tatas.

On October 25, the government had signed the share purchase agreement with Tata Sons for the sale of national carrier Air India for Rs 18,000 crore. The Tatas' would pay Rs 2,700 crore cash and take over Rs 15,300 crore of the airline's debt.

Tatas beat the Rs 15,100-crore offer by a consortium led by SpiceJet promoter Ajay Singh and the reserve price of Rs 12,906 crore set by the government for the sale of its 100 percent stake in the loss-making carrier. As of August 31, 2021, Air India had a total debt of Rs 61,562 crore.