

# Jet Airways rules out Air India bid

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Once the country's monopoly airline, Air India has lost considerable market share to competitors

Jet Airways on Tuesday became the latest major Indian airline to rule out a bid for debt-laden national carrier Air India in a new blow to the government's privatisation plans.

The announcement came just days after rival IndiGo pulled out of the race to acquire Air India's operations meaning the government now has no clear frontrunner in the sale campaign.

"We welcome the government move to privatise Air India. It is a bold step," Jet Airways' deputy chief executive, Amit Agarwal said in a statement emailed to AFP.

"However, considering the terms of offer in the information memorandum and based on our review, we are not participating in the process," he added.

Once the country's monopoly airline, Air India has slowly lost market share to new low-cost private players in one of the world's fastest-growing airline markets.

Air India ran losses for nearly a decade after a botched merger in 2007 and has debts of around \$7.67 billion according to government figures.

It has received \$5.8 billion in bailout funds from the government but needs even more working capital to turn it around, experts say.

The Indian [government](#) recently said it wanted to sell a 76 percent chunk of the struggling carrier.

It released bid documents on what would be one of the country's highest-profile asset sales in decades showing it wants the prospective buyer to take on all of Air India's operations.

IndiGo, India's largest airline, withdrew on Friday, saying it was interested only in Air India's international routes and not its domestic operations.

India has the world's fastest-growing passenger airline industry, expanding at an annual rate of around 20 percent.

About 100 million of its 1.25 billion people took to the skies in 2016 and airlines have embarked on huge purchases of new jets in expectation of new growth.

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