

Purchase of Boeings for Air India

*470. SHRI BHAGWAN SHANKAR RAWAT:

SHRI MAHESH KUMAR KANODIA:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether a decision had been taken to purchase four Boeings for the Air India;

(b) if so, the details thereof and whether the Boeings have since been acquired by the Air India;

(c) if not, the reasons therefor;

(d) whether the cost of these Boeings estimated two years earlier has since gone up and if so, the extent thereof; and

(e) the remedial measures proposed to be taken by the Government to ensure early implementation of the decision to avoid further cost escalation?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION AND TOURISM (SHRI M.O.H. FAROOK): (a) to (e) Government have approved the proposal of Air India for acquiring four Boeing 747-400 passenger aircraft at an estimated cost of Rs. 1962.03 crores. Owing to the exchange rate adjustment, the project cost in rupees has increased by Rs. 600 crores; however, the foreign exchange element of US \$667.09 million remains the same.

[Translation]

SHRI BHAGWAN SHANKAR RAWAT: Mr. Speaker, Sir, I would like to know from the hon. Minister the date on which the Government approved the proposal of Air India? What are the reasons of delay even after Government had approved the scheme. Who is to be held responsible for the loss caused to the country due to increase of 600 crore rupees in cost of the aircrafts.

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI MADHAVRAO SCINDIA): Mr. Speaker, Sir, P.I.B. accorded its approval on 14th March and the same was to be submitted before the Cabinet. Since there was a caretaker Government in power at that time it was not permissible for them to take important decisions. On account of this the matter was delayed.

SHRI BHAGWAN SHANKAR RAWAT:

Mr. Speaker, Sir, was any decision taken by the Air India to purchase various other aircrafts or Boeings?

SHRI MADHAVRAO SCINDIA: Mr. Speaker, Sir, no such proposal is under Government's consideration at present. [English]

SHRI MURLI DEORA: The hon. Minister has said that the Government is acquiring these new 747 aircrafts. I would like to know from the hon. Minister what is the mode of insurance coverage they take when they buy such aircrafts. We had two major aircrashes—one near Bombay in 1978 January and another on the way from Canada. Have we recovered all the loss of money due to these accidents? What sort of insurance coverage we take? Is it entitled for all the risks like sabotage also?

MR. SPEAKER: Will it arise from this question?

SHRI MADHAVRAO SCINDIA: I require a separate notice Sir.

SHRI GEORGE FERNANDES: Mr. Speaker, Sir, I have two queries. The hon. Minister has already said the approval from P.I.B. was received in March. When was this proposal initiated by the Air India and when it was placed before the Government? Secondly, whether fitting the aircrafts with Rolls Royce engines was one of our conditions for which the delay was caused? Whether the manufacturer, an American Company, made a request to fit some other engines manufactured in the U.S.A. in place of Rolls Royce in the aircrafts?

SHRI MADHAVRAO SCINDIA: Mr. Speaker, Sir, the Air India Board approved this proposal on the 13th September 1989. So far as the engine is concerned the delay was not caused on account of this.

[English]

Subsidised food to villagers in ITDC hotels

*471. SHRI RAM KAPSE: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether any scheme has been introduced to provide subsidised food to villagers in India Tourism Development Corporation hotels;

(b) if so, the details thereof including