

(b) were the agents wholly or partially Indian owned firm;

(c) when was the original proposal for purchase of airbus received; and

(d) when was the deal finalised?

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI PURUSHOT-TAM KAUSHIK): (a) and (b). The purchase of three Airbus A-300B2 aircraft was finalised by Indian Airlines directly with the manufacturer, namely, Airbus Industrie, Franch and not through any agents.

(c) and (d). The initial offer for sale of Airbus A-300E2 aircraft was received by Indian Airlines in January, 1972. The purchase agreement was signed on 31st December, 1974 subject to Indian Airlines obtaining approval of the Government of India under the Air Corporations Act 1953 and making financing arrangements acceptable to the Government of India to meet the foreign exchange cost of the project. Indian Airlines on receipt of the necessary Government approval confirmed the order for purchase of three aircraft, on the 29th April, 1975.

Feasibility study for purchase of Airbus

959. SHRI GAURI SHANKAR RAI: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether any feasibility study was made before finalising the purchase of Airbus-300;

(b) whether any experts committee was appointed by the Indian Airlines or his Ministry to assess and evaluate the feasibility and suitability;

(c) who were members of such feasibility study team; and

(d) what was the opinion of the study team?

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI PURSHOT-TAM KAUSHIK): (a) to (d). While no Export Committee as such was appointed, a team of senior officers of the Planning, Engineering, Operations, Commercial and Finance Departments of the Indian Airlines assessed and evaluated the feasibility and suitability of the Airbus A-300B2 aircraft along with other wide bodied aircraft offered to them. The team worked under the supervision of the then Chairman and Managing Director and Deputy Managing Directors of the Corporation. Purchase of three Airbus A-300B2 aircraft was recommended by the Indian Airlines on the basis of the evaluation and assessment made by the team of senior officers.

Terms, conditions and prices of Airbus

960. SHRI GAURI SHANKAR RAI: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) the original terms and price at which Airbus was offered to the Indian Airlines;

(b) the terms, conditions and prices of final purchase deal in each case of purchase;

(c) were the Finance Ministry, the Law Ministry or/and Planning Commission consulted at any stage; and

(d) what was the opinion of each of them?

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI PURSHOTTAM KAUSHIK): (a) The original offer of Airbus Industrie for Airbus A-300B2 aircraft to Indian Airlines was at a base price of US \$15.217 million in January, 1972.

(b) The base price of each Airbus A-300B2 aircraft was fixed at US \$19.303 million as in January, 1974. This was to be escalated at an agreed formula depending upon the indices of economy prevalent in Europe and