

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:121

ANSWERED ON:21.07.2003

DOCTORING OF BALANCE SHEETS

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Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether CAG has detected some anomalies in the balancesheet of Indian Airlines (IA) and Airports Authority of India (AAI) for the year 2001-02;
- (b) if so, whether the IA did not include actual license fees and royalty payable to AAI through flight handling services at airports in its balance sheet.
- (c) the reasons for under statement of liability on account of landing and parking charges as detected by the CAG; and
- (d) the remedial measures proposed to be taken by the Government to check the doctoring of balance sheets?

Answer

MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDY)

(a), (b), (c) and (d): No anomalies were pointed out by CAG in the balance sheet of Indian Airlines Limited for the year 2001-02. In fact, CAG has given a `NIL REPORT` for the year 2001-02 which has been published on page No.47 of the Annual Report of Indian Airlines Limited. They have made some observations in the accounts of Airports Authority of India for 2001-02. But these do not relate to any anomalies in respect of accounting of licence fees and royalty payable by Indian Airlines. However, in a separate report on the accounts of PSUs in general (CAG`s Report No.2 of 2003) CAG has observed some overstatements and understatements in respect of both Indian Airlines Limited and Airports Authority of India. This report was received in May, 2003. These observations relate to the year 2000-01 and not to 2001-02. Replies will be sent to CAG.