

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

STARRED QUESTION NO:116

ANSWERED ON:04.03.2010

PURCHASE OF AIRCRAFT

Nirupam Shri Sanjay Brijkishorilal ;Rajesh Shri M. B.

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the National Aviation Company of India Limited (NACIL) had purchased a large number of aircraft in 2006 at a time when it was running at a loss and the civil aviation industry was going through a period of global recession;

(b) if so, the details thereof; and

(c) the reasons therefor?

Answer

MINISTER OF THE STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a),(b) and (c): A Statement is laid on the Table of the House.

STATEMENT IN REPLY TO PARTS(a),(b) AND (c) OF LOK SABHA STARRED QUESTION NO.116 FOR ANSWERED ON 04.03.2010 TABLE BY S/SHRI M.B. RAJESH AND SANJAY BRIJKISHORE LAL NIRUPAM. MPs REGRADING PURCHASE OF AIRCRAFT.

(a),(b) and (c): The erstwhile Air India Limited and Air India Charters Limited had placed purchase orders with Boeing Airplane Company for 50 aircraft and 18 aircraft respectively in 2005. The erstwhile Indian Airlines Limited had placed purchase order with Airbus Industrie for 43 aircraft in 2006. The deliveries of these aircraft commenced from October, 2006 and till date 73 aircraft have been delivered. The erstwhile Air India and erstwhile Indian Airlines had posted profit of Rs.12.43 crores and Rs.63.00 crores respectively during 2005-06. However, both the Companies posted loss during 2006-07. The purchase of aircraft was based on market conditions and the growth rate prevailing at that time. Recession started impacting the airline industry from 2008 onwards.