

**GOVERNMENT OF INDIA  
CIVIL AVIATION  
LOK SABHA**

UNSTARRED QUESTION NO:1342  
ANSWERED ON:04.03.2010  
AGREEMENT WITH AIRBUS  
Ray Shri Rudramadhab

**Will the Minister of CIVIL AVIATION be pleased to state:**

- (a) whether the Indian Airlines had entered into an agreement with Airbus for supply of 43 aircraft in 2006;
- (b) if so, the details and the present status thereof;
- (c) whether Airbus was to invest in a big way for creating training and repairs facilities in India;
- (d) if so, the details thereof;
- (e) whether there has been some deviation from the decision of an Empowered Group of Ministers(EGoM) that was monitoring the purchase; and
- (f) if so, the details thereof and the reaction of the Government thereto?

**Answer**

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

(a) and (b): Yes, Sir. The erstwhile Indian Airlines Limited placed a purchase order with Airbus Industrie and CFM International on 20.2.2006 for procurement of 43 Airbus family aircraft, comprising 19 A-319, 4 A-320 and 20 A-321 all fitted with CFM 56-5B engines, at an estimated cost of Rs.9890 crores. Till date, they have received 19 each of A319 and A321 aircraft.

(c) and (d): Yes, Sir. M/s. Airbus Industrie is required to establish a training centre in India at an approximate investment of US\$75 million. Even though Airbus is not the leading Company but will assist the creation of Maintenance, Repair and Overhaul (MRO) facilities in India in association with the promoters at an estimated investment of the order of USD100 million.

(e) and (f): Indian Airlines and M/s. Airbus in their agreement dated 20.2.2006 confirmed the cooperation that was envisaged by the Empowered Group of Ministers. Government is monitoring the implementation of Co-operations project with Airbus from time to time so that the letter and spirit of decisions taken at EGOM level are fully adhered to.