

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:407

ANSWERED ON:23.11.2011

LOAN GUARANTEE FOR PROCUREMENT OF AIRCRAFT BY AI

Muttemwar Shri Vilas Baburao

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the United States Exim Bank has decided to give loan guarantee of Rs. 1.3 billion to support the procurement of 30 Boeing aircraft by Air India;
- (b) if so, the terms at which the loan guarantee is to be executed;
- (c) the additional burden Government will have to bear as a result thereof;
- (d) whether the Government has finalised the proposal; and
- (e) if so, the time by which the aircraft are expected to be delivered?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF OVERSEAS INDIAN AFFAIRS & MINISTER OF CIVIL AVIATION (SHRI VAYALAR RAVI)

- (a) Yes, Madam. The US Exim bank has offered loans to Air India to support the procurement of balance 30 aircraft by the airline.
- (b),(c) and (d) Concessional interest rates have been offered because the loans are booked by a Government of India sovereign guarantee.
- (e) The latest delivery schedule provided by Boeing is under discussion with the airline.