

(b) if so, the details thereof;

(c) whether the Parliamentary Committee has revealed that Air India has not been able to spend the allocated amount completely during the Eleventh Five Year Plan;

(d) if so, the details thereof;

(e) whether it is a fact that on the one hand Air India is demanding relief package, on the other hand it is not able to spend the allocated amount; and

(f) if so, the details thereof?

THE MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH): (a) and (b) Various Parliamentary Committees have reviewed the performance of Air India from time to time and have expressed their opinions on the subjects examined. These reports have already been laid on the table of both houses of Parliament.

(c) and (d) The reduction of actual expenditure as compared to the Eleventh Plan outlay is primarily due to delay in delivery of B787 aircraft due to production related issues. Further, there has been a reduction in other capital projects due to the liquidity crisis faced by the company during the period 2007-08 to 2011-12 and only operationally essential projects were undertaken.

(e) and (f) The Eleventh Five Year Plan was approved for an outlay of Rs. 32,730.71 crores. The actual outlay during this period 2007-08 to 2011-12 was Rs. 24,763.36 crores including equity infusion of Rs. 3200 crores. The reduction in the actual expenditure as compared to the Eleventh Plan Outlay is primarily due to delay in delivery of B787 aircraft due to production related issues. Further, there was a reduction in the other capital projects due to the liquidity crisis faced by the company during this period as only operationally essential projects were undertaken.

Construction of new hanger complex at Begumpet

4524. SHRI PALVAI GOVARDHAN REDDY: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether any proposal from Government of Andhra Pradesh has been received in the Ministry for allotment of land at Begumpet Airport for construction of a new hanger complex and also administrative block of Andhra Pradesh Aviation Corporation Limited (APACL);

(b) if so, the details thereof;

(c) whether it is a fact that Airport Authority of India (AAI) has put some conditions related to APACL; and

(d) if so, the details of conditions and reasons therefor?

MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH): (a) and (d) Yes, Sir. Airports Authority of India (AAI) has allotted 8880 sqmtrs of land to Government of Andhra Pradesh on payment of nominal licence fee of Rs. 1/- per square meter per annum for a period of 5 years.

(c) and (d) The land has been allotted to Government of Andhra Pradesh for construction of Hangar(s) and other facilities and allotted land is to be used for parking of State Government aircraft(s)/Helicopter(s) and not for any commercial use.

Andhra Pradesh Government will be required to obtain prior approval of plans/construction drawings before commencement of construction work and will be also required to obtain NOC for height clearance.

Proposal to hive off the Air India's Engineering Division

4525. SHRI M.P. ACHUTHAN:

SHRI D. RAJA:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Government is considering a proposal to hive off the Air India's engineering division and form a separate company called Air India Engineering Services Limited (AIESL);

(b) if so, the details thereof;

(c) whether the engineers association and other trade unions of Air India are consulted about this proposal; and

(d) if so, the details and their reaction thereto?

THE MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH): (a) and (b) Yes, Sir. Air India Engineering Services Limited (AIESL), which was formed as a wholly owned subsidiary company of erstwhile Air India, is planned to be developed as a subsidiary company of Air India to offer Maintenance, Repair and Overhaul services to aviation industry including Air India. Operationalisation/hiving off of this subsidiary company is part of Turn Around Plan (TAP) of Air India which was approved by the Government.