

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:3742
ANSWERED ON:23.12.2004
RISK INSURANCE COVER FOR I.A.
Madhwaraj Smt. Manorama

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the recent risk insurance cover for Indian Airlines was obtained at a modest discount of 12% on the premium paid last year;
- (b) if so, whether Taiwan's China Airlines which also got its risk cover at the same time as IA did, managed to extract a 30% discount on the premium paid earlier;
- (c) whether the IA had an incident-free clean record for the last two years; and
- (d) if so, the details alongwith the reasons for which a large discount could not be negotiated?

Answer

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

- (a): No, Sir. Indian Airlines has got a reduction of 18.67% in the premium outgo for the year 2004-2005.
- (b): No such information is maintained by the Government.
- (C) and (d): Indian Airlines had no major accident/claim for the last two insurance years. Insurance premium rates depend on various factors such as market capacity, overall market claim, experience etc, in addition to record of accidents.