

**16.01 hrs.**

**MOTIONS RE: ANNUAL REPORTS  
OF THE INDIAN AIRLINES  
CORPORATION AND THE  
AIR-INDIA INTER-  
NATIONAL CORPORATION.**

**Mr. Deputy-Speaker:** Now there are a large number of hon. Members who want to participate in this discussion. Separate motions have also been given. What time shall we fix for each hon. Member? For the Mover, it may be 20 minutes.

**Shri D. C. Sharma:** (Gurdaspur): Whenever I raise a discussion a large number of hon. Members would like to participate in it. This is nothing new.

**Mr. Deputy-Speaker:** I have enquired from the hon. Member whether he will be content with 20 minutes. Instead of giving me an answer he has said so many things.

**Shri D. C. Sharma:** I submit that you may kindly give me 25 minutes at least.

**Shri Ram Krishan Gupta** (Mahendragarh): I have also given notice of a motion. 25 minutes may be given to me also.

**Mr. Deputy-Speaker:** If both the Movers take 25 minutes each, and if I give the co-movers 15 minutes each, there will be no time for the reply!

**Shri Ram Krishan Gupta:** I have also given notice of a motion.

**Mr. Deputy-Speaker:** If he is also a Mover, I would restrict the time to 20 minutes for the Mover and 10 minutes for each hon. Member who follows.

**Shri D. C. Sharma:** For the prime Mover, you have already given 25 minutes.

**Mr. Deputy-Speaker:** Both equally are Movers.

**Shri D. C. Sharma:** It is with a feelings of pride that I rise to initiate this discussion. I beg to move:

"That this House takes note of the Annual Reports of the Indian Airlines Corporation and the Air India International Corporation for the year 1958-59, laid on the Table of the House on the 21st December, 1959."

I think one of the wisest things that our Government has done in free India is the nationalisation of air transport in the country. This decision is going to have very far-reaching effects, and without being offensive to anybody, I would submit that all kinds of transport in this country should be nationalised. This is in the fitness of things. The railways are already nationalised, and I believe that our inland water transport and other transport services will have the same future. I feel that this nationalisation has resulted in the regularity of service conditions in our country. It has led to better service conditions in our country. It has made our services, whether inland or overseas, a byword for efficiency. This thing would never have happened if these services had continued to be under private management. The situation at that time was very different from what it is now. Moreover, no private company can cope with the everchanging picture of air transport in this world now. They cannot provide funds for it and they cannot provide active help for it. Therefore, I congratulate the Government on having taken this decision. But I find one thing which is very depressing, and it is this. The Indian Airlines Corporation and the Air-India International are looked upon as two children of the same parent, but children who are not going to have any collaboration with each other. After going through these reports, I find that both of them live in separate compartments and that the one does not share with the other its results, its experiments, its good fortune and its goodwill. This is a very unhappy state of affairs.

In England there are the British European Airways and the BOAC. I find that they are two separate wings, but they are working in a very happy and hearty collaboration with each other. I have before me the annual report and accounts of the British European Airways for 1959-60 and in that report, a very good point has been made that there should be active collaboration between these two wings. I am sorry to find that in these four reports which I have read, nowhere it has been said that there is an interchange of scientific data, an interchange of knowhow or interchange of any other kind between these two corporations. I believe that this is not a good thing for the efficiency of our air transport in this country.

Another point is this, I think it is for the first time that I am initiating a discussion on this matter. Perhaps somebody else might have done it before, but my feeling is, it is for the first time that I am raising a discussion on the reports of these two corporations. This shows that our Ministry does not want the Parliament to take a more sustained interest in this venture of ours. If one were to read the House of Commons debates, one would find that the House of Commons takes a very lively, sustained and continuous interest in air transport. But here I find that our interest is only sporadic. Of course, we take interest in the form of questions and other things, but beyond that, we leave these corporations to look after themselves under the auspices of the directors and the Minister in charge of civil aviation.

I would also submit that our country is not so well provided with money and we cannot have our civil air transport and defence air transport as two separate entities, as we are doing now. They may live as two separate entities for some time, but the one should be able to merge with the other at a given time of emergency. Our civil air transport should be

ready to merge itself into the defence air transport at any given time of emergency. I find from these reports that the defence services have their own problems, as our civil air transport has its own questions to answer. But the two never come together or if they come together, they do so in a secret fashion, in fashion of which I do not approve. I believe that this is not conducive to the development of air transport in our country, because air transport is going to play a very important part not only so far as civil operations are concerned, but also so far as defence operations are concerned.

Moreover, I think almost 12 years have passed and in one of the reports it is said that the corporation is going to enter upon a new phase, a new stage of development. I am very happy to read that sentence. But I would suggest that a parliamentary committee should be appointed to go into the working of both these bodies and to suggest ways and means of improving them and of bringing about more collaboration between them. I find that in other countries the question of air transport is always kept under review. It is done very often by the Parliament there. Here the whole thing has become departmentalised. The whole thing has become something like a department into which you cannot get any new ideas. I think departments are good in a way, but these departments should sometimes have the advantage of advice from some outside agency, advice from technical persons and also from non-technical persons. Therefore, it is necessary that now we must have a parliamentary committee to go into the question of air transport, whether it is inland or overseas.

I say this from this point of view. It is true that Indian Airlines Corporation has shown a small profit this time. I am very happy to find that. The Air-India International has also been showing some profit these years.

[Shri D. C. Sharma]

Of course, profit is not the sole motive. But nobody would deny that these commercial utility services must justify their existence by showing some kind of profit. In the British European Airways I find that the net profit earned during a year is 12 per cent. I do not know what percentage of profit we are having. I think it will require so many years to wipe off the loss that we have suffered all these years, it will require so many years for us to pay back the loans. Both our corporations are living upon loans, subsidies and things of that kind. I do not object to that. But I feel that this problem has got to be studied, that they must be made profit yielding concerns in some way or the other.

10.14 hrs.

[SHRI JAGANATHA RAO in the Chair]

So far as the staff is concerned, I do not know how it is recruited. I do not understand how the staff, staff of all kinds,—operation, traffic engineering, finance, audit, stores and supplier, surface transport, catering and canteen, general administration etc.—are recruited. But I must admit that since both these corporations have become autonomous bodies I have been hearing so many complaints about the appointment of officers at all levels.

Shri V. P. Nayar (Quilon): Including the highest.

Shri D. C. Sharma: I do not want to say anything harsh because I feel proud of this Corporation. But I cannot help saying that the policy of this Corporation, so far as appointments are concerned, has not been, like Caesar's wife, above suspicion. Therefore, I would suggest that something should be done in order to have a contented and up to date and up to the mark staff. How that can be done, I leave it to the Minister to find out. Of course, I will give my

suggestions when I make my concluding remarks.

So far as staff amenities are concerned, I do not think we can congratulate ourselves very much. I was talking about appointment of staff. You will remember, last time there was a big strike, and that strike cost us several lakhs of rupees. That shows that there was something unhealthy, so far as the relations of the staff are concerned, with the Corporation. It always happens when you do not follow particular rules or regulations, particular norms, when you are appointing staff.

When I think of the Indian Airlines Corporation, I find it is mostly an out of the date service. Look at the number of Dakotas that they have. Of course, our Minister will get up and say "Oh! these Dakotas are giving good performance". Everything gives good performance according to them. But, the fact of the matter is that I want our Indian Airlines Corporation to be up to date in this matter. We should not suffer in comparison with other countries in this matter.

Shri Narayananarkutty Menon (Mukundapuram): An all jet service.

Shri D. C. Sharma: Of course, so far as Air India International is concerned, I think we are not suffering so much from out-of-datedness. But we are very much behind....(Interruptions). If the hon. Minister pleases, he can listen to me. If he does not want to listen to me, he may go out. I will be able to carry on much better in that case.

I was submitting that we are very much behind other countries, so far as our internal airlines are concerned. Other countries are thinking of supersonic aircrafts. Where are we? At the same time, other countries are thinking of self-sufficiency, so far as production of these aircraft is concerned. Where are we? We are

making only experiments and after a year or so we learn that those experiments have not been so successful. So, the problem is this. We should be self-sufficient, so far as production of aircrafts is concerned, and I believe that something has got to be done about it.

Then I do not find any provision made in this report for research. Research is very very important, especially research with regard to flying operations, ground operations and management techniques. All the progressive airlines in the world have research wings and they carry on research in all these fields. But I do not find any research being done here. I think we are living in an age which has no validity today.

At the same time, I would say that our publicity—I do not want to refer to that doggerel which was once advertised—is not so up to date when compared with the publicity of other airlines. Take, for instance, the advertisements of BOAC in India. I read its advertisements in India. There is the human angle in those advertisements, which is missing in ours. Our publicity is either very queer or very fantastic. We do not try to introduce the element of normality, the psychological normality in our publicity.

**Shri Harish Chandra Mathur (Pali):** In the international competition Air-India International got the first prize.

**Shri D. C. Sharma:** The hon. Member has got some brief from someone.

**Shri Harish Chandra Mathur:** What are you talking?

**Shri D. C. Sharma:** I am saying what I know. I say the hon. Member has got a very good brief from the Library and therefore he is saying so.

I would very respectfully submit that our international contacts are expanding. We are having new relationship with the countries of Africa and Latin America. I would request the

hon. Minister that we should try to think out ways and means of expanding our services to these countries.

Having said this, I cannot help saying that our Air India International has earned a good name in the international field and we all feel very happy about it. The Indian Airlines Corporation is also doing well. But I am afraid of the competitions that we have got to face in the future. Shall we be able to face the competition from other countries? Unless we set our house in order, unless we try to introduce new techniques, new aircraft and new management, I think we would lag behind. Our pilots are a wonderful lot and they have done very good work. But up-to-date pilots being put in charge of out-of-date aircraft does not augur well for the future. Our first rate pilots should be put in charge of up-to-date and first rate aircrafts. Then alone will India be able to maintain her position in the world of competition, which is a very very ruthless one, a world which is moving very fast, a world which is not going to be tender to India or to her Air-lines Corporations.

**Mr. Chairman:** Motion moved:

"That this House takes note of the Annual Reports of the Indian Air-lines Corporation and the Air-India International Corporation for the year 1958-59, laid on the Table of the House on the 21st December, 1959."

**श्री रामकृष्ण गुप्त:** Sir, I beg to move:

"That this House takes note of the Annual Reports of the Indian Airlines Corporation and the India International Corporation for the year 1959-60, laid on the Table of the House on the 14th December, 1960."

मिस्टर चेयरमैन इस मत्त की दोनों रिपोर्ट्स को देखने का पता चलता है कि जास तीर पर जहां तक एधर इंडिया इंटर-

## [श्री रामकृष्ण गुप्त]

नेशनल का सवाल है वह दुनिया की किसी भी दूसरी एयर लाइन में किसी भी लिहाज से कम नहीं है, उसका इतिजाम किसी भी दूसरी लाइन से किसी भी लिहाज से कम नहीं है। इसके बारे में मैं दो तीन बातें भी हाउस के सामने रखना चाहता हूँ। जहां तक किसी भी मुल्क की एयर मरविस का सवाल है उसके लिए मरवें अहम फैक्टर जो है वह पैसिंजर लोड फैक्टर है। मैं इस बात की ताईद हाउस आफ कामन्स की एक मिलेक्ट कमेटी की रिपोर्ट का हवाला देकर करना चाहता हूँ। उन रिपोर्ट में यहा गया है :

"A vital factor in the financial results of an airline is the extent to which it can sell the seats it has on offer; the unoccupied seats in an aircraft can be used as a measure of failure. The standard of measurement used is called the Passenger Load Factor, which is defined as 'the percentage relationship of passenger miles of available seat miles'."

यह बात गैं इस लिये कह रहा हूँ कि जहां तक पैसिंजर लोड फैक्टर का सवाल है, जब एयर इंडिया इंटरनेशनल का मुकाबला दूसरे मुल्कों की एयर सवारियों से किया जाता है तो वह किसी भी निहाज में कम नहीं है। उदाहरण के तौर पर सन् १९५७-५८ में एयर इंडिया इंटरनेशनल का लोड फैक्टर ५६.१ पा और इसी तरह दूसरे मुल्कों का एस० ए० एस० का ५५.७ पा और के० एल० एम० का ५६.५ पा। इसी तरह से सन् १९५६-५७ में एयर इंडिया इंटरनेशनल का लोड फैक्टर ६४.३१ पा। जहां तक कास्ट का सवाल है, कास्ट पर माइल के हिसाब से भी एयर इंडिया इंटरनेशनल की कास्ट दूसरे मुल्कों से ज्यादा नहीं है। मेरे कहने का मतलब यह है कि अगर

और भी ज्यादा कोशिश की जाए तो हम इस मामले में दूसरे मुल्कों से कभी पीछे नहीं रह सकते। इसके लिए हमें सबसे पहले यह कोशिश करनी पड़ेगी कि हम पैसिंजर लोड फैक्टर को बढ़ायें। मैं यह बात इसलिये कह रहा हूँ कि इस मामले में हमें कुछ नुकसान उठाना पड़ा। मिसाल के तौर पर सन् १९५६-५७ के लोड फैक्टर को हम बावजूद कोशिश के पूरा नहीं कर सके। हम अपनी एयर मरविस को दूसरे मुल्कों में अपना लोड फैक्टर बढ़ा कर ही ज्यादा कामयाब बना सकते हैं और इसी तरह से हमारी आमदनी भी बढ़ सकती है।

जहां तक आमदनी का सवाल है, इस साल की रिपोर्ट देखने से पता चलता है कि इसमें काफी इनाफा हुआ है, लेकिन वह इतना तमल्लीबद्ध नहीं है। रिपोर्ट में कहा गया है कि इसका मब से बड़ा कारण यह था कि जनवरी, १९६० में पाइलट्स का स्ट्राइक हुआ, और यह ख्याल था कि अगर यह हड्डताल न होती तो गाडे २१ लाख का मुनाफा ज्यादा होता।

दूसरी मेरी अपील यह है कि अगर हम चाहते हैं कि पब्लिक सेक्टर की किसी कम्पनी में हम ज्यादा से ज्यादा मुँफ़ा बाएं और वह कम्पनी कामयाब हो तो हमें वरकर्स के साथ जो रिलेशन्स हैं उन पर सास तौर पर ध्यान देना पड़ेगा। मैं इस बात को दो तीन दफा पहले भी कह चुका हूँ कि देश की तरकीब का दारोमदार मब से ज्यादा इस बात पर है कि पब्लिक सेक्टर कामयाब हो और पब्लिक सेक्टर को कामयाब करने का एक ही तरीका है कि हमारे शार्पेरेशनों के जो वरकर हैं उन पर हम ज्यादा से ज्यादा डिपेंड करें, और उनको कानूनिक्रम में लेने की कोशिश करें कि कंपीटिशन्सों को। यही बात यहां भी एप्सोर्स होती है। इसलिए

मेरे अधीन धरूँगा कि इस बात की तरफ ध्यान दिया जाए ।

रिपोर्ट में इस बात का भी जिक्र किया गया है कि जो डिमाइडस थीं उनको भारतीय रेशन के रूपरू पेश किया गया है और जो सिफारिशें हैं उन पर गौर हो रहा है । मैं चाहता हूँ कि इस मामले में देरी न की जाए । मैं यह बात इसलिए कह रहा हूँ कि यही एक तरीफा है जिसमें हम अपने प्रबलिप संक्टर कन्सन्स को कामयाब बना सकते हैं ।

तीसरी बात मैं यह कहना चाहता हूँ, जैसा कि मेरे माननीय मित्र श्री डॉ सी० शर्मा ने भी कहा है, कि मब से ज्यादा जरूरत इस बात की है कि इस मामले को देखने के लिए पालियामेंट के मेम्बरों की एक कमेटी बनायी जाए, जो हमारी एयर मर्गविमां के विनियोग सिस्टम को देखे और उसकी स्टडी करे और अन्ती रिपोर्ट पेश करे । यह कोह नया ख्याल नहीं है । हाउस ऑफ वाम्पन ने भी इसके लिए एक मिनेकट कमेटी बनाई थी । जिसका हवाला मैंने अभी दिया था । मुझे पूरा विवाह है कि आज माननीय मम्बी जी इस बात को बदूर करेंगे । मुझे यह कहने दूए दुख होता है और हाउस में यह मवाल कई दफा उड़ भी चुका है कि प्रबलिप संक्टर के जो कल्पने बने हुए हैं उनका मुतालिक जो पालियी है, जो डिमाइडस का मौजूदा तरीफा है उसमें पालियामेंट को उतना कानूनिकोंमें नहीं लिया जाता जिसना लिया जाना चाहिए । भाष्यकी मायूली सवाल थी कि हम पुट अप करते हैं वे इस बिना पर डिमाइडस कर दिये जाते हैं कि यह स्टेट्यूटरी फार्मोरेशन है इसलिए इनकामेंशन नहीं दी जा सकती है । यह बड़ा ग्रहम भामला है इसलिए मैं जोर दृगा कि एमी कमेटी जबर बनाई जाय नाकि उनकी जो रिपोर्ट हो उत तो हिचार किया जाय और उन निकारियों पर अमल किया जाय । मैं यह बात इसलिए कह रहा हूँ क्योंकि जो हमारा पूछत है वह इकंठन में है । इस मामले में

हमारा दुनिया के बड़े बड़े मुल्कों से मुकाबला है । यद्यपि हम कार्बु उनसे मुकाबला करना चाहते हैं तो हमें बड़ी डिफिकल्टीज आयेंगी और इस तरफ हमें बहुत ज्यादा काम करना पड़ेगा । इन तमाम बातों का जो कि मैंने आपसे कही, इस रिपोर्ट में भी जिक्र किया गया है और वह इस तरफ से है :—

"Although the trend throughout the world towards mergers, consortiums or revenue pools will, to some extent, relieve competitive pressures, the fact remains that, backed by their respective Governments, the world's airlines by and large provide a total capacity on most routes far in excess of the demand. With the exception of peak seasons on special high density routes like the Atlantic, load factors are likely to be uneconomically low over many routes. The addition of large fleets of high capacity jet transport planes will aggravate the situation."

यह बात मैंने इसलिये कही है कि जब दूसरे मुल्कों के प्रबलिप इतना जबरदस्त कम्पटीशन है और उस कम्पटीशन का मुकाबला हमें करना है तो उसको भीट करने का दूसरा तरीका यह है कि हम जल्द से जल्द बैट द्राम्पोर्ट प्लेस इंटोइंप्रूस करें । मुझे बड़ी खुशी है कि इस तरफ ऐक्टिव करम उठाया गया है और तमाम सिस्टम को शुरूनाला किया जायगा ।

इसके बाद दो, तीन और छोटी छोटी तज्जीबें मैं हाउस के सामने रखना चाहता हूँ । मेरी एक तज्जीब यह भी है कि पालियामेंट में भी यह सवाल प्राया जो लेकिन उम सवाल का जवाब देते हुए माननीय मम्बी ने उस तज्जीब को मानने से इकार कर किया था । मवाल यह था कि क्या कोई ऐमी नज्जीब है कि एम्प्रा इंडिया इंटरेसेनल कारगोरेजन और इंडियन एयरलाइंस कारगोरेजन दोनों को प्राप्त कर देंगे और उस तज्जीब के बड़े मैं

## [श्री रामकृष्ण गुप्त]

न हों तो जो मेरे दोस्त श्री डी० मी० शर्मा ने श्यु रखवा है उसको मंजूर कर लिया जाय। मैं यह बात इसनिए कहता हूँ कि इस बात की सबसे ज्यादा जहरत है। प्रगत ग्राह इन दोनों कारपोरेशन को रिपोर्टर्स के विकास सिस्टम को मार्क्यटिंग स्टडी करेंगे तो ग्राहकों यह जान कर हैरानी होगी कि दोनों के अन्दर काम करने के तरीकों में जो बुनियादी चीजें हैं उनमें कितना भारी डिफ्रेंस है। उनमें मेरे दो, तीन चीजें मैं हाउस के सामने रखना चाहता हूँ।

जहाँ तक तेग्र इण्डिया इंटरनेशनल का तालूक है उसमें कोम्प्लेक्स पर एवेन्यूल टन-मील २०८ स्थित पर मीन है नॉकिन जहाँ तक इण्डियन पायर लाइन्स कारपोरेशन का मकान है उसमें कोम्प्लेक्स पर एवेन्यूल टन-मील १८८ स्थित पर मीन है। इसके बाद श्रापकों यह जान कर हैरानी होती कि पायर इण्डिया इंटरनेशनल का शोवर लॉड फैक्टर पिल्लैल साल ५८.२ था लेकिन फिर भी उसमें मुनाफा ज्यादा हुआ जबकि इण्डियन पायर लाइन्स कारपोरेशन का शोवर लॉड फैक्टर बहुत ज्यादा था यानी ७०.७ था। इसमें ग्राहक अन्दाजा लगा सकते हैं कि प्रगत शोवर लॉड फैक्टर ज्यादा हो तो इनकम ज्यादा होनी चाहिये। मैं यह भी जानता हूँ कि जहाँ तक पब्लिसिटी का मकान है, एक्स-पैडोचर का मकान है यह पायर इण्डिया इंटरनेशनल में ज्यादा हो सकता है। मेरी समझ में यह बात नहीं पाई कि जबकि पायर इण्डिया इंटरनेशनल का लॉड फैक्टर भी कम है, लेकि भी ज्यादा है तो उसमें आमदनी ज्यादा होती है लेकिन इण्डियन पायर लाइन्स कारपोरेशन जहाँ कि लॉड फैक्टर उसमें ज्यादा है वहाँ उसमें आमदनी कम है। मैंने इस रिपोर्ट को योर में पढ़ा थार यह बाल्य करने की कोशिश की कि प्रगत इसका क्या कारण है? जहाँ तक मैंने इसको सबलान की कोशिश की इसका प्रबल

बड़ा कारण एमेसेंट श्रीफ स्टाफ है। मेरे पास समय नहीं है तबीं तो मैं दूसरे मुन्कों का हिवाना देकर बतलाता कि इण्डियन पायर लाइन्स कारपोरेशन के अन्दर स्टाफ का बाकायादा एमेसेंट नहीं किया गया। जब प्राइवेट कम्पनीज को प्रोवार्टेक किया गया नेशनलाइज किया गया तो तमाम स्टाफ को जो कि काफी मेरी ज्यादा था उस सब को रख लिया गया। मेरा स्थान है कि प्रगत कोशिश की जाय तो स्टाफ स्ट्रेयर हो गता है या उसमें और ज्यादा काम लिया जा सकता है। इसी तरीके मेरी एक्स्प्रेस्ट्रेईवर की इसमें भी जाइग है। एक्स्प्रेस्ट्रेईवर में जिन्होंने कर्नाल दोनों चाहिये उन्होंने कर्नाल एक्स्प्रेस्ट्रेईवर नहीं किया जाता है। इसलिये इस नए श्री श्यान देने के जहरत है।

जहाँ तक आमदनी बढ़ाने का तरीका है उसके बारे में भी हमें कोशिश करनी चाहिये। उसके बारे में एक शोटी मीं तजवीज आएके सामने एक्स्प्रेस्ट्रेईवर का भवन चाहूँगा। आंग प्रगत इस तजवीज को मान लिया जाय सत्य कर लिया जाय तो इन्हींमें स्थान तौर पर इण्डियन पायर लाइन्स का कारपोरेशन की इनकम में काफी कम पड़ गकता है।

मिमान्सा की तौर पर मैं यह सुनाव दूंगा कि पार्टियामेट के मेम्बर्स को जो रेलवे का पास मिला हुआ है प्रगत उनको इण्डियन पायर लाइन्स कारपोरेशन में सफर करने की इजाजत दे दी जाय तो मैं समझता हूँ कि उसकी आमदनी काफी बढ़ सकती है। मेरी समझ में यह बात नहीं आती कि इसमें गवनमेंट को क्या लाभ है। आग मिले इन्होंने इचाजन दे दे कि जो एक्स्प्रेस्ट्रेईवर है वह सफर करने वाले मेस्ट्रेंट गापन पाये गें लूट पे देरे। प्रगत वह रेल में सफर करेग तो उसका लची लोकसभा लेकेटरीशिप को बड़ान करना पड़ेगा। प्रगत वह इण्डियन पायर लाइन्स कारपोरेशन में सफर करेंगे तो इस

तरह से उतना वह सर्वा कम हो जायगा और उसकी आमदनी में भी कर्क पड़ जायेगा जबकि बहुत से भेज्यम हवाई जहाज के जरिए मफर करना ज्यादा पसन्द करेंगे और उनको एकमट्टी रुपया अपने पाम से देना पड़ेगा ।

जहां तक लोड फैक्टर का सवाल है और यह कहा जाय कि लोड फैक्टर इससे बढ़ जायगा तो मैं इन बात को मानने को तैयार नहीं हूँ क्योंकि जो मैंने अभी आपको बातें बतलाई हैं उनको देखने से पता चलता है कि अभी लोड फैक्टर बहुत कम है । अगर मैं दूसरे मुल्कों की मिसालें आपको सामने पेश करूँ तो आपको यह जान कर हैंगनी होगी कि वहां लोड फैक्टर ८०-८० है जबकि इण्डिया की कामना का मिस्क ७०. ३ है जबकि पिछले साल तक रीवन ३ लाख १३ हजार आदिमियों ने मफर किया । अगर यह रिप्रायत दे दी जाय तो मैंग स्थान है कि ज्यादा में ज्यादा नादाद ३ लाख १३ हजार से २० हजार या २५ हजार ज्यादा हो मिली है और लोड फैक्टर २ या तोन प्लाट में ज्यादा नहीं बढ़ेगा । मृश पूरा विवास है कि इस बात पर भी विचार किया जायगा और इसमें भी आमदनी बढ़ने का एक अच्छा बासा रास्ता निकल सकता है ।

आखिर में मैं फिर इस बात के लिये जोर दूँगा कि अगर हम इन दोनों कार्पोरेशन्स का एप्लैनग्रैमेन्ट न करे तो कम से कम ऐसा इनजाम किया जाय और एक कमेटी मुकर्रर की जाय कि जिसमें इन दोनों कम्पनियों के दरमियान ज्यादा में ज्यादा कोप्राइंडेशन हो । मैं इस बात पर इसमें भी जोर देना हूँ कि जहां तक एयर इण्डिया इस्टर्नेशनल का सवाल है उसमें मुनाफे को ज्यादा ग्राहण नहीं है । जैसा कि मैंने आपको बतलाया कि लोड फैक्टर दूसरे मुल्कों से हमारा कम नहीं है, सर्वा दूसरे मुल्कों से ज्यादा नहीं है बस्ति कई मुल्कों में कम है, ऐसी हालत में प्राप्त आमदनी वहां इसी तरीके से बढ़ा सकते हैं कि इण्डियन

एयरलाइन्स कारपोरेशन की आमदनी को बढ़ाया जाय और यह तभी मुस्किन हो सकता है जब दोनों के दरमियान ज्यादा में ज्यादा कोप्राइंडेशन पैदा हो । ऐसा होने से उसमें और भी ज्यादा तरफको हो सकती है । मुझे पूरा विवास है कि इन दो, चार बातों की तरफ पूरा ध्यान दिया जायगा ।

आखिर में चूँकि मुझे इस बारे में धोड़ा भा पर्सनल नज़री है और पिछले दिनों मृशे एयरइण्डिया इस्टर्नेशनल के जरिये और इण्डियन एयर लाइन कारपोरेशन के जरिये भी मफर करने का प्रौक्ता मिला था और मृशे यह बात जान कर बड़ा दृश्य हुआ कि हिन्दुस्तान जैसे देश में जहां कि बैंगी-ट्रियन्स का तादाद सबसे ज्यादा है, अब अगर हिन्दुस्तान के अन्दर बैंगीट्रियन लाने का मुनार्सिय इनजाम नहीं हो सकता तो दृश्या के दूसरे मुल्कों में हम कैसे उम्मीद रख गको हैं कि वहां इस की तरफ ज्यादा ध्यान दिया जायगा ? मैं हम बात पर जोर दूँगा कि इस तरफ भी हमें ध्यान देना चाहिये और बैंगीट्रियन लाने का खास तौर पर ज्यादा में ज्यादा अच्छा इनजाम करना चाहिये ।

प्रालिंग में मैं एक और नज़रीज पेश करता चाहता हूँ, जिसका इक पालिमेट में भी आया था और माननीय मन्त्री जी ने इस बात को मानने से इकतार कर दिया था । मैं ममलता ३ कि इनजाम बढ़ाने का एक तरीका यह भी हो सकता है कि मारे कंटरिंग मिस्ट्रीज को नैशनलाइज कर दिया जाये । उसमें भी हमारी आमदनी बढ़ सकती है । एक बैंगीस्ट्रियन के दौरान में जब फैक्ट्रम और पूरे हालात का पता चला, तो मृशे यह १०० पर हैंगनी हुई कि वहां टेकर भी इनजाम लानी किये जाने हैं और जो दस पन्द्रह लाख में कट्टूवटज बने दृश्य है, उन्हीं को १०० टे दिया जाना है ।

The Deputy Minister of Civil Aviation (Shri Mobiuddin): May I remind

[**Shri Mohiuddin**]

the hon. Member that this question of catering was in connection with the Palam air-port which has nothing to do with the supply of food by the I.A.C. or by the A.I.I.

**श्री रामकृष्ण गुप्त :** इसलिये मेरी तज्जीज है कि केटरिंग मिस्ट्री को इण्डियन एयरलाइंस और एयर इण्डिया इंस्टर्नेशनल अपने हाथ में ले ने और वहां डिपार्टमेंट केटरिंग जारी किया जाये, जिससे इन कार्यालयों की आमदनी बढ़े। मेरी समझ में नहीं आता कि यह सवाल इन दोनों कार्यालयों में बर्ग नहीं ताल्लुक रखता। अगर दोनों कार्यालयों केटरिंग का आराम हाथ में ले ने और उनका इन्तजाम बढ़ करे, तो उनकी आमदनी बढ़ेगी, या और किसी नीमरे आदमी की बढ़ी, इस बात का जवाब माननीय मंत्री जी बढ़ दे सकते हैं। इसलिये मेरी तज्जीज है कि आमदनी बढ़ाने का यह भी तरीका हो सकता है कि केटरिंग मिस्ट्री को डिपार्टमेंटल तौर पर चलाया जाये, जैसा कि रेलवे जूने किया है। उस की आमदनी रेलवे को ही मिल रही है, किन्तु दूसरे को नहीं मिल सकती है।

**Mr. Chairman:** Motion moved.

"That this House takes note of the Annual Reports of the Indian Airlines Corporation and the Air-India International Corporation for the year 1959-60, laid on the Table of the House on the 14th December, 1960".

16.42 hrs.

**RE: ORISSA DEMANDS FOR GRANTS**

**The Deputy Minister of Finance (Shri B. R. Bhagat):** Sir, the Minister of Finance had given notice of Demands in respect of Orissa Budget for the amounts shown in column 4 of the List of Demands circulated to Members.

\*\*The corrected figures have been incorporated in the proceedings, vide Cols. 13660—75.

It is now seen that there are some minor discrepancies between these figures and the corresponding figures shown in the Book of Demands.

The discrepancy has occurred on account of the procedural difference in the preparation of Budget papers in Orissa and at the Centre. The notice was issued according to our practice by rounding the amounts in thousands. According to the practice in Orissa, the figures are given in units.

With your permission, Sir, I would request that the list may be corrected\*\* according to the revised list which I am laying on the Table. It may be circulated to the Members tonight.

**Shri Nagi Reddy (Anantapur):** Are you sure there are no other discrepancies?

**Shri B. R. Bhagat:** Not so far.

**Shri Narayananarkutty Menon (Mukundapuram):** Let us see later on.

16.44 hrs.

**MOTIONS RE: ANNUAL REPORTS OF THE INDIAN AIRLINES CORPORATION AND THE AIR-INDIA INTERNATIONAL CORPORATION—**

*Contd.*

**Mr. Chairman:** May I know how much time the hon. Minister would take?

**Shri Mohiuddin:** About 25 minutes. It is a two-hours discussion.

**Mr. Chairman:** Shri Menon.

**Shri Narayananarkutty Menon:** Mr. Chairman, Sir, I join with Shri Sharma in expressing our legitimate sense of pride in the service of the Indian Airlines Corporation and the Air-India International Corporation, confining myself to paying a compliment to the pilots, the flight service men and the

mechanics and also the compliment restricted to the service of these two corporations.

At the same time, there is another side of the picture which does not give us enough room for feeling it a matter of pride regarding the work of both these corporations. I wish to confine myself to those points which are not at all so sweet to the hon. Minister. But, reviewing the history of the working of these two corporations I feel that these matters should be high-lighted in a discussion like this. The first point which I wish to place before the House is the approach of the Indian Airlines Corporation about the acquisition of aircraft. The question of replacement of Dakotas had been engaging the attention of this House, the Public Accounts Committee and the Government for a long time. We found that after four or five years Government could not reach any agreed decision regarding its replacement. A few years back the IAC purchased a fleet of Heron aircraft. This House has known the circumstances which led the Government to buy this type of aircraft, whether it was warranted at that time, and whether it was suitable for the IAC. The hon. Minister defended the deal and said that Heron was suitable for feeder flights but wisdom came six months later and all these Herons had to be sold in the international market at junk price. Because of this transaction and the Viking transaction, the IAC had suffered a serious loss. I may tell the hon. Minister that this mistake which was committed in the face of technical advice to the contrary, cost us much and there was a serious loss. Let us not bury that serious loss. Much money has been squandered by officers who are responsible for the purchase of these aircraft and the responsibility had to be fixed upon them. This House should be told as to who was responsible and what action had been taken instead of taking an attitude: let bygones be by-gones; let the purchase of Viking and Herons be forgotten.

When the hon. Minister Shri S. K. Patil came to this Ministry and touched upon this problem of replacement of Dakotas, he tried a hand at Fokker friendship aircraft and after sometime this type of aircraft had come in. But all of a sudden, even that has been given a go-by and new proposals are made by the Ministry. Now we are told that they are relying upon Avro 748, manufactured in Kanpur by the IAF. I have got nothing against the Air Force embarking upon an adventure of such a serious magnitude. The Press reports, consistently for the last six months, have told us that all the reliance that is placed by the Transport and Communications Ministry and the IAC upon this particular variety of aircraft is not going to materialise in the near future because there is something seriously wrong as far as the Avro manufacture is concerned. The Press reports have not only told that; they have also told us about the time factor involved in the flight of a prototype before the actual aircraft is flown and these are to be utilised to replace the Dakotas and the far expanding needs of the IAC are met. There is something seriously wrong technically as far as this is concerned. This morning I read that all that had been said in the Press is untrue and some prototypes are to be flown and so on. But certain information regarding these planes had also come which had not been contradicted by the companies themselves: even in the matter of designing some serious snag had appeared and it takes a long time, some months, in order to correct the designing faults that have been found in the first prototype. Secondly, according to the contract, the second prototype had to be flown and permit obtained in England by 31st July 1961. Could the Minister of Transport and Communications tell this House today that the second prototype would be flown before that date? The hon. Minister may laugh.

**Shri Mehluddin:** What I meant was this. It is a British company. How can the Member ask for a guarantee or

[Shri Mohiuddin]

an assurance from me whether a certain thing will be done by 31st July, 1961? It is surprising.

**Shri Narayanankutty Menon:** I did not know that the hon. Minister was so ignorant about the transaction. I was not demanding anything from the British Government. I was demanding information because this hon. Minister was telling us that this Avro-748 was being manufactured for supply to the IAC by the IAF at Kanpur and that a British company had entered into a contract that the prototype would be flown by 31st July 1961 and there was also a penalty clause. A contract has been entered into by the President of India, and as representing the President of India, the Government of India and this Ministry are responsible to this House. Therefore, I put this question to him and enquire whether that contract will be fulfilled.

Then there is another thing. Press reports show that there was an offer from the Lockheed Co. As a matter of fact, let me say that I do not, in the first place, hold any brief for the Lockheed Co. But I wish to bring to the notice of this House that an offer, according to the press reports, has been made to the Government by this company. I do not know any more details. I am mentioning only the press reports which say that this Lockheed Co. which had manufactured the notorious U-2 plane have made an offer to the Government of India to the effect that they will set up an aircraft factory here for the manufacture of the new prototype of the Lockheed electra plane and that the United States Government will supply the capital without foreign exchange restrictions to the tune of Rs. 8 crores, adding that within 24 months the prototype will be ready. We are not told that that offer has been rejected. If it is a fact that entire reliance by the IAC and the Government is being placed on the Avro-748, this House should know the progress of the manufacture of this Avro plane and when

this plane will be available. This is so important, and because of the expanding needs of the IAC it is not possible for the IAC to obtain the correct type of aircraft and because of the lack of proper aircraft, the expansion programme of the IAC is seriously being undermined. Therefore, some serious thinking will have to be done on this matter and some serious decision will have to be taken regarding the type of aircraft to be procured, whether it is Lockheed or Ilyshin or Avro-748. The Government should take a firm decision. Though it has taken a very long time, there is yet enough time for the Government to come to a decision regarding this aircraft.

The next point that I wish to bring before this House has been a subject-matter of serious discussion previously, and that is about the private airlines. Every side of the House will agree with me when I say that it is an anachronism in our country today, after the industrial policy resolution, after repeated assurances from the Government to this House, to see that still more and more licences and permits are being given for private airlines to be operated in certain parts of the country. This House knows very well from the answers given by the Minister the story as to how....

**Shri Mohiuddin:** May I remind the hon. Member that this discussion is on the annual reports of the two Corporations, and these reports have nothing to do with private operators and licences.

**Shri Narayanankutty Menon:** I will show him how it is relevant. He has said that the IAC is not making enough profits. In the reports it is said that the IAC is not making enough profits because another arm of the Ministry—the Government itself—is giving permits and licences for private airlines to operate in certain parts of the country and because of such permits, these Corpo-

rations are not making enough profit, and these private airlines are being made an enemy of these two Corporations. That is how it is relevant in this context. There are so many other things which I would like to point out, but because of lack of time, I am not mentioning them. But the one important thing is this: unless the Government changes its policy of creating an enemy for its own Corporations in this country for the purpose of feeding the private airlines, whatever has happened in regard to the Kalinga Airlines and other airlines will continue to happen. Therefore, at least this year the Government should take a decision that the entire civil aviation in the country is nationalised and that the private operators be stopped from functioning.

Regarding aviation fuel, the Indian Oil Company has come into the picture now. It is another wing of the Government. The IAC and the AII are getting aviation fuel from the private oil companies today. But in the international market, even in the non-communist countries in the world, Soviet oil which costs only 60 per cent less than the other variety, is being utilised by English companies in the European aerodromes. I say that a serious attempt should be made now, with the Indian Oil Company in the public sector, to import superior kerosene and high speed diesel oil. The IAC and the AII should make a serious attempt in order to find out whether superior aviation oil at lesser cost would be available from the Soviet Union or Rumania, and during the course of this year, an attempt should be made in that direction.

My next point is in regard to catering. I myself have had occasion to go to the Palam airport the other day. I found that one cup of tea costs 12 annas, and a breakfast costs Rs. 3.75. You will be surprised to know that even at the international airport at Zurich, you can have a dinner, together with the floor show and music, at two francs and that too in the continental style. Compare this with a

cup of tea and lunch for Rs. 3.75 in the Palam airport. There is something seriously wrong, and I think there is somebody interested in it down there and that is why every year they try to justify what is going on there.

Regarding the commercial pilots who are trained and whose question has been dealt with by this House, I may submit that Rs. 52,000 per pilot has been spent by the Government of India for training them and there are about 70 pilots now. This Ministry has not been able to find an answer as to how to utilise these pilots. This morning, in answer to a question, the Minister said that there is a demand from the UAR for pilots for Viscount service. It is a simple proposition. As far as the IAC is concerned, there are more senior pilots than are required and some of them can be sent to UAR. In their place, these pilots can be absorbed. Thus, a solution can be found to this problem.

In conclusion, I would submit that regarding all these matters, we find lack of thorough planning in IAC and AII. The Ministry should devote some more time, even though they may not accede to Shri D. C. Sharma's demand for a parliamentary committee, and try to settle the matters regarding the purchase of aircraft and also economy.

**Shri Harish Chandra Mathur:** Mr. Chairman, Sir, I think certainly there is justification for our feeling proud about the progress which both the airlines are making. The Air India International has certainly established an international reputation. I do not think we can say anything light-heartedly in this House so far as the services and amenities of the AII are concerned. In the international field, it is only the reputation that counts so much. My friend who sponsored this motion talked about publicity and I just got up to say so far as the publicity of AII is concerned, even in the international competition, AII stands first as regards its publicity.

Apart from that, let us judge from the results. As the co-sponsor men-

[Shri Harish Chandra Mathur].

tioned, the load factor of AII made it absolutely clear that their performance was comparable with that of any other air service in the international field. The other point was mentioned about up-to-date aircraft. I hope there is no aircraft today in the international field which is more up-to-date than the Boeing 707, which the AII has adopted. The House knows that AII has made rapid progress in changing over to this jet aircraft and it is their proposal that by 1962, the entire service of AII will be conducted by Boeing 707. It is the Boeing 707 which in its inaugural flight from Rome to London established the world record and got approbation in the international field.

So far as these points are concerned, there can be very little cause of complaint and grouse. I will also mention about the co-ordination between the two corporations about which mention was made by both hon. Members. Here again, if hon. Members had just looked at the personnel of the boards of both the corporations, they would find that the membership is almost common. Both the Indian Airlines and the AII have their separate boards, but 50 per cent of the members are the same on both the boards. I do not think there can be any better co-ordination than should be feasible from the membership of these boards.

As I said, it is of course true that IAC has made some progress during these years. As we see from the report, they have turned the corner and from incurring heavy losses, they have shown that this year they are making a profit of about Rs. 7 lakhs. But let this House be clear that this profit is absolutely illusory. There is no profit which the Indian Airlines are making, because they do not indicate, they have not taken into account the interest which should be payable on the loan of about Rs. 7 crores. The interest on the loan if it is calculated would be about Rs. 35 lakhs a year. There will be another Rs. 35 lakhs on the capital outlay. So, until and un-

less they earn another Rs. 70 lakhs, let us understand that they are making absolutely no profit. I see absolutely no justification why the Indian Airlines should not be making a real profit.

17 hrs.

Another thing which I wish to submit regarding the Indian Airlines is that they have not planned fairly well, to anybody's satisfaction, the purchase of their planes sufficiently in future. I do not like to go into all the details as my hon. friend Shri Menon. We have the same grievance in this particular respect, and I would like without taking the time of the House, to endorse what he has said. We would like to have a certain clarification from the hon. Minister. My immediate point is, why is it that the Indian Airlines is not taking over the seven super-constellations which would be available from the Air-India International by 1962? What is the trouble? Air-India International has got super-constellations. Because they are switching on to Boeing service, these constellations, our own constellations would be available. But they are going to be sold somewhere, and they are now hunting somewhere else in the market to sell them. Why should we not be able to utilise these aeroplanes? I put this question to certain people concerned, and they said that we have not got now proper arrangements for their maintenance, and that because we are having a certain set of planes of a different type these seven planes if we take over will create a sort of difficulties for us.

Now, it is here that I feel comes the utter necessity of having these two corporations amalgamated. This amalgamation of the two corporations was resisted at the earlier stage for certain reasons. It was said that when the Indian Airlines was constituted they brought in various companies and the standard of service of the companies was so varying that they did not want to bring the two corporations together because it might affect the standard of Air-India Inter-

national. But now it is long enough that you have been working this corporation. Now you have standardised things. You have revised your salaries and scales of pay. You have given them higher salaries, higher pay scales which are quite adequate. Now I think there is no justification why these two should not be brought together.

If these two corporations are amalgamated a considerable economy will be brought about. It is my apprehension that as in the private sector so also in the public sector there are always vested interests created, and these vested interests in the public sector are sometimes more dangerous than the vested interests in the private sector, because we do not see them very clearly. If these two corporations are amalgamated I am sure there would be a considerable economy affected. We can make certain arrangements by which—of course, their accounts would be kept separate—so many things will happen. There are hundred and one instances where in spite of co-ordination at the top or at any other level there have been difficulties. Unless and until there is complete agreement of these two corporations things will not improve. I do not think personalities should come in our way. Sometimes we were told that that there was a serious talk going on about the amalgamation of these corporations but the Chairman of the Air-India International was not inclined favourably towards this proposal, and he said that he would not like to continue as Chairman of the Air-India International. I do not think we can be bamboozled into our decisions by the threats of any particular individual. I have respect for the gentleman. He has built up the Air-India International. He has served Air India International very well. But there is a limit to everything. That does not mean he should be permitted to influence our correct decisions. I should like to know the reasons which are stopping you from doing that. I would like to know whether there was a talk, whether there was a

proposal or not, and whether that proposal was opposed by the Chairman of the Air India International and whether that was one of the reasons why you have not been able to do so.

**Mr. Chairman:** The hon. Member should conclude, as many other hon. Members want to speak.

**Shri Harish Chandra Mathur:** I will conclude in another two or three minutes.

As I just now mentioned, the Air India International is now changing over to Boeings and will change over completely by the end of the year 1962. Therefore, they wanted the Madras airport to be made worthy of receiving Boeing service. Now that airport cannot receive a jet plane because the runway has got to be lengthened. I do not know why no action has been taken on that. As a matter of fact, though my hon. friend had denied it here, that they never wanted it by the end of June this year, I think they wanted to start the service to Sydney by June 1961. But we have not been able to do anything. The Government of India is responsible for sitting over this proposal and not taking any decision. It is affecting not only the development of the Madras airport, it is affecting the services of the Air India International, because it will give us a big jolt in our competition in international services, because Madras airport is very much in the centre and unless we develop the Madras airport we will not be able to cater to the traffic which goes towards Sydney and that side. My information is that for the entire Plan they have provided only Rs. 30 lakhs, whereas the improvement of the Madras airport alone will need at least Rs. 70 lakhs to 80 lakhs. I do not know how to reconcile these two programmes—the proposal of Air India International to switch over by 1962 entirely to Boeing service and the Madras airport not being converted and made fit for the Boeing service even by the end of the Plan. I under-

[Shri Harish Chandra Mathur].

stand that the Air India International even made offers to the Government that "if you have not got the money, we will lend you money". I would like the hon. Minister to make it clear whether it is correct or not and whether they are taking any active decisions in this matter.

Lastly, I will come to a matter of personal interests, and that is the extension of the services to the State capitals and to other important towns. The Indian Airlines Corporation have been good enough to have air services to Jaipur, Udaipur and Jodhpur. They have not done it entirely as a matter of generosity; they have done it because the State Government has undertaken to pay them if they incur any loss. But they have done it in such a clumsy manner that if you take the air service from Delhi to Jodhpur, it is only twice a week. Do you think that it is going to be of any use? I want to go to Jodhpur from here today and return the very next day. If you have only two services a week, it is useless; almost useless. Of course, whatever little use can be made is being made. But if you want to give a fair trial to the route, you must have four services so that one can go to Jodhpur by air one day and would be able to return the next day. So, I would respectfully request the hon. Minister to give serious consideration to this proposal and increase the number of frequencies of service from Delhi to Jodhpur from two to four, to start with. They can also take it up to Ahmedabad, if they like, and experiment the present potential. I am sure that he will be satisfied with the traffic that he is getting if he is good enough to accede to this request of mine. Then the service will become paying in due course.

**Shri Sinhasan Singh (Gorakhpur):** Mr. Chairman, while discussing this motion I think a good point was made by the mover. In this connection, I may say that while going through the Annual Report of the Indian Airlines Corporation for the year 1958-59, I

found the following passage:

"On 14th March, 1959, the Committee submitted its report which was placed before Parliament on the 23rd March, 1959. The Committee, while paying a tribute to the operational efficiency of the Corporation and the professional integrity of the management and commending the manner in which the Viscount operations have been carried on, has pointed out financial, accounting and Organisational short-comings and made recommendations for their improvement."

What I am not able to make out is whether they have given a good certificate to the management or the opposite of it. This looks very odd. Here they say:

"It is apparent that the men concerned are extremely anxious to make the airline a successful undertaking."

But on page 5 they say:

"But it is also due, in our view, to the lack of a driving sense of purpose throughout the Corporation. The most immediate task of the I.A.C. Management should be to establish an all-pervading feeling that the Corporation exists primarily as a commercial undertaking; that its purpose is not only to provide good and efficient air services but also to operate these services at a profit. To establish this purpose will require the adoption of improved techniques of communications within the Corporation but there is no reason why such a new cost consciousness and consequent higher morale should not be introduced quite rapidly."

As to the morale of the services they say that the morale of the junior staff is very low. When the morale of the junior management staff is low, one can understand why the Corporation is not able to make any profit.

The Corporation has been depending on Government subsidy and loans. Even the report says that they want to have more subsidy. The Government of India have been advancing loans from time to time to reimburse the working capital. They have now agreed to treat the losses suffered by the Corporation as subsidies. The Corporation, it is said, is awaiting the manner in which the subsidy is to be treated and the losses being written off.

Any Corporation should be treated as a commercial body and should not depend upon Government subsidy. In this connection the hon. Minister pointed out that for the first time the Corporation has turned a new leaf by making a profit of Rs. 7 lakhs. Year after year they have been suffering losses and Government have been subsidising them. On the other hand, the sister Corporation, the Air-India International has been making yearly profits for a long time. The members of the Board of Directors are almost the same, excepting a few differences here and there. Almost the same members sit on both the Boards. But while one of the Corporations has been making a profit, the other has been suffering a loss.

As the time at my disposal is short, I do not wish to enter into details. A commercial corporation cannot depend for ever on Government subsidies. As my hon. friend Shri Mathur just now said, the Air-lines Corporation should extend its services. On the other hand, some of the services which were extended have been curtailed. No airline business can survive on one or two services in a week. There should be daily scheduled flights, so that the customer may know that he could go and come back. For example, we had a service to Gorakhpur. These services operated only twice a week. Unfortunately, the day scheduled for flights was Monday and Friday. As you know, Sir, there are seven factories in Gorakhpur and most of the factories are owned by a community

of India which is monopolising the whole industry. But they are unfortunately very superstitious. They are so superstitious that they would not go east on Mondays or go west on Fridays. These are the two days, Friday to the west and Monday to the east. And this community would not avail of it. Nobody would wait for three days to avail of the air service. The result is that the service has begun to work at a loss. I said every time, "Make it daily, so that this community may avail of it on the day which is auspicious to them."

I am submitting a plea for the service to be revived into a daily service. Certain Members of Parliament wrote to the Corporation about it, and we gave a certain alternative suggestion. There are three services running from Delhi to Calcutta every day, all of them going through Banaras, Agra and Lucknow. We suggested that one of them may be diverted via Gorakhpur without any curtailment of any service to any other place. A copy of the letter that we wrote to the Chairman of the Corporation, I sent to the hon. Minister. The hon. Minister had the courtesy to reply to it, though in a negative form; he said that he is trying and so forth. But still I am awaiting even an acknowledgement of that letter from the Chairman of the Corporation. Even an acknowledgement has not yet come, I am sorry to say. The Minister's reply must have been sent to him. But I had addressed the letter to the Chairman of the Corporation and he should have replied to me as to what he is doing in the matter.

I am submitting that there is a case so far as Gorakhpur is concerned. Gorakhpur is going to have a fertiliser factory. Recently the Japanese experts had come there. They found it difficult on seeing that there was no air service. They have to come there off and on, and they cannot afford to spend the time travelling by rail. The Collector of the district, and even the Government,

[Shri Sinhasan Singh].

found it hard to persuade them and tell them that sometime there may be an air service. After the monsoon the Japanese experts are going to come there frequently, and one impediment is the lack of air service.

As I said, Gorakhpur has twenty-seven factories, it is going to have a fertiliser factory, the Japanese experts are coming there and going back. And Gorakhpur is on the air line between Calcutta and Delhi. It has got a university. It is the headquarters of a Railway. It is also the headquarters of the eastern districts of U.P. Therefore, it is the most important place in that part of the country, that is between North Bihar and East U.P. It should have the air connection.

Then, there are two sacred places near about Gorakhpur, Lord Buddha's *nirvan* place as also his birth place. Lord Buddha's *nirvan* place is thirty-five miles to the east of Gorakhpur and his birth place about sixty miles to the north of Gorakhpur. Pilgrims come from Japan, China, Malaya, Indonesia and other places. Pilgrims from all the Buddhist countries come there. But they are deprived of an air service to this place. The world today has become airminded and wants quicker service. The Japanese, Chinese and Buddhists from other countries feel the dearth of an air service to this place. (Interruption). Communist Chinese will not come, they do not believe in religion. But the people who believe in religion will come.

I therefore hope that the Corporation will consider the position. It will not be a loss to them, but a positive gain if they adopt one of the suggestions that I submitted. My friend pointed out about private service. I say that the Corporation should have a regular services as well as shuttle services. If they cannot connect it up with the regular service, they can have a shuttle service so that people can avail of it. In the railway also

there are main lines and branch lines. This is also a commercial body. So there must be branch lines or shuttle services. They can put one line and connect it up. I would request the Ministry and the Corporation to consider it as a financial proposition and as a commercial proposition that they must link up Gorakhpur with the air line because of the fact that they are going to have a definite scope in the future, because the Japanese are coming and going out every now and then and because of all the other reasons that I have mentioned. As my hon. friend has said, everywhere there should be daily service, and not twice a week only.

**Shri N. R. Muniswamy** (Vellore): I also join with my hon. friends in offering my congratulations to the management as well as the Ministry in respect of the air services run by these two corporations, namely the Air India International and the Indian Airlines Corporation.

My hon. friends who have spoken before me have stated that the Air India International is making every year uniformly some sort of profit, and a huge profit at that. This indicates that the chairman of the board of directors, namely Shri J. R. D. Tata, who has been managing the whole affair is doing things on a commercial basis, and he sees to it that the corporation makes a profit. But he happens to be also in the IAC as one of the directors, and I do not know why his wisdom has not been properly utilised, and why he does not co-operate with them to see that the IAC also runs on a commercial basis and makes profits. As the other Members have already pointed out, the composition of the board of directors is almost the same in both the corporations, except for some changes here and there; on the whole, the main brain-waves are there; nearly, 50 per cent of the membership of the board of directors is the same in both the corporations, and I do not know why still the IAC does not make a profit.

From the reports of the IAC and the AII which I have read I find that the commission that is paid to the agents who sell the tickets comes to a huge figure. In 1959-60, I find that AII has paid Rs. 86,67,168 by way of commission alone per year; similarly, the IAC has paid by way of commission a sum of Rs. 26,46,537. I do not see why such a huge commission should be paid to the agents who happen to canvass passengers for us by diverting them from other airlines. I only wish that either the number of agents should be curtailed, or the commission should be given on a different basis altogether. I know that all the international airlines have got their own convention, and according to the convention, they might have their own tariff to give to the agencies by way of commission. All the same, I feel that this huge payment of commission to the tune of Rs. 86 lakhs per year so far as the AII is concerned, needs to be looked into and it must be seen whether there is any leakage in this respect. By saying this, I do not mean to express any doubt about the audit and other things; of course, the audit people must have taken proper care to see that commission had not been paid unnecessarily. All the same, this amount seems to be a huge one. As a matter of fact, even the profit that they are making is not much, but the commission comes to so much.

The IAC has been making no profit at all, and year after year, it has been incurring losses, except, of course, during this year, when it has made a profit of Rs. 7 lakhs or Rs. 9 lakhs or so, which is nothing practically, because it is a drop in the ocean as compared to the huge amount that we are spending. Further, we are also deriving no interest on all these amounts. And yet, it pays Rs. 26 or 27 lakhs by way of commission per year. That looks somewhat odd. This has to be looked into. At least, this amount could be curtailed. After all, we pay this amount only to the local agencies. So, if we curtail the percentage of commission that is paid to them, we can thereby add to the profit.

Having made this preliminary observation, I shall now proceed to make two other observations which, according to me, are very important. My hon. friend Shri Narayananarkutty Menon has made some observations regarding the private airlines, and he has stated that it is because of these private airlines that the IAC has not made any profit, because these private airlines are running in competition. But I fail to understand how the private airlines can fly on the same route as the IAC does. As long as they do not run their services on the same routes as the IAC, I do not think that can account for the loss sustained by the IAC; I think the reason must be sought for somewhere else. I do not know how my hon. friend has corrected the two things.

**Shri Narayananarkutty Menon:** They are using the same routes.

**Shri N. R. Muniswamy:** If they are using the same routes, then here is an ample reason. I do not know whether they are running their services on the main routes or the trunk routes or in the feeder routes or air mail routes. Whatever be the cause, still, can that lead to a loss to the tune of crores of rupees, if the private airlines are permitted to run on the same routes?

Another important aspect that I wish to bring to the notice of the House, and which has already been referred to by the previous speakers is this, namely that a committee has been appointed to go into the question of the feasibility of using the redundant Lockheed Superconstellations. This point has been raised also by my hon. friend Shri Harish Chandra Mathur as to why we should not use them. By the introduction of the Boeing service, some of these super constellations have become redundant. Some of them have been grounded. They might possibly be sold to other countries. The Committee has said that there are certain technical difficulties in the way of utilising these super constellations in the domestic service. We are unable to understand

[Shri N. R. Muniswamy].

what those technical difficulties are. If they can be used for international services, what are the difficulties in the way of their being used for the internal services. So they should be able to throw some light on this point. The Committee's Report has not been placed before the House; even if it is, it has not been discussed in the House. I only wish that the hon. Minister will throw some light on this point in his reply.

Then there is another thing. The Minister of Transport and Communications had suggested to Government that the Ministry should have their own factory for the manufacture of aircraft for the feeder services. Subject to correction, this has not been agreed to by Government. It was said that since Avro-748 is to be manufactured at Kanpur not only for defence purposes but also for civil purposes, this suggestion need not be accepted. As a result of this, the scheme has not been proceeded with. I fail to see why when there is so much local demand, the civil aviation requirements should be curbed. I think this is a wrong policy. The Ministry should insist on having its own factory for manufacturing aircraft to run the feeder services, or shuttle services as my hon. friend said. We are now having so many services. If we have shuttle services between distances of 100 and 200 miles, one can go to and fro and come back the same day. This will help remove the congestion in traffic in other aspects also.

Therefore, the Ministry should throw some light on this, as to why its suggestion was not accepted. I only wish the Ministry had pursued its earlier suggestion for the installation of a factory for manufacturing small aircraft for its services.

When passengers travel, they insure their lives. I do not know why this business should be given to third parties. Why should not Government co-ordinate it with LIC and evolve a formula by which the money is collected

along with the fare? It may be Rs. 5 or Rs. 10, as the case may be. Nobody would feel the pinch of it because the premium is included in the fare itself. If any accident takes place—I wish no accident takes place—Their nominees will stand to gain. So instead of a private company getting the business, LIC can be asked to co-ordinate and see that this business is taken up by them. If no accidents take place, it will only add to the income of IAC and A-II, because all the passengers will be paying the premium which is already included in the fare.

I request the hon. Minister to reply to the points raised regarding the manufacture of aircraft for feeder services and also regarding the difficulties pointed out by the Committee in the way of the utilisation of the super constellations for internal services.

Some Hon. Members rose—

**Mr. Chairman:** There is no time. I have to call the hon. Minister at 5:30 P.M.

**Shri P. C. Borooh (Sibsagar):** I come from an area which is vitally connected with air transport.

**Shri Morarka (Jhunjhunu):** Let us have five minutes each.

**Mr. Chairman:** Is the House willing to sit 15 minutes longer?

Some Hon. Members: Yes.

**Shri Joachim Alva (Kanara):** Yes, so that I can also get a chance.

**Mr. Chairman:** Each of the hon. Members will take five minutes.

**Shri Nagi Reddy (Anantapur):** I may also have five minutes.

**Shri P. C. Borooh:** Mr. Chairman, I thank you very much at the outset for giving me this opportunity. I do not want to waste my time and straight away want to go to the points.

of the Indian Airlines  
Corporation and the  
Air-India International  
Corporation

I first praise the Ministry for introducing the Fokker Friendship aeroplanes in the Assam lines from the 1st of May. I also associate myself with those hon. Members who have congratulated the Ministry for their many achievements in the IAC and the AII.

My second point is that Assam is suffering very much from transport difficulties. We know that since partition our direct transport has been disrupted and North-East India has been cut off from the rest of India except a stretch of 40 miles of land over which the Assam Rail link passes. It has not been able to cope with the increasing traffic. A number of private airlines are working there and carrying on tea and other things. Why is it not possible for this I.A.C. to extend their activities and also take over all air-transport of Assam and make good profit? I request the Ministry to see to this and also see that the IAC can bring the teas and other things from Assam to Calcutta. I think that there should be a little bit of subsidising in air freight or air fare to Assam and I hope the Ministry will consider that.

I do not want to say anything about the amalgamation of the IAC and the AII. Enough has been said by Shri Mathur and others in this regard and I fully support that thing. That should be gone into.

As regards private operators I do not know why there are so many private operators operating in the Assam, Naga Hills and NEFA areas. They are operating not only for supply but for air-lifts also. We have got reports that while local people are not allowed to get there, foreign journalists could go and contact the Naga hostiles and meet our crew whom we have not been able to rescue in spite of our all efforts for the 7 or 8 months. I say that the licensing of private operators should be stopped and all their jobs should be taken over by the IAC.

About tourism some concession should be given to and from Assam. The Assam State is actually neglected and no foreigner or tourist finds it convenient to come there. The tourist arrangement is not good there. But there are many good spots. There are so many places like Kajiranga, Haftong and Shillong. Some facilities should be given for tourism in Assam lines, and get tourist traffic increased.

As regards services Nos. 211 and 212, these are very important services so far as that State is concerned. They carry all mails to and from Assam and serve many stations. That service starts from Calcutta and goes via Gauhati, Tezpur, Jorhat, Lilabari and Mohanbari and thence to Along. We want that this service should be improved. If it is possible, instead of Dakotas, the Fokker Friendship aircraft should be introduced, as soon as possible.

Another thing is that there is much irregularity in this service in the sense that there is cancellation of freight at the last moment and without notice. Of course, it is said, it is due to weather but creates lot of difficulties. A passenger coming all the way from Calcutta and Gauhati, at Jorhat he hears that the service to Lilabari has been cancelled. This happens very often. In my own case also it happened once. I was stranded. These cause difficulties to passengers; why should these be a cancellation at all on flimsy grounds?

Then about Shillong. Shillong is the capital of Assam. All the other State capitals are connected by Air. Shillong alone is not connected. I want the Minister to consider the question of connecting Shillong by air as early as possible.

In the Calcutta station, I find people experiencing difficulty in purchasing the tickets. Unless one waits for three or four hours, it is generally not possible to have a ticket. Better arrangements should be made for people to buy tickets conveniently.

[Shri P. C. Borooh].

I have no time to discuss other things; although I had some other matters and I shall take another opportunity to bring them up here. But there is one small thing about serving meals. I do not know why the full meal service on the Assam section was suspended. It is said that heavy snacks are served. What is this heavy snack? From the Assam section, the I.A.C. are getting so much money. We want that instead of light meal or heavy snacks, full meal service should be introduced. The passengers there have to travel for two to four hours. Requesting the Ministry to consider it and Thanking you, I end.

**Shri Damani (Jalore):** Sir, the reports of the Air India International and the Indian Airlines Corporation for the years 1958-59 and 1959-60 are before the House. It is apparent from the reports that the number of passengers travelling during 1959-60 has increased considerably. If we compare the figures with those of 1955-56, it shows that the public is becoming more and more air-minded and at this moment the services to important centres are so crowded that it is difficult to find seats in scheduled routes. Therefore, the Corporation and the Government should consider the purchase of more Viscounts; if new ones are not available, secondhand ones should be bought to replace the Dakotas which we are holding in a large number so that the public can get the benefit.

The accounts of the All are audited by two chartered accountants while these of the IAC are checked by internal auditors. The Act stipulates that they should be audited by the Auditor-General and I do not know whether it has been done till now. The balance sheet of IAC shows that it is checked by the internal auditor. What is the reason for taking a long time in getting the accounts audited by the Auditor-General?

If we compare of the working of the All with that of the IAC we feel that

the former has done much better. The All has to compete in the world with other airlines while the IAC has a whole monopoly in the country. In 1957-58, the All made a profit of Rs. 71 lakhs, in 1958-59, Rs. 15 lakhs and in 1959-60, Rs. 18 lakhs while the IAC lost Rs. 103 lakhs in 1957-58 and Rs. 91 lakhs in 1958-59 and has made a profit of Rs. 7 lakhs in 1959-60. The amount invested by the IAC is about Rs. 15 crores and the return or profit works out to less than half a per cent on the total investment. This is the working result after getting so much passenger traffic. So, I think that the working is very unsatisfactory and there is room for improvement.

Sometime back the Government appointed a committee called the Wheatcroft Committee and that committee made certain observations. They observed that while they appreciated the good quality of the services, they felt a weakness in planning and control of expenditure; there was a lack of cost consciousness throughout the organisation and there was inadequate budgetary planning and ineffective control of the budget, etc.

This is also my personal experience. In certain important centres, if anybody wants to book a seat, even four or five days earlier, he is told that the seats have already been reserved and that his name is put on the waiting list. If a person comes on the date of travel at aerodrome on the scheduled day, he gets a ticket and when he enters the plane he will find four or five seats vacant. There is something wrong in the booking system. If the system continues like this, naturally the Corporation is going to lose annually. When a plane has got 40 seats and if it flies with just 36 passengers, with four or five seats vacant, naturally it leads to a direct loss of revenue.

17:42 hrs.

[MR. SPEAKER in the Chair]

I think that the booking system is

defective and there are some loopholes which have to be plugged and the defects removed so that the revenue can be increased and along with that, more passengers could be accommodated.

I would also like to suggest that services from important centres like Bombay, Delhi, Calcutta and Madras and the number of services on routes like Bombay-Delhi, Bombay-Calcutta, etc., be increased so that the public can get the required number of seats on these routes. It is very important, and it is also very paying. Therefore, greater attention should be given to link these big cities with as many flights as possible.

**Shri Morarka:** I only want to put a few questions to the Minister. My first question is this. From a perusal of the 7th report of the AIU, I find that every year, we are writing off as obsolescent spare-parts worth about Rs. 22 lakhs to Rs. 27 lakhs. In the year ending March, 1959, they wrote off as obsolescent spare-parts worth about Rs. 22.35 lakhs. In the year ending 31st March, 1960, they wrote off another Rs. 27.25 lakhs worth of spare-parts and stores as being obsolescent. Why do they become obsolescent to such a great extent?

My second question is this. Is it a fact that as compared to the previous years, during the year 1960-61, the expenditure on salaries and wages alone increased by Rs. 80 lakhs in the IAC and as a result of this increase the Government is contemplating an increase in the air fares? If so, would it be possible for the hon. Minister to indicate to what extent the air fares are likely to be increased?

My third question is this. Is it a fact that the AIU is contemplating and have decided to sell the Constellations and Super-constellations and, if so, is it also a fact that the international market price of Constellations and Super-constellations being very low, they are contemplating to sell these aircraft at a much lower price than

the written down value? In that case, why do the Government not consider about the transfer of these Constellations and Super-constellations to the IAC for our internal services where the traffic is so heavy and is increasing every day and for which we do not get more Viscounts or other suitable planes?

Finally, I want to draw the attention of the hon. Minister to the fact that to IAC, Rs. 8 crores are given by way of loan by the Government at 4½ per cent. But the Government has decided not to charge any interest till October, 1966. If that is so, why not merge it with the capital? Why are you treating it as a loan when you are not going to charge any interest till 1966? I think from the point of view of accountancy, and company finance it would be much better if you increase the equity capital of this corporation, amalgamating this Government loan, because otherwise, the picture is not quite correct. The profit which was shown this year of about Rs. 7 lakhs is not the correct profit, because if you make provision for the interest, which alone will come to Rs. 35 lakhs, it will turn into a loss. I would like to know whether the Minister has any objection as to why they do not want to convert this loan into equity capital.

**Shri Joachim Alva:** I regret I was not here when the debate started. Due to unforeseen circumstances, I came late and mine has been the loss that I have not heard the valued speeches of my colleagues. Air India International and Indian Airlines are two sister companies, each growing in strength, in admiration and beauty—to use the phrase—and it is no use comparing one with the other. The Indian Airlines was raised from a kind of mess in the sense that half a dozen private capitalists who did what they liked with each other; there was cut-throat competition amongst them and all kinds of compensations were asked for when the Bill came before this House to take over the Airlines.

[**Shri Joachim Alva**]

The Indian Airlines has passed through very hard days. Today we are fortunate that it is managed by one of the ablest and noblest officers of the IAF lent to the Indian Airlines. I shall not mention his name. On the last occasion, you said that no names shall be mentioned. But I shall not fail to pay my tribute to the General Manager of the Indian Airlines, who is one of the most trusted, efficient, silent and very unassuming officers we have ever had in any department of the Government of India. He has been abroad on both sides of the curtain and visited aircraft manufacturing centres. He has pulled the Indian Airlines out of the rut and brought some kind of stability to it, today. His services have been lost to the Air Force in the sense that he should have been the Chief of the Air Force. He has made a sacrifice and he is here. We shall not ignore the work he has done in the Indian Airlines.

**Shri Thirumala Rao** (Kakinada): Can the hon. Member praise an individual officer like this? (*Interruption*)

**Shri Joachim Alva:** Please do not interrupt. - I have only 5 minutes. I do not like the arrangement by which an ICS officer who is the Secretary of one Ministry and who hops from one Ministry to another is made the Chairman of this corporation. If the IAF has been asked to lend one of its best officers to manage the Indian Airlines, it is better that he does a good job under the direction of the Minister. We have got full confidence in the Minister. He knows what to do; he has got a Deputy Minister who is capable. The General Manager should not be impeded in the carrying out of his job by being given a Chairman who goes from one post to another and we should not have the luxury of a Chairman of the company, coming in the way of the administration of the Indian Airlines. These are very important points. I do not know whether anybody was able to raise them.

I watched the career of this gentleman. I say it impartially; I say it only

in the interests of my motherland. This Air Force officer has had unrivalled experience in the Air Force and having come and pulled the Indian Airlines out of the rut, it is time we put confidence in him and not put a Chairman who goes from one post to another.

**Shri Narayananarkutty Menon:** Why is it that he is more abroad than in India?

**Shri Joachim Alva:** I come to the Air-India International. We must pay them a tribute. We are proud of our offices abroad. We are proud of the Air-India International offices everywhere. Those Members of this House who have had the fortune to go abroad and who have seen these offices must be proud of our flag which is flying on our Air-India offices. Those flags in those offices render more service, I may say in all humility, than some of our missions abroad. The boys in the Air-India offices are doing a very good job and this Parliament must every time, every year, pay them a humble tribute.

These two corporations must go hand in hand, side by side. One is the weaker sister and one is the more powerful sister. We must help them to march ahead together as complementary to one another and not in any way destructive of each other's interests.

I would, Sir, ask the Minister to see that our planes are equipped with storm radar signals. These are very essential for the safety of passengers. You may say today the storm radar signals are not necessary in India in the weather that is prevalent here. But I feel that a little more money will have to be spent and the safety of passengers has to be guaranteed by providing storm radar signals.

I am not for integration of the two airlines, though I have great respect for the opinion of Shri Mathur who has been taking a very lively interest in aviation. If you integrate these

of the Indian Airlines  
Corporation and the  
Air-India International  
Corporation

two airlines right away immediately, it will result in disadvantage to both. Air-India International is in top class world efficiency. Indian Airlines will take some time; perhaps five years hence we may be able to integrate. It is no use doing it now. We may think of another thing now. Now we may promote the air hostesses, the pilots and other officers or employees of the Indian Airlines and put them up above in the Air-India International. That could be started rightaway, but integration rightaway will be like mixing strong milk with diluted milk, and it will not be for the health of the nation as well as the spirit of the airlines.

It is also time that the air fares are reduced. There is cut-throat competition already in the Atlantic. The BOAC is trying to cut down their air charges. It has done it. Some airlines are going out of the International Civil Aviation Organisation to cut down their air charges. It is time we did it. India cannot afford very high rates. Even the Members of Parliament whose calls are very urgent are not able to afford air travel, and it is time that air fares are reduced. Shri Morarka has raised one point that the salaries have gone up and they are going to cope with that increase by increasing the air charges. If that is so, it is time that the salaries were less and there is no increase in air fares.

We must do something with regard to the manufacture of planes. It is time we allowed our producers to carry their names on the designs that they produce. Suppose a youngster produces a plane, it is time that we give his name to the design produced by him. It is done in Russia, wherein science has forged ahead. There I found that the names of the producers, the names of the designers are given to the machines they have designed. There is the TUPULOV. There are Ilyushin and also ANTONOV. They are the people who have designed or invented those machines. It is time that we give our young men credit for

inventing or making any designs so that their names could be put on the planes or machines they produce. We must do something.

The Indian Airlines or the Air-India International cannot shake off their responsibility by saying that it is not their business. They must train pilots. They must have a separate wing, and they must pool their resources and produce helicopters and gliders, so that we may build up a fine body of young men who can man them. As in sports, if you catch them young and put them on the airlines we may not be wanting in a time of emergency when there will be no planes and no pilots and when, if there is a war, we may not have the people for manning the planes, even if we have them in plenty.

**Shri Mohiuddin:** Mr. Speaker, Sir, I am obliged to Shri Sharma and Shri Gupta for raising the discussion on the Indian Airlines Corporation and the Air-India International in this House this evening. Shri Sharma said that the air transport industry should remain constantly under review, and that we are not discussing the problems of air transport industry as often as we should. I hope Shri Sharma was not inclined to blame us for not giving a chance to the House for discussion. We always welcome the discussion, and the suggestions and the criticisms made by hon. Members are always welcome.

Sir, some important points have been raised regarding the collaboration between Air-India International and the Indian Airlines Corporation, and in this connection some hon. Members have suggested that these two Corporations should be amalgamated. Shri Mathur has already informed the House that the boards of both the Corporations have got a common membership of a very large number of members. I think seven or eight members of the board are common members. The Chairman of both the Corporations, and the Gene-

[**Shri Mohiuddin**]

ral Managers of both the Corporations are members of the other board. There are other common members from Finance and Air Force. So, practically for all purposes it is a common board and they are in a position to bring about collaboration and co-ordination in many respects. There is always exchange of ideas and, as my hon. friend, has stated, scientific data.

As far as the amalgamation of the two Corporations is concerned, I am really surprised at the statement made by Shri Mathur. He said that the Chairman of the Air India International refused to continue as Chairman if the two Corporations were amalgamated. I think that is not correct.

**Shri Harish Chandra Mathur:** It was reported in newspapers all over India.

**Shri Mohiuddin:** I repudiate that statement, if it ever appeared in the newspapers. As a matter of fact, the question whether the two Corporations should be amalgamated or not has been under consideration from time to time. As my hon. friend has stated, amalgamation would not be opportune at this moment.

**Shri Harish Chandra Mathur:** Who has stated?

**Shri Mohiuddin:** My hon. friend, Shri Alva. I hope he is my friend. Shri Alva stated that this is not an opportune moment for the amalgamation of the two Corporations. I think to a large extent I agree with him. We do realise that there are advantages as well as disadvantages in amalgamation. At the present movement, there is balance of disadvantage. I hope, in due course of time, we will be able to amalgamate both the corporations so that these two work together more efficiently.

**Shri Harish Chandra Mathur:** What are the advantages and disadvantages?

**Shri Mohiuddin:** Shri Alva has mentioned some of the disadvantages. Now one Corporation is running at a loss and the other Corporation is making a profit. So, that is not a very healthy amalgamation. Of course, the profit of Rs. 7 lakhs of IAC is not a real profit because it does not include the interest which should be paid to the Government, while the profit made by the Air India International, though they do not pay interest on the capital advanced to them by Government, includes payment of full amount of interest on the loan borrowed from the World Bank and the commercial banks in USA. They also pay the instalments and they make profits after these payment have been made. It will not therefore be a very healthy amalgamation if the two Corporations are amalgamated now.

Then Shri Gupta wanted to know the reason why the Air India International, though it shows a load factor of 59 per cent, makes a profit while the IAC, though it shows a load factor of 74 per cent, is running at a loss. Of course, it is true that the IAC has a load factor of 74 per cent and this year it will perhaps be even more. One of the reasons is that the IAC has got to pay duty on petrol, while according to the Sea Customs Rules, if a commodity is exported from India the duty is not paid. The fuel carried on board the Air India International as soon as it flies out five miles from the Port of Bombay is free of duty and that makes a very big difference.

18 hrs.

**Mr. Speaker:** What is the total duty that is being paid by the Indian Airlines Corporation per year?

**Shri Mohiuddin:** The duty paid by the IAC on fuel is about Rs. 1 crore and the sales tax levied by State Governments comes to about Rs. 30 lakhs. That is one of the reasons.

Of course, my hon. friend Shri Mathur knows, that as soon as the Viscounts were introduced they had a public appeal. They are air-conditioned; they are pressurised and the public prefer to travel in the Viscounts instead of in the trains and traffic has increased during the last three years and it is mainly due to Viscounts that we introduced in 1958 that revenues have considerably increased and the IAC has been able to show a slight surplus of about Rs. 7 to 8 lakhs in 1959-60. If we are able to get better equipment for IAC in replacement of Dakotas, I am sure that traffic in those sectors where better equipment is introduced will rise very rapidly and IAC will turn the corner.

My hon. friend also referred to the lack of equipment.

**Shri Harish Chandra Mathur:** May I seek a clarification? If this duty of Rs. 1 crore and the sales tax of Rs. 30 lakhs is taken into consideration we will find that the IAC is making a much better profit than the Air India International. That is what the hon. Deputy Minister argues. If it is so....

**Shri Mohiuddin:** I said it is one of the factors.

**Shri Harish Chandra Mathur:** That will show that it is making a large profit and the argument that it is a weaker section and cannot be amalgamated does not hold good.

**Shri Mohiuddin:** I do not agree: Air India International also pays duties wherever they have got to pay duties or sales tax or other taxes not only in India but also in other countries where they go and where they pick up fuel. They also pay taxes. That is not a very strong argument. I only mentioned that as one of the points.

**Shri Morarka:** Some subsidy is given on this duty.

**Shri Mohiuddin:** We do not give any subsidy on fuel. We give subsidy on the losses. That is shown in the balance-sheet not as a rebate on duty.

It was mentioned that the Indian Air lines Corporation are still running the Dakotas. They are; they have to. There is no way out of it. My hon. friend said that the Minister would say that Dakotas are very good planes. I still say that they are very good and very sturdy planes. They are quite safe. But they have not got that public appeal, because they are not air-conditioned, they are not pressurised, and they are not so fast as the turbo-prop aircraft are.

But there are difficulties in the way of replacing Dakotas. Only five Fokkers have been purchased, with great difficulty. They are now arriving and we are putting them mostly on the Assam route, and I hope the hon. Member, Shri P. C. Boroosah will be satisfied . . .

**Mr. Speaker:** So long as it is a monopoly, they have to travel in Dakotas. Why does the hon. Minister worry?

**Shri Mohiuddin:** What I mentioned was that if there was better equipment, air-conditioning and pressurisation, more public will travel by these aircraft, just as it has happened in the case of the Viscounts. It is our experience that better aircraft attract more traffic. That has been seen all over the world.

I have already dealt with Shri Ram Krishan Gupta's point as to why, when the load factor is 59 for Air India and 74 for I.A.C., there is difference in the working results.

Shri Damani referred to the recommendations made by the Wheatcroft Committee and suggested that all the recommendations should be carried out. I assure the House that as far as we are concerned, we are

[Shri Mohiuddin].

pressing the Indian Airlines Corporation to carry out those recommendations which have been accepted. One of the important recommendations was regarding the standard cost. We are still going ahead with it and the Indian Airlines Corporation is also working at it and we hope that the recommendations of the Wheatcroft Committee about cost structure will be fully given effect to in the near future.

Recruitment was criticised. I assure the hon. Member that recruitment in the I.A.C. is made according to rules approved by the Government. I may admit that some mistakes may have been made, there may be some complaints. But I assure the House that there is no discontent amongst the lower staff, as has been mentioned here.

Shri Sinhasan Singh: It is said there is no morale.

Shri Mohiuddin: The morale of the staff is going up. They are now thinking more in terms of making the Corporation a commercial success. The last year's surplus of Rs. 6 or 7 lakhs has provided them with an urge, has inspired them for better work, and I hope that this spirit will continue and that the workers and other members of the Corporation will work more hard.

Shri Sinhasan Singh: What about the shuttle service?

Shri Mohiuddin: As regards Gorakhpur, I had already replied to my hon. friend Shri Sinhasan Singh. He complained that the Chairman of the Corporation did not reply to him. I assure him that it was on the report from the Chairman of the Corporation that I replied to him. I could not have replied to him about Gorakhpur service without asking for their views in the matter. I think the complaint was rather uncalled for

when he said that the Chairman of the Corporation had not had even the courtesy to reply to him. I may assure my friend that the Chairman and the General Manager are very courteous; they always . . .

Shri Sinhasan Singh: My only complaint is that I wrote directly to him but he did not even acknowledge receipt of the letter

Shri Mohiuddin: A copy of my friend's letter to the Chairman was given to me also at the same time, and I had immediately sent to the Chairman of the Corporation my friend's letter addressed to me. Since we are colleagues here, we had to take quick action on the hon. friend's letters. I am not aware of what has actually happened, but that is my reading of the situation.

As regards the Madras airport, my hon. friend Shri Harish Chandra Mathur has again protested that we are very lax in not looking forward to the necessary requirements of the important airports. I am not aware whether they wanted to begin the Boeing service to Sydney from June, 1961. They have not got the planes for it. They have got only four Boeings at the present moment.

Shri Harish Chandra Mathur: My hon. friend is just compelling me to say that I speak from the notes given by the AII, but I have other sources of information also.

Shri Mohiuddin: My information is that with the number of aeroplanes that they have got, they will not be able to operate a service on the Sydney line till 1962.

Of course, the airport will require considerable amount of money. The question is actively under consideration, and I am sure that the necessary sanctions have either been issued or will be issued very soon. But I am sure that my hon. friend Shri Harish Chandra Mathur also

did not have this from the notes given by the AII that they will advance to Government the money needed for the construction of the runway in Madras. After all, that is also Government money. We advance them the money even for their ordinary supplies and so on. I am really surprised they can advance the money to Government for the construction of the runway at Madras.

As far as the Jodhpur services are concerned, it is on the basis of the agreement with the Rajasthan Government that the services were introduced, and if the Rajasthan Government, according to that agreement with the IAC, want more frequency, it will be for the Rajasthan Government to negotiate and settle the matter.

The amount paid to the commission agent's has been criticised. So far as the AII is concerned, they have to pay to their agents in the foreign countries. In Europe and America and everywhere, a traveller simply phones up the agent to reserve a seat for him on such and such a flight. He usually does not go to the offices of the airlines. That is the common practice. If we do not have our booking agents, the business will be a complete failure. I assure you Sir, that whatever commission is being paid is paid only for the attraction of more and more business. As far as the percentage of the commission that is paid is concerned, I think it is not very high.

Shri Naik Pddy: What is the percentage?

Shri Mohiuddin: The operation revenue is about Rs. 13 crores to Rs. 14 crores. It may be worked out.

Shri Harish Chandra Mathur: The agents are there all over. So, it cannot be worked out. It has got to be given.

Shri Mohiuddin: Shri Morarka has asked a few questions regarding the Superconstellations and the obsoles-

cence amount provided for in the balance-sheet of the AII. Obsolescence is provided for because the Superconstellation is going down in price. The piston-engine price all over the world has gone down. It was the forethought of the AII board that even during the last three years, they have begun to provide for increased depreciation for the Superconstellations. I do not remember exactly what the figures previously were. But I remember very well that in the last three years their depreciation amount was increased deliberately, because they knew that the piston engine prices all over the world would go down. Similarly, they have got the spares. The spares have got to be written down as rapidly as possible. Even then, I am sure that Air India will have to bear a certain amount of loss on account of the spares.

Shri Morarka: Writing down is one thing and declaring obsolete is quite another.

Shri Mohiuddin: It is a provision in the balance sheet for their obsolescence in due course. In three or four years time, they will be obsolete and they will not be of any use either for aircraft or for sale.

Shri Morarka: Even though the spares are new.

Shri Mohiuddin: New spares are purchased only for the immediate needs of the aircraft.

Now, the super constellations will become surplus in due course, in about two years' time.

Shri N. R. Muniswamy: Why two years?

Shri Mohiuddin: It is hoped to be so in 1962. The fourth Boeing has arrived this time in April.

Shri N. R. Muniswamy: There are already three or four.

Shri Mohiuddin: The fourth Boeing arrived in April. These four Boeings

[**Shri Mohiuddin**]

will be mainly used on the Europe and New York service and on the Tokyo service, and I hope for once at least in a week in the Nairobi service from May or June 1961. The super constellations will continue to be used . . .

**Shri Harish Chandra Mathur:** All the constellations?

**Shri Mohiuddin:** Whatever are required. The super constellations will be continued to be used on the Sydney line, the Singapore line and the Middle East line, and also on the Czechoslovakia service. Some super constellations will continue in service for some time to come.

**The Minister of Transport and Communications (Dr. P. Subbarayan):** Also on the Moscow service.

**Shri Mohiuddin:** Yes, also to Moscow. I forgot about that.

Even now, in 1961, I think one or two will be surplus to AIr's requirements. A committee was appointed to examine the possibilities, the comparative cost of super constellation service in India. It was a technical committee, a departmental committee. Reports of departmental committees are not generally placed on the Table of the House. The committee has recommended that the cost will be much more than what was anticipated for its running in the trunk routes in India. The Viscounts now give about Rs. 50—60 lakhs (approximate figures) of profit after meeting every expense. This profit on the Viscounts on the trunk routes will be converted into a loss of about Rs. 40—50 lakhs. That is the estimate made. If IAC cannot make better use of them, of course Government will have to decide what use can be made of the super constellations.

**Shri N. R. Muniswamy:** They will have more capacity.

**Shri Mohiuddin:** Yes, that capacity has been taken into account in calcu-

lating the loss. 60—65 per cent capacity is presumed to be used by the super constellations in the trunk services. That has been taken into account.

So far as the air fares are concerned, the cost of fuel has gone up. The cost of every item used by IAC has gone up in the last three years. Fuel, I am told, has gone up by Rs. 7 lakhs in 1961. The wages have gone up. Similarly, other costs have gone up. On account of these increased costs, either Government should bear the losses that would result by running these services or if the losses are to be covered in some way, one of the means of covering these losses is to increase the fare.

**Shri Sinhasan Singh:** Have more services.

**Shri Mohiuddin:** I may assure my hon. friend here that the Viscounts are running for 2500 hours and this is regarded as the maximum.

**Shri Sinhasan Singh:** I refer to other small feeder services like the railways.

**Shri Mohiuddin:** Feeder services are very difficult. The Herons were purchased for feeder services. But they proved a complete failure. My friend from the other side said that we defended its purchase. I remember Shri Patel said in this House or in the other that it was a mistake. We have repeated it on more than one occasion. I do not know what is the use of raising that question again. It was a complete failure.

**Shri Narayanan Kutty Menon:** If that was a mistake resulting in financial loss, who is responsible for that? That is what I wanted to know.

**Shri Mohiuddin:** It is the joint responsibility of all those who were concerned, who were consulted in the matter and who took the decision, including Government. The IAC could

not purchase the aircraft without the sanction from Government because according to the Act not more than Rs. 15 lakhs of investment can be made without the sanction of Government. It is, therefore, the joint responsibility of all concerned and I say that it was a mistake.

**Shri Morarka:** What about the fare?

**Shri Mohiuddin:** We are considering whether the fares should be increased on account of the fact that costs have gone up; the wages have gone up; the cost of fuel has gone up and all other items have gone up. But the Government has not yet taken a financial decision in the matter. Of course, I am not in a position to say anything more.

**Shri Morarka:** The wages have increased by Rs. 80 lakhs.

**Shri Mohiuddin:** I think that is approximately the correct figure. Wages and salaries and some other items like provident fund and other items that fall under the general heading of wages and salaries have gone up by about Rs. 80 lakhs per annum.

I think I have dealt with almost all the important points.

**Shri Narayananakutty Menon:** With your permission, Sir . . .

**Mr. Speaker:** Let him finish. The hon. Member may put a question later on.

**Shri Mohiuddin:** I may mention one point. Shri Damani raised a point about the auditing of accounts. The Auditor-General audits the accounts. Of course—I do not remember exactly—only last session I placed the Audit Report on both the Corporations on the Table of the House. I think it was not for 1960 but for a previous year. The Auditor-General does audit the accounts. I think it is a very healthy practice that a Chartered Accountant should check the accounts.

Moreover, there is another factor. Because the AII have borrowed money from foreign banks, they also require that the accounts should be checked by a Chartered Accountant. That is also one of the reasons.

**Shri Damani:** I appreciate that. In the Indian Air lines the balance sheet has not been audited by the Chartered Accountant but in the AII it was audited by the Chartered Accountant. Why was not the Indian Airlines so audited?

**Shri Mohiuddin:** That is a fact. The AII is audited by a Chartered Accountant while the accounts of the A.I.C. are not audited by a Chartered Accountant. They are audited by the Auditor-General. After that, we place the report on the Table of the House.

Sir, I think I have covered almost all the points.

**Shri Narayananakutty Menon:** There is just one point.

**Mr. Speaker:** Let him finish.

**Shri Mohiuddin:** Sir, I have finished.

**Dr. P. Subbarayan:** Sir, I want to say a few words. Shri Alva is not here unfortunately. He referred to the chairman and the general manager. As the Deputy-Speaker said and as you yourself Sir have said, we should not refer to particular officers. No doubt the name was not given but everyone in the streets knows who is the general manager of the IAC and who is the chairman of the IAC. I think it is my duty to tell the House that as far as the general manager is concerned, I am glad that Shri Alva complimented him. No doubt he has done very well. We have nothing to do with what happened in the Air Force; we have nothing to do with the Air Force; they lent this officer kindly to us and we are grateful to the Air Force for having lent this particular officer. The chairman has done very well indeed and we have continued him because inspite of his having gone to another department, he is still capable of doing this work and, in my opinion, is doing it quite satisfactorily. He knows the working of the IAC and it is good that my hon. colleague, the Minister of Food and Agriculture agreed that he should continue as Chairman of the IAC. Of course things

[Dr. P. Subbarayan]

will change in course of time when we find we have got somebody who can take care of it so that the additional responsibility of this officer is not too much for him.

Again, I would like to say that as far as the international airlines are concerned, we have got planes which are comparable to planes run by the other services. In fact we are running the same planes as most of the international airlines are running. Of course we would like to run a Boeing also on the Sydney route but it is not possible for us to do so because all that we could get with the loans and with the Government's help was six Boeings. The other two will be delivered, as my hon. colleague explained, in 1962. So, we may have to run some Constellations and others on the Australian and Singapore routes.

With regard to the Indian Airlines Corporation, we are trying to do the best we can to get planes to replace the Dakotas. We have not been silent over it and the purchase of the five Fokkers was due to the fact that we had not pressurised modern planes in our internal services, especially on the Assam side, which my hon. friend Shri P. C. Borooah—I am glad—appreciated. At the same time we had an intention to have a civilian aircraft factory. But after due consideration, the Planning Commission felt that there was no room for two factories in this country and, as already Avro 748 was being manufactured by the Defence Ministry, we might wait to see what the results would be. But of course if we did have a civilian aircraft factory, we could not have it for merely the planes which would be required by the IAC. We know we will want a market for the extra planes we produced. A factory will not be profitable, I was told by the advisers who came, unless at least 150 planes are manufactured. Of course, fortunately, we had the backing of the Corporation that they would be able to sell these

planes outside and they proved to us also that they could dispose of it and even get the foreign exchange which may be needed, repaid out of the sales of these aircraft. In spite of it, after due consideration, they felt that there was no place for two factories and therefore we must patiently wait to see the performance of Avro 748. I know people have their own doubts about it; I do not want to enter into this controversy because I have an opinion of my own on this aircraft that are to be produced. But at the same time, the Government is one and the decision of the Government is as much my decision as that of any member of the Government.

**Shri Narayanankutty Menon:** When do you propose to get it—Avro 748—for service?

**Dr. P. Subbarayan:** I told him that it is not possible to give a date. As there are so many factors entering into this, it is not possible for us to find out what exactly happened at the other end, but at the same time, as I said, a decision of the Government must be taken by the Member of the Government because the decision of the Government is of the Government as a whole of which I am also a part.

**Shri Morarka:** Has the weight of Avro 748 increased by 3,000 lbs. and therefore the initial advantage has become comparatively less?

**Dr. P. Subbarayan:** I do not know as much as my hon. friend does about these load factors, but all this has been considered before the Government came to the decision.

**Shri Narayanankutty Menon:** The free weight is 3,000 lbs.

**Dr. P. Subbarayan:** That is another thing. My hon. friend from this side was thinking of pay-load, and the hon. Member on the opposite side is thinking of the cost being £3,000 more

and all that. That is what I understood him to say. These are two different factors altogether.

**Mr. Speaker:** Order, order. The hon. Member must get up and put a question, and not speak while sitting.

**Dr. P. Subbarayan:** Therefore, I hope that the House realises that what is being done for these two Corporations is in the best interests of the country.

Some hon. Members mentioned about the strike. It is true that there was a strike, but there were factors leading to strike and I think they will admit that the Government and the Corporation managed the strike as well as it could be done by any individual concerned. If my hon. friend Shri Narayananakutty Menon was in charge of it, I do not think he could have done better.

**Shri Nagi Reddy:** The Government have done better; not the management.

**Dr. P. Subbarayan:** The Government and the management together did it; not only the Government.

**Shri Narayananakutty Menon:** I would not have handed over a free ticket to the arbitrator.

**Dr. P. Subbarayan:** I want also to pay a tribute to Mr. J. R. D. Tata because he is the real person who has brought the AII to the stage in which it is today, and I would be very sorry to lose him if at any time he does decide to go, but fortunately for us he has decided to remain, and I am really grateful to Mr. Tata for this. I am sure the House will realise that the Government are doing the best they can by the air services and are bringing credit to our international as well as our internal air services.

**Shri Narayananakutty Menon:** One of my points was answered by the hon. Minister and two important

points were not answered. One point is—this has not been answered—in the international market aviation fuel is available at 60 per cent of the cost of the oil supplied by the Western oil companies. The IAC has started importing fuel oil. I want to know whether any steps are taken by the IAC and the AII to get their aviation fuel at a cheaper cost—aviation fuel of superior quality.

Secondly, there is a cut-throat competition in certain places by the private airlines against the IAC. I want to know whether steps are taken to abolish these private services.

Thirdly, Government have invested Rs. 36 lakhs in the training of commercial pilots. What steps are taken to absorb them?

Lastly, the price of articles in the restaurant is exorbitant, when compared to the prices even at the restaurants in international air-ports elsewhere. What steps are being taken to cut down the prices, especially at least the price of a cup of tea?

**Dr. P. Subbarayan:** I do not think catering has anything to do with these reports which are under discussion. Secondly, about the purchase of fuel oil, naturally my hon. friend on the other side would like to purchase oil from Russia.

**Shri Nagi Reddy:** If it is cheaper; not if it is costly.

**Dr. P. Subbarayan:** They would like to buy it in the competitive market, as they call it. But we think there may be something attached to it! It is like the Trojan horse, and we may not like to carry it.

Then, he referred to private airlines for which we are giving licence. We give them licence because they are doing some useful work which cannot be done by ourselves, like carrying food and food-dropping for our soldiers. We have not got enough planes for this purpose. These private

[Dr. P. Subbarayan]

planes take the risk. Some of our air pilots were not quite prepared to undertake this risk and in fact we have lost one of our best pilots in this air-dropping. Therefore, if the private companies are willing to do the service, I think we should welcome it, and that is the reason why we are giving permits, and they are under strict surveillance also.

**Shri Sinhansan Singh:** The Government have said that the feeder service system was tried and it was found to be a failure. Are they prepared to give these services to private companies who will run them at their own risk? The private companies are prepared to do it. The Government could then make the people air-minded. If the Government cannot do it, if they cannot afford to do it, why not give it to the private companies?

**Secondly**, in Gorakhpur the Government are investing a lakh of rupees in constructing the aerodrome buildings. In this budget also you have provided Rs. 50,000 for lighting the aerodrome. Why are you spending the money and not having air service?

**Dr. P. Subbarayan:** There may be something behind spending the money. The hon. Member will rest satisfied with the hope that the service may come.

**Shri D. C. Sharma:** Anyone who has listened to this debate coolly and calmly will come to the conclusion that the compliments that we have been paying to the IAC and AII are just formal compliments. There is hardly any aspect of their working that has not come under scrutiny and under grave criticism. There is hardly any aspect to which any satisfactory answer has been given. All the same, I would say that two persons have emerged very gloriously out of this debate and a reference has been made to them by Shri Alva. Otherwise, we have found fault with both these Corporations on almost every score.

I am afraid that this is not the impression that I wanted to give to the public or to the House. I agree with my hon. friend, Dr. Subbarayan, that these Corporations have done well. They are like two sisters; since I have no sisters, of mine, I think very kindly of sisters. But the fact of the matter is, how long are we going to keep these two pale, anaemic, bloodless sisters going? How long are we going to supply them with oxygen and transfusion of blood? How long are we going to do it? Here is the BOAC which has reaped a profit of 12 per cent. and the figures run into crores. But here is our Corporation which cannot even pay its way. That is the point I want the hon. Minister to note and I hope that will be examined.

I do not want to say anything about the board of directors. But I think the cat is out of the bag. These two boards are a family concern. Five persons from one board are on the other board and vice versa. I want that these boards should not have that sort of intermingling of interest. I think each board should be independent and they should not give the impression of a private limited company, with the members of the same family on so many boards.

The third point I want to make is this. I do not want to go into details, but I want that the hon. Minister should scrutinise the appointments which have been made by the AII and also the administrative appointments of the IAC and see what kind of persons have been appointed. I may be thought of as raising a question of regionalism; somebody might say that I am raising a question of casteism, nepotism or indirect pressure. I do not want to enter into that sort of thing. But I want the Minister to scrutinise the appointments. If he does that, he will find very very—I do not want to use the word 'sensational'—interesting revelations. I want that these two Corporations should be run in the interests of our country and the whole nation, the whole of this great

of the Indian Airlines  
Corporation and the  
Air-India International  
Corporation

sub-continent and not in the interests of a State, community or a few persons. I do not want this to happen. Therefore, I would request the Minister to look into it.

Lastly, I want that a parliamentary committee should be appointed to go into the question of these Corporations and they should suggest improvements.

In the end, Sir, I say that I do not yield in my admiration to anybody so far as these two Corporations are concerned. But I would also say that these two Corporations can give a better account of themselves, if we change the board of directors, if we change the rules and regulations governing appointments, if we change the whole set-up, if we tell them that they are not going to live upon the vitamins of loans, the vitamins of subsidies and the vitamins of loan-free capital. If you tell them that, I think they would do better. I am sure the Minister will kindly look into it.

As I have said, I have also been travelling by railways and occasionally by air. I find that our services compare very favourably with the service in other countries. I think there are only three or four services by which I have yet to travel; otherwise I have travelled in almost all the services in the world. I am happy to say that our services compare very well with the other services. But I would say, Sir, if you remove these flaws in the ointment, I am sure the Corporations will yield better dividends in terms of money, better dividends in terms of labour relations, better dividends in terms of service to the country.

**Shri Joachim Alva:** Just one point, Sir. Shri Sharma—I do not know whether he raised that point in his speech—said that he wants a Parliamentary Committee to be appointed. That is a major point that he has raised. We did not get a chance to talk about it. I must say it is not suitable at present and we should not have a Parliamentary Committee going into these affairs at present (*Interruption*).

**Mr. Speaker:** Order, order. I am not going to allow any more discussion. Hon. Members, whoever wants to speak, must get up and then speak.

I must now put the motions to the vote of the House. The question is:

“That this House takes note of the Annual Reports of the Indian Airlines Corporation and the Air-India International Corporation for the year 1958-59, laid on the Table of the House on the 21st December, 1959.”

*The motion was adopted.*

**Mr. Speaker:** I shall put the other motion also. The question is:

“That this House takes note of the Annual Reports of the Indian Airlines Corporation and the Air-India International Corporation for the year 1959-60, laid on the Table of the House on the 14th December, 1960.”

*The motion was adopted.*

**18.43 hrs.**

*The Lok Sabha then adjourned till Eleven of the Clock on Wednesday, April 26, 1961/Vaisakha 6, 1883 (SAKA).*