

**Shri Mulla Ahmed:** May I know whether all the existing Dakotas and Skymasters are still fit for service and who is the proper authority to guard against dangerous conditions and under what basis the actual condemnation is done?

**Shri Mohiuddin:** The Dakotas and Skymasters are absolutely in good condition and in serviceable condition. They are all airworthy. The Director-General, Civil Aviation, is the authority to issue the certificate of air-worthiness, and there are very strict rules according to which every part of the machinery and the engine is tested or replaced according to programme, and then they are certified as airworthy. Only then they can fly.

#### SHORT NOTICE QUESTION

**Weekly Scheduled Freighter Service  
By Air India International**

+  
S. N. Q. 2. { **Shri Goray:**  
**Shri Basumatari:**  
**Shri Ajit Singh Bhatinda**  
**Sardar A. S. Saigal.**

Will the Minister of Transport and Communications be pleased to state:

(a) whether it is a fact that Air India International have announced running of a scheduled freight weekly service between European countries and India and within India, from the 17th of this month;

(b) whether they have entrusted the job to an American Company, and

(c) if so, what are the terms of the contract?

**The Deputy Minister of Civil Aviation (Shri Mohiuddin):** (a) Yes, Sir, but the service will not carry traffic between points in India

(b) The service will be in the name of Air-India International and bear A.I.I. flight numbers but will be operated with aircraft and crew of Seaboard and Western Airlines, an American all cargo carrier.

(c) The Agreement between the two airlines has not yet been finalised but broadly the terms of the contract are:

- (1) All operational expenses will be incurred by Seaboard & Western Airlines.
- (2) The quantum of gross revenues earned from the carriage of traffic on the India—U.K. route will be apportioned on the basis of 80 per cent. to Sea Board and Western Airlines and 20 per cent. to Air India International.
- (3) Air India International will receive the agency commission of 7½ per cent. on traffic for which immediate connection is provided by Seaboard and Western Airlines on their existing scheduled freighter service between London and New York.
- (4) The arrangements will be operative upto 31st March, 1960.

**Shri Goray:** May I know whether any effort was made to find out if any Indian company was ready to serve on these terms?

**Shri Mohiuddin:** When these negotiations were initiated, the question whether any Indian private operator will be able to render the same service as offered by the Seaboard and Western Airlines was fully considered and the A.I.I. came to the conclusion that the terms offered and the service that will be rendered by this Airlines will be better than that of the other one

**Shri Goray:** May I know whether the Kalinga Airlines were ready to operate these lines on these terms?

**Shri Mohiuddin:** The Kalinga Airlines had informed the Government and the A.I.I. that they would undertake this work, but, as the hon. Member knows, Kalinga have not got a plane suitable for the cargo service for long distances

**Shri Basumatari:** May I know who is the Chief Controller for this? Is it Mr. J. R. D. Tata or the Director-General of Civil Aviation?

**Shri Mohiuddin:** This is an agreement between these two airlines. There is an agreement between them on certain terms and conditions. I do not know what is meant by the term "Chief Controller".

**Shri Joachim Alva:** May I know why the Government did not exploit the idea of having our own freighter plane which would cost about Rs. 70 lakhs and why they were content to receive only a small commission of 7½ per cent of the freight on cargo?

**Shri Mohiuddin:** It is not 7½ per cent. As I already stated, it is 20 per cent of the gross revenue. As regards purchasing of aircraft on our own account, I may state that at the present moment, the A.I.I. have got ten or 11 super constellations. They will receive Boeings in the early part of 1960. When Boeings are received, their capacity will increase by about 100 per cent, and from 1960 onward, the piston-engine aircraft which the A.I.I. now possess will be surplus. So they are now making arrangements in such a way that by March, 1960, when the Boeings will be received, they will be able to develop cargo business, and the super constellations that may become surplus at that time will be usefully employed.

**Shrimati Renu Chakravartty:** Are we to understand from the Minister that this arrangement is a very temporary one because of the shortage of aircraft and that the policy of not allowing non-scheduled operators or private operators to function—in relation to the airlines coming to India and going out—will not be subverted in any way after 1960?

**Shri Mohiuddin:** The arrangement is temporary. It is only up to March, 1960. Another clause will also be included that, if necessary, the arrangement will be terminated at

three months' notice so that when the A.I.I. super constellations are surplus they can be utilized for this purpose.

**Shri Basumatari:** May I know who are the personnel in this American company and what is the relation that this company has with Mr. J. R. D. Tata and others?

**Shri Mohiuddin:** The Seaboard and Western Airlines are well-established cargo carriers and they are well known.

**Shri Jaipal Singh:** May I know whether, when the negotiations were going on with Kalinga, it is not a fact that Kalinga offered to buy up-to-date French freighter aircraft so that they could do this work without any foreign currency involvement?

**Shri Mohiuddin:** They did offer to buy. As a matter of fact, they also brought one freighter to India for test purposes but the difficulty is about foreign exchange. The other difficulty which I may point out is, as I have already said, the A.I.I. have themselves got sufficient number of planes to use from 1960 onwards for cargo purposes. If another aircraft were to be purchased, then that aircraft would have still been a surplus one. Moreover, during this period, 1958-60, there is another difficulty. As I have stated, the operational cost of this American airline will be the full responsibility of the American airline itself. The A.I.I. will not be financially responsible. If a new operator had to come in, the difficulty would have been about the return load from London to India. In the present circumstances of restricted imports, probably the return load would have been very little and the company would not have earned sufficient revenues.

**Shri Jaipal Singh:** I am afraid the hon. Deputy Minister has not understood my question. What I want to know is whether it was not a fact that this particular operator undertook to buy up-to-date freighter aircraft, which has been very highly spoken of

by the Ministry of Defence and it did not entail any foreign currency difficulties. What I really wanted to find out was why there was no linking between the requirements of Defence and our Civil Aviation in such matters, because it is a question of transport command. I am not disputing that the Super-Constellation might be good. But I want to know why there is no linking. The question has been raised earlier with regard to replacement of Dakotas also. There seems to be no linking between our defence and civil aviation requirements.

**The Minister of Transport and Communications (Shri S. K. Patil):** The question of linking does not arise out of this. This is merely confined to the freight for a limited period. I can understand its importance, but surely it does not flow out of this particular question.

**Shri Hem Barua:** In view of the fact that these independent operators informed the Government that they were ready to purchase French Nord Atlas, American Skymasters and British aircraft which would have meant 100 per cent earning for our country, why is it that the Government thought it fit to barter away our legitimate rights with an American company for 20 per cent of gross revenue on traffic and 7½ per cent commission?

**Shri Mohiuddin:** It is a matter of opinion whether the earnings would have been very large or 100 per cent. That is a matter of opinion. As I have already stated, on account of very heavy restrictions on imports and on account of lack of organisation for sale of capacity on the continent of Europe, the A.I.I. thought it fit and we agreed that the import of a newer aircraft for this purpose will not ultimately be profitable.

**Shri Hem Barua rose—**

**Mr. Speaker:** I have allowed a number of questions. I cannot allow any more.

#### WRITTEN ANSWERS TO QUESTIONS

##### Integration of Gramdan and Community Projects

\*262. **Shri D. C. Sharma:** Will the Minister of Community Development be pleased to refer to the reply given to Starred Question No. 632 on the 28th August, 1958 and state the progress made so far regarding integration of Gramdan and Community Projects?

**The Minister of Community Development (Shri S. K. Dey):** A Model Gramdan Act is being prepared.

Gramdan literature has been distributed to most of the States for Block Headquarters libraries. Gramdan journals and sets of basic gramdan literature for those libraries as well as village libraries are also being supplied.

Akhil Bharat Sarva Seva Sangh have started Gram Nirman work in collaboration with Community Development machinery at State level in Trimungalam (Madras) and Lakhimpur (Assam), in addition to Koraput (Orissa). They also propose taking up similar work in Sarguja (Madhya Pradesh) and Dungarpur (Rajasthan).

##### Telephone System in Cuttack

\*264. **Shri Sanganna:** Will the Minister of Transport and Communications be pleased to state:

(a) whether the existing Telephone System in Cuttack city has been converted into the Automatic System; and

(b) if not the reasons thereof?

**The Minister of Transport and Communications (Shri S. K. Patil):** (a) No.

(b) A scheme for a 1200 line automatic exchange is under consideration.