

Shri Humayun Kabir: Reminders have been sent from time to time. I do not carry the number in my head at the moment.

Mr. Speaker: I am afraid any question which requires more than 3 supplementary questions is not a question to be pursued in this House

Shri Tangamani: Already 3½ years have passed since the first letter was written. Does the Government have any other source to find out the reason for their refusal to give a reply?

Shri Humayun Kabir: That has been indicated. As I stated, this is a matter which will require fairly long-time negotiations and we shall continue to press our claims. And, it is my belief that we may be able to get it back

Shri Punnoose: May I know whether it is the view of Government that it is time to lodge a very strong protest at the attitude of the Government of the United Kingdom?

Shri Humayun Kabir: That is not the Government's view.

Shri Nagi Reddy: In view of the fact that we have not been receiving any replies from the Government of the United Kingdom, may I know whether we have tried to contact them personally, and, if so, what has been the result?

Shri Humayun Kabir: I have said in this House before that personal contacts have also been made and the matter is being pursued and will continue to be pursued.

Replacement of Dakotas

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*244. { **Shri Osman Ali Khan:**
Shri Radha Raman:
Shri Shivananjappa:
Dr. Ram Subbag Singh:
Shri Bibhuti Mishra:
Shri S. M. Banerjee:
Shri Sadhan Gupta:
Shrimati Ila Palchoudhuri:
Shri Dimesh Singh:
Shri Subbiah Ambalam:
Shri Aurobindo Ghosal:

Shri Prakash Vir Shastri:
Shrimati Madha Ahmed:
Shri F. C. Boreoah:
Shri F. G. Deb:
Shri Awar:
Shri S. A. Mehdi:
Shri U. C. Patnaik:

Will the Minister of Defence be pleased to state:

(a) whether an agreement has been signed with M/s Hawker Siddley Group of United Kingdom for the manufacture of 'Avro 748' in India to replace the Dakotas in the Indian Air Force.

(b) if so, the principal terms of the agreement;

(c) the capacity of the aircraft;

(d) whether it is a fact that Lockheed Company of the United States had also offered to manufacture aircrafts in India;

(e) if so the terms of the offer, and

(f) whether the offer has been accepted?

The Minister of Defence (Shri Krishna Menon): (a) Yes, Sir

(b) It is not in the public interest to disclose details of the agreement, but the terms are the most favourable which we could get from any aircraft manufacturer. The broad terms of the agreement, however, are that we pay a licence fee spread over eight annual instalments. The first instalment is payable only after the aircraft is certified and we are satisfied that it meets the I.A.F.'s requirements. No royalty is payable on the first 100 aircraft manufactured. The Government of India will also have the right to sell this aircraft to other countries subject to agreed conditions.

(c) The maximum all-up weight of the aircraft will be 33,000 lbs.; the weight of the aircraft and fittings is 19,360 lbs.; its payload is 9,750 lbs.; and its maximum fuel capacity is 3,890 lbs. It can carry 36 passengers. It will be powered by two Rolls Royce Dart Rda 6 engines.

(d) to (f). The Lockheed Aircraft Company have not made any specific

offer for the manufacture of any particular aircraft. They, however, at a rather late stage in our plans for the manufacture of aircraft to replace Dakotas, made a general offer to design an aircraft to suit Indian requirements, powered by Rolls Royce Dart 6 engines. They wanted 90 days' time to submit any report which we would then be free to examine. Since the question of manufacture in India of an aircraft to replace Dakotas had been under consideration for a long time and an early decision had to be taken, the Government could not wait another three months for new proposals, as it would mean postponing a decision by about six months, which would be the time required to get the Lockheeds' proposals and have them properly studied and evaluated. From their preliminary offer, however, it was apparent that the offers before us were more suitable to us.

Shri Osman Ali Khan: May I know whether the Dutch Fockker Company has offered to manufacture indigenously aircraft in this country without involving foreign exchange and if so, the reasons why this aircraft was not preferred though the I.A.C. has placed an order for this aircraft?

Shri Krishna Menon: The examination of the Fockker and the Avro planes has been before the Joint Committee of the Transport and the Defence Ministry for a number of years. These were the two aircraft considered worthwhile for closer examination. Our technicians have examined this matter very fully and thoroughly both from the point of view of the technical details as well as the economics of manufacture. Government is satisfied that the Avro 748 is the best aircraft for the I.A.F. at present.

Shri P. C. Borooah: May I know where the factory manufacturing this Avro aircraft will be located?

Shri Krishna Menon: As is usual with such equipment, every part of it is not manufactured in the same place.

The production of the aircraft as a whole, however, will be at Kanpur.

Shrimati Masda Ahmed: May I know whether it is a fact that the Avro 748 is still in a drawing board stage and the first prototype is not yet having its test-flying? If so, may I know how its suitability for Indian Air Force operations was ascertained especially when it is to operate in the hilly regions like N.E.F.A.? May I know whether it was examined at the highest expert level?

Shri Krishna Menon: It is not true that it is on the drawing board stage. It is under production both in India and in the United Kingdom. It is true that the aircraft is not in use and that is one of the many reasons why we went into it because it is now possible for India to develop an aircraft from the initial stages instead of taking an Aircraft which already had three or four years life and therefore is already so many years pre-dated. All these matters have been very closely examined by the best experts we have in the country and also the Air Force engineers and we are satisfied that this is the best thing to do.

Shri P. C. Borooah: What was the reason for setting up a new factory at Kanpur while we have a full-fledged one at Bangalore?

Shri Krishna Menon: No new factory is being set up at Kanpur and no initial expenditure is being incurred which would not have been incurred if it was manufactured elsewhere. The Hindustan Aircraft will work to full capacity when the military aircraft are under manufacture. The particulars cannot be given at present. These matters have also been taken fully into consideration. Some parts of Avro will be manufactured in the Hindustan Aircraft. The head of the Maintenance Command of the I.A.F. and the Chief Engineer of the Air Force is at Kanpur. The Air Force, especially our technicians, are of the opinion that Kanpur is the best place and it is in the best interests of the Government to manufacture it there.

Shri Dinesh Singh: The hon. Minister said that this plane was under production. May I know if trials have taken place?

Shri Krishna Menon: I did not say that it was produced; I said it was under production. It will come under trial as soon as the aircraft is fit to fly which, in India I think, will be somewhere about the middle of next year.

Shri Radha Raman: May I know whether the agreement which has been entered into by the Indian Government with the United Kingdom group will enable the Indian Air Force or the Defence Ministry to equip itself with the maximum requirement of the aircraft necessary for our purposes?

Shri Krishna Menon: It will meet the full requirements for that particular type of aircraft. But a transport and freighter aircraft will not obviously meet the demands of a fighter or bomber aircraft. It would meet the demands of this particular requirement and the developments that follow from it may meet the demands of similar categories at higher levels.

Shri Morarka: May I know whether the Government is aware of any commission paid on this deal to any Indian firm and if so, the amount of the commission paid and the name of the firm?

Shri Krishna Menon: We have no such knowledge. All our negotiations have been with the Hawkers direct and, what is more, the Hawkers' principal head has been here and met everybody concerned. This is the first time that I have heard about this matter and we have no knowledge. We do not think it is possible because the terms that have been extracted from these people would leave very little for anybody else.

Shri Narasimhan: Will this involve any capital commitment on the part of the Government of India? Is the Government in a position to say that?

Shri Krishna Menon: It involves capital commitment to the extent that additional machinery, balancing machinery has to be installed wherever it is manufactured. All this is included in the general estimates of production. The other expenditure will be the same kind of expenditure which would be covered by the purchase of aircraft?

Shri Narasimhan: What is likely to be spent?

Shri Krishna Menon: Somewhere about a crore.

Shri C. D. Pande: Apart from the Defence Ministry, there are a large number of Dakotas in civil aviation and since the Dakotas are getting obsolete in the world market, will the Government consider the feasibility of having an agreement for building similar planes as Arvo 748 for civil purposes?

Shri Krishna Menon: This is a transport aircraft and there is no reason why civil aviation people or anybody else should not use it. There are military versions with special features required for meeting military requirements which will be introduced into them. This is a multi-purpose aircraft.

श्री विभूति मिश्र मैं यह जानना चाहता हूँ कि यह जो "एव्रो ७४८" नाम का जहाज हिन्दुस्तान में बनेगा तो इसमें लगने वाली सारी चीजें हिन्दुस्तान में ही बनाने के लिये पैदा की जायेगी या उनको बाहर से भी मगाना पड़ेगा ?

अध्यक्ष महोदय इसके बारे में उन्होंने पहले ही जवाब दे दिया है ।

He has already said that every part cannot be manufactured.

Shri U. C. Patnaik: While entering into the contract, may I know whether the Defence Ministry consulted the Civil Aviation Ministry which also handles Dakotas? Secondly, may I know why they did not choose the

HAL where they have got plants and machinery for production instead of a repairing depot at Kanpur?

Shri Krishna Menon: The answer to the first part is: Yes, Sir. About the second part, I have already stated that the Government has taken into account all the available facilities in the country and the arrangements that are made are the most economic and the most efficient and the most speedy.

Shri U. C. Patnaik: May I know why they did not choose the Fockker for which the Civil Aviation Department has gone in and why they preferred an untried variety with the Hunter Hawkers who had supplied us with £30 million worth of aircraft last year? We have entered into a contract with the same group for this untried variety of Dakotas?

Shri Krishna Menon: So far as the first part of the question is concerned, the answer is: yes. So far as the second part of the question is concerned, we have entered into an agreement with the people who can help us to produce the best type of aircraft on the best terms. We have had no experience in the supply of Hunters which militates against it and I have heard the hon. Member making reflections on the Hunter aircraft before which are not warranted by our experience.

Shri Jaipal Singh: May I know whether it is a fact that this "Avro 748" model will be flying for the first time next January or February, and whether in this agreement we are in any way covered if it should not prove to be what we expect it to be? What are the safeguards for us to demand changes so that it becomes what we want. I am not disputing about the Dart engine at all, I am thinking about the air frame. If from the trial flight and all that follows that the aircraft is not what we want it to be, how are we protected?

Shri Krishna Menon: I did not say the aircraft would fly in January; I

said in India it would fly in the middle of next year—I.A.F. may beat the date . . .

Shri Jaipal Singh: In England it would fly in January, February or a little later; obviously, it will not fly in India.

Shri Krishna Menon: In the main answer I said that if the aircraft was not suitable to Indian Air Force requirements, then we would not pay the people with whom we are in agreement.

Shri Tyagi: Sir, I want to get one or two points clarified. Is it a fact that the plane is not yet manufactured and not tried by flying? Then, my first question is whether your Air Force have flown the plane and then approved of it or they have approved it on plans etc.?

Mr. Speaker: It has been answered already, that no such aircraft has been prepared so far and it is under preparation. Therefore, there is no question of any trial being done.

Shri Tyagi: Is it a fact that Messrs. Hawkers Siddley have offered to the British Airlines Corporation to supply four planes next year for trial on their lines free of charge?

Shri Krishna Menon: The Minister of Supplies, United Kingdom, announced in Parliament that the British Government have placed orders with Hawkers for a limited number of these planes to be put on regular service on the British Commercial Airlines.

Shri Tyagi: Is it a fact that the Transport Ministry after examining whatever information was in the hands of the Defence Minister have rejected the proposal to use these planes on the civil lines? They have rejected the proposal of using it as a substitute for Dakotas.

Mr. Speaker: In the United Kingdom?

Shri Tyagi: No, Sir; our own Transport Ministry have not yet agreed to

use these planes as a substitute for Dakotas. I want to know what were the reasons.

Shri Krishna Menon: I am sorry, I should not seek and answer this kind of question. I am answering for Government: the decision of Government is to manufacture the planes for defence purposes.

Shri Tyagi: The Transport Ministry of the Government of India forms part of Government. The hon Minister said that he had consulted the Minister of Transport. I want to know . . .

Mr. Speaker: Order, order. I am not going to allow questions *inter se* between one Minister and another Minister. The Cabinet takes the responsibility. Ultimately, whatever is done is done on behalf of the Government. Let the Ministers quarrel among themselves, but we have the decisions of the Cabinet here

Shri Tyagi: I want to know whether the Transport Ministry has rejected the proposal or not

Mr. Speaker: Order, order That won't be given out to this House

Shri Tyagi: Why, Sir? We sanctioned the money. The money belongs to the State, after all. Nobody can squander that money on projects which have been rejected by experts

Mr. Speaker: Order, order In the Cabinet one Minister makes a proposal, another Minister makes another proposal. Shall we go into all those details as to how they differed from each other and how ultimately the decision was arrived at? Then the Cabinet responsibility will disappear. The entire Cabinet is responsible to us, and the spokesman of the Cabinet so far as we are concerned now is the Minister in charge of the particular department. It is for him to satisfy the others. If he is not able to satisfy them, it is for the Minister who feels a conscientious objection to this to behave differently. Therefore, what I would say is, whatever happens in the

Cabinet between one Minister and another Minister it is not for us to question. It is for them to settle that matter. We have the Government decision here. The Minister in charge of the particular department says that this is the final decision of the Government. I am not going to allow questions as to whether one Minister, Secretary or his Assistant Secretary made another proposal or not or whether there has been some conflict.

Shri Braj Raj Singh: We are entitled to know that.

Shri Tyagi: With all humility, Sir, I may submit that my question was not to probe into what was happening in the Cabinet. I do not want to have their secrets. What I wanted was to clarify one doubt which has been created in the public mind, because this is a plane which is coming as a substitute for Dakotas. Most of the Dakotas are used by civilian aviation population. If the Transport Ministry has rejected the use of these planes, I want to know what were the reasons for their rejecting them and why the Minister of Defence has gone into the manufacture of these planes—with a British firm—which are not being accepted by a Ministry which will require the bulk of these planes.

Shri Nath Pal: That is no secret.

Shri Tyagi: This is common money, Sir

Shri Thirumala Rao: Sir, I may submit that the Minister himself has not raised the question of any secrecy about this

The Minister of Transport and Communications (Shri S. K. Patil): Sir, I am not answering the question in that form, because it is addressed to my colleague, but a wrong impression will be conveyed if I keep quiet on that subject, as if something has been rejected and there is a kind of a difference of opinion. I would say on behalf of the Government, that we have not rejected it. We have said

we shall consider it after it is produced, after the I.A.F. use it, and if it is really a good plane then surely it will be time for us to consider it

Shri Tyagi: The Defence Ministry could adopt the same policy, that after it had been used by other Air Forces they can go in for it afterwards

Afro-Asian Economic Co-operation Organisation Committee

- *245. { **Shri Radha Raman:**
Shri Shree Narayan Das.
Shri Rajendra Singh:
Shri Ram Krishan Gupta.
Shri D C. Sharma:
Shri Shivananajappa:
Shri Raghannath Singh:
Dr Ram Subhag Singh
Shri Sarju Pandey:
Shri S A Mehdli:

Will the Minister of Finance be pleased to state

(a) whether India participated in a meeting of the Afro Asian Economic Cooperation Organisation Committee held in Colombo in May this year, and

(b) if so the outcome of this meeting?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) Presumably, the Hon'ble Members have in mind the meeting of the Preparatory Committee of officials of the Colombo Powers held at Colombo from May 25 to May 28, 1959 India was represented at that meeting

(b) The meeting prepared for the consideration of the Prime Ministers of the Colombo Powers, a draft Agenda for the proposed conference of Asian and African countries to discuss economic matters of common interest. The other details regarding the date, venue etc of the proposed conference were left to be decided by consultation among the Prime Ministers concerned

Shri Radha Raman: May I know whether the Government received any

agenda about the meeting of this Committee which was to be held at Colombo, and who represented India there in that meeting?

Shri B. R. Bhagat: Our High Commissioner in Ceylon, the Chief Economic Adviser of our Ministry and the First Secretary in our High Commission at Ceylon represented us and they have discussed about the proposed agenda to be taken up in this conference

Shri Shivananajappa. May I know what are the important conclusions arrived at at this meeting?

Shri B. R. Bhagat: No final conclusions were arrived at. The agenda they have drawn up is tentative and it will be remitted to various countries for their views after which a final agenda will be drawn

श्री सरजू पांडे क्या मैं जान सकता हूँ कि क्या इस तरह के और भी किसी सम्मेलन में भारतीय प्रतिनिधियों ने शिरकत की है ?

श्री ब० रा० भगत अभी तो एक सम्मेलन का सवाल है। दूसरे किसी सम्मेलन का नाम बतायें तो मैं जवाब दे सकता हूँ।

Shri Hem Barua. May I know whether the impact of the European Common Market on the export trade of these Afro Asian countries was included in the agenda for the preparatory meeting as an item to be discussed at the next meeting of, what is known as the Economic Bandung?"

Shri B. R. Bhagat: The agenda has not been finalised. The idea is to evolve an agenda of common interest. Certainly the idea is not to evolve an economic bloc of under-developed countries as against another bloc of developed countries, but it is purely to explore areas of economic co-operation among the Asian and African countries

Shri Hem Barua. I want to know whether the impact of the European Common Market on the export trade of the Afro Asian countries is going