

LOK SABHA DEBATES

LOK SABHA

Monday, July 27, 1992/ Sravana 5, 1914
(Saka)

The Lok Sabha met at
Eleven of the Clock

[MR. SPEAKER *in the Chair*]

[*Translation*]

SHRI RAM VILAS PASWAN (ROSEERA): Mr. Speaker, Sir, I had given a notice to the effect that the Prime Minister should make a statement in the House. I would like to know the time at which he would be making a statement?

SHRI RAJNATH SONKAR SHASTRI (Saidpur): The hon. Prime Minister should come to the House and reply to it.

THE MINISTER OF PARLIAMENTARY AFFAIRS (SHRI GHULAM NABIAZAD): Mr. Speaker, Sir, the hon. Prime Minister will make a statement at 12 O'Clock. (*Interruptions*)

11.01

ORAL ANSWERS TO QUESTIONS

[*Translation*]

Merger of Air India and Indian Airlines

*265. SHRI MADAN LAL KHURANA: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether there is any proposal for the merger of the Air India and the Indian Airlines;

(b) if so, the details thereof; and

(c) the reasons therefor?

[*English*]

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION AND TOURISM (DEPARTMENT OF CIVIL AVIATION) (SHRI M.O.H FAROOK): (a) No such proposal is under consideration of the Government.

(b) and (c). Do not arise.

[*Translation*]

SHRI MADAN LAL KHURANA: Mr. Speaker, Sir, the hon. Minister has said that no proposal for the merger of the Indian Airlines and Air-India is under the consideration of the Government, but then, why is it that the airline services are going from bad to worse day by day? Is it because of this that the Government is planning to privatise them? On the working of the air services, the Prime Minister himself has commented that they are not reliable. Ten percent of the flights are being curtailed so as to ensure proper maintenance of aircrafts.

The crux of the matter is that the airlines are being privatised owing to poor management and poor performance on their part. I would like to know the conditions of privatisation and also whether maximum case has been taken to protect the interests of the workers and also the load factor and time table of the routes that are being privatised.

The second part of the question is whether the Government has received complaints to the effect that in their cut-throat competition some private companies are adopting such means which are contribution towards the heavy losses to Indian Airlines. For example, some of the IA agents..

MR. SPEAKER: Khuranaji, if you stretch the question too far, you won't get the reply.

SHRI MADAN LAL KHURANA: These private airline operators reserve 100 to 150 seats of any particular flight in advance, as a result of which the needy passengers find their name in the waiting list and are left with no option, but to knock the doors of the Private Airlines. Have you received any such complaints?

[English]

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI MADHAVRAO SCINDIA): I can try to answer all these questions. This is a wide open question that he has put. This question pertains to whether there is any proposal for merger of Air India and the Indian Airlines, if so, the details and the reasons therefor. I would like the ruling on this. I would like a separate notice on the spate of questions that he has asked, on the entire Civil Aviation ministry.

MR. SPEAKER: You reply to question to the extent it is possible.

SHRI MADHAVRAO SCINDIA: At present, as far as privatisation is concerned, it is not a question of privatisation, I would like to say that the Government has decided to go public to the extent of twenty per cent. Privatisation would really mean handing over to a particular group. It would not be for wide range of shareholders, staff in particular, general public and financial institutions as and when the Air Corporations Act is repealed.

As far as the Indian Airlines' performance is concerned, it is true that we need to improve it greatly. The new Chairman and

Managing Director—we were without one for six months - - has been appointed and one has to understand that the Civil Aviation Ministry, under whom six to seven Corporations exist, one has to work through the Chief Executive. There is a clear hierarchy, but it will have to work through the Chief Executive. There are certain structures through which one has to operate. And now that the Chairman and Managing Director is in place, I do expect that the performance would improve. But just for the information of the House, I would like to clarify here that in the first quarter of the last year, we had made losses of approximately Rs. 30 crores in the Indian Airlines, whereas, in the corresponding first quarter of this year - April to June - we have cut down the losses to Rs. 15.22 crores.

[Translation]

SHRI MADAN LAL KHURANA: Mr. Speaker, Sir, we regularly read in the newspapers about the services of Indian Airlines and Air-India. On 22nd July, all the national newspapers, quoting U.N.I. and P.T.I. from Barcelona, reported about the incident involving our Olympic team. The 51 member Indian team which left the country, on July 18, reached its destination 24 hours late, thanks to Air-India. The Olympic team as held up in Paris for 24 hours, because as usual, the Air India flight reached there an hour late, and as the team had to catch the net immediate connecting flight.... (Interruptions).... I would like to mention here that this issue is not limited to just one instance. Has this incident or news pertaining to it, come to the notice of the Government. If it has come, will the Government order an inquiry to fix the responsibility for the delay and suffering caused to the Indian Olympic team for 24 hours, due to which they missed a day's practice (Interruptions)

SHRI MADHAVRAO SCINDIA: Mr. Speaker, Sir, I am in possession of some information pertaining to the specific instance about which Khuranaji has inquired. Although I am yet to verify it, I would like to place before you the information I have been

able to gather. The Olympic team was told before hand that the time gap between its arrival in Paris and its departure by the connecting flight for Barcelona was very little. They were advised to take another flight, but they insisted on this particular flight. The Air-India Flight's arrival at Paris was delayed by an hour and subsequently the entire 98 peaces o bags had to be transferred to another airport. It was keeping all these factors in mind that the team was advised not to take this flight, but they didn't pay any heed to it....(Interruptions)

SHRI MADAN LAL KHURANA: It was known three months in advance that they are going.. (Interruptions)

SHRI MADHAVRAO SCINDIA: Air - India had advised them against this connecting flight because a bus was required for moving from one airport to another and moreover the language also had to be transferred, but they in sifted. Apart from this, I would also like to mention here that before their departure, the leader of the Indian team, Shri Gosh had requested the Air - India to make available special officer to camp with the team at Bcelona. Although it is no done usually, but the request was acceded to. At the moment, an Air-India official is comping with the Indian team in Barcelona, at the Olympic village, so that they don't face any difficulties viz transit facilities. It is our earnest effort to provide them maximum assistance, but if they take a connecting flight against our advice and if they get struck at Paris for 24 huris, owing to an hour's delay of the Air-India flight, then I don't thank the Air-fovclia is to blame for it.

[English]

SHRI E. AHAMED: Mr. Speaker, Sir, a heavy loss which was incurred is Indian Air lines has been reduced after it started its flights to new destinations, that is from calcit is sharjah. But even then, there is a less of Rs. 15.22 crores incurred during the frost uarlia of the year. Now it is wide reported that Indian Airliness is considering to curtail its new routes from various places especially

on the western zone. It is also reported that there is a proposal to increase the fare of the Indian Airlines. Is it rue that the Government is considering such a proposal? If so, will the Government take into consideration the resentment of the people on these proposals of curtailment of the present routes and also the proposal to increase in the fare?

MR. SPEAKER: I think really the supplementary does not arise out of this question. Supposing I say this and the Minister answers, then also I am in a difficulty. So I am leaving it to the Minister.

SHRI MADHAVRAO SCINDIA: All that I would like to inform the hon. Members using this occasion is that the new Chief Executive has take over on the 16th of July. If so wants to cut routes to try and improve the services, let us give him a chance and support him. I would like to empower him fully to deal with Indian Airlines, so that he improves it.

SHRI NIRMAL KANTI CHATTERJEE: Is it the view of the Ministry that the merger of the Air India and the Indian Airlines would add to the efficiency of the Indian Airlines? If so would he consider the merger of East-West, the private airlines, with that of Indian Airlines and convert it to the joint sector particularly because there are reports that East-West Airlines have connections with the Ministry?

MR. SPEAKER: Is it not a too big question to be answered in the Question Hour?

SHRI NIRMAL KANTI CHATTERJEE: This is a question arising out of the merger of these two Sir.

MR. SPEAKER: Too big a policy question. If you want, you can answer.

SHRI M.O.H. FROOK: I have already told that there is no proposal for the merger of Air India and the Indian Airlines. His question about the East - West Airlines is irrelevant.

MR. SPEAKER: Yes, it does not arise.

[*Translation*]

SHRI MOHAN SINGH (Derail): Mr. Speaker, Sir, like Air-India and Indian Airlines, we have a third feeder service 'Vayudoot' which at the moment, is running in heavy losses. Is there any proposal under the active consideration of the Government to link Air India's international flights with that of the domestic flights of other airlines including Vayudoot and by doing so, is the Government making an effort to make Vayudoot a viable and profitable service?

[*English*]

MR. SPEAKER: I just leave it to the Minister. Sometimes I say that it is irrelevant and they answer it.

[*Translation*]

SHRI MADHVARAO SCINDIA: Mr. Speaker, Sir, in this regard, I would like to inform the hon. Member that it is not totally relevant, and the Hobtions Speck Concept is under active consideration and at the moment the Chief Executives of both the airlines are holding consultations. The accumulated loss incurred by Vayudoot stands at Rs. 160 crore. When the Government took over the airline in June 1991, then the loss stood at around Rs. 145 crore and to the indiscriminate expansion of the staff and stations of Vayudoot, the airline is incurring an annual loss of Rs. 30 crore. I am glad that this year, we have been able to control it to some extent and to will be our effort to reduce the loss figure from Rs 30 crore in 1991-92 to an estimated Rs. 19 crore to Rs. 20 crore this year. Out of this, Rupees eight crore to nine Crore alone constitute the interest for the previous losses of the carrier. However, if we look to operational losses alone and if the Habbited-Spoke Concept is

implemented, it is possible that we may be able to completely check the losses, but that is in future and at present, the matter is under consideration of the Government.

T. V. Relay Centres

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*266. SHRIMATISHEELAGAUTAM:
SHRI RAJESH KUMAR:

Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) the places where 10 KW T.V. relay centres are likely to be set up during the Eighth Five year Plan;

(b) the present position of work for setting up of transmission centres of 100 KW capacity;

(c) the time by which the construction of these centres is likely to be completed; and

(d) the percentage of population likely to be covered thereby, State-wise?

[*English*]

THE DEPUTY MINISTER IN THE MINISTRY OF INFORMATION AND BROADCASTING (KUMARIGIRJAVYAS):

(a) to (d). A statement is laid on the Table of the house.

STATEMENT

(a) 10 KW transmitters are at present under implementation at Bareilly, Bundi, Barmer, jaisalmer, Bhuj, Rameshwaram, Calicut, Dharwad, Fizilka and jabalpur.

(b) There is no proposal to set up any 100 KW TV transmitter in the country.

(c) While the project at Bareilly