

The Central Government is of the view that general or a large scale write-off of loans will have adverse impact on the atmospheres regarding repayment of loans by farmers to the financing institutions, the health of the financing institutions, and their ability to recycle money lent by them to the farming sector. Mechanism exist at present for affording relief to farmers affected by adverse weather conditions, such as, conversion of short term loans into medium term loans and even write off of dues in appropriate cases. These mechanism should be used to afford relief to farmers keeping in view the measure of distress and their ability to pay their dues. No Central grant can be provided by the Central Government to any State Government for this purpose.

Loss due to decline in Air India Traffic

639. SHRI RASHEED MASOOD:

SHRI RAJESH KUMAR SINGH:

PROF. AJIT KUMAR MEHTA:

SHRI DEVINDER SINGH GARCHA:

Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether Government have suffered considerable loss because of decline in Air India traffic during the last one year;

(b) if so the extent of loss suffered by Air India on this account as compared to loss if any, suffered by it during the previous year;

(c) the main reasons therefor and the steps taken by the Government to minimise the losses; and

(d) the extent to which the increase in the fuel prices has been responsible for the decline in its earnings?

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI A. P. SHARMA): (a) and (b). There has been no

decline in the revenue of Air India during the year 1979-80 as compared to the previous year. In 1979-80 traffic revenue increased to Rs. 375.40 crores as against Rs. 328.92 crores in 1978-79 while total revenue increased to Rs. 402.06 crores in 1979-80 as against 354.68 crores in 1978-79. Despite this, the Corporation suffered a net loss of Rs. 15.09 crores as against a net profit of Rs. 34.09 crores in the previous year.

(c) and (d). The main reasons why Air India suffered loss during 1979-80 are as under:—

(i) substantial increase in fuel prices during 1979-80 resulting in an increased burden of Rs. 65.93 crores over previous year i.e. percentage increase of 101 per cent over the previous year;

(ii) Strike at London; and

(iii) Increase in interest burden on B-747 aircraft project loans.

In addition, due to general increase in costs and inflationary trends, expenditure on pay and allowances, staff costs, aircraft insurance, food services including hotel accommodation and cabin-crew amenities registered sizable increase.

The following steps have been taken/are being taken to achieve reduction in losses:—

(i) Revenue:

—Increase in frequencies to markets with higher potential and better yields.

—introduction of B-747 services in place of B-707 on routes which require and can sustain additional capacity.

(ii) Expenditure:

—closure of certain unremunerative offices —review of staff strength at various regional establishments;

—reduction in consumption of fuel as far as possible;

—review of capital expenditure with a view to defer such expenditure as far as possible;

—cut in expenditure on items such as telephones, over-time, transportation, etc.

Retrenchment in HSCL and Kudremukh

640. SHRI KRISHNA CHANDRA HALDER: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether Government are aware that the HSCL management is retrenching a large number of workers on the plea that they were surplus;

(b) whether Government are also aware that in Kudremukh itself 239 workers had been served with notices of retrenchment 100 of whom are skilled and highly skilled; and

(c) if so, what steps have been taken to absorb these workers in adjoining Supa Project and other projects being run by it?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE (a) HSCL is essentially a construction company, As soon as the work on a particular site is over, the employees engaged thereon become surplus and have to be retrenched if they cannot be transferred/absorbed at other sites.

(b) Consequent on the completion of work awarded to HSCL on Kudremukh Project, the Company had a surplus of 429 departmental workers. Out of this, 239 workers have been retrenched on 24th September, 1980. The aforesaid retrenched workers did not include 100 workers belonging to skilled and highly skilled categories but it included thirty two skilled and one highly skilled workers.

(c) At present there is no requirement of workers in other units of HSCL including the unit at Supa. However, in case employment opportunities arise in future in the area,

HSCL will give preference to the retrenched employees for employment. It may be mentioned that as a measure of assistance for employment, HSCL has furnished a list of retrenched workers to the local Employment Exchange, and has also circulated it to the other public sector undertakings in the area.

Dearness Allowance to Central Government Employees

641. SHRI M. RAMGOPAL REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the Central Government Employees have become entitled for another slab of Dearness Allowance with effect from 1st September, 1980; and

(b) if so, the decision of Government on it?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAI SINGH SISODIA): (a) Consequent on the 12-monthly average of the Consumer Price Index reaching 376 points at the end of August, 1980, a further instalment of Dearness Allowance to the Central Government employees from 1-9-1980 has become due for consideration.

(b) The matter is under the consideration of Government.

Non-availability of Sugar, Rice and Wheat to Card Holders in Ration Shops

642. SHRI SUSHIL BHATTACHARYA: Will the Minister of CIVIL SUPPLIES be pleased to state:

(a) whether the attention of Government has been drawn to the fact that the rationing/public distribution system in the capital has come under serious stress and most of the card holders do not get sugar, rice, wheat etc. from the ration shops; and

(b) if so, what steps have been taken in this matter?