

DR. T. SUBBARAMI REDDY : Sir, I am entitled to ask two supplementaries . . . (Interruptions)

MR. SPEAKER : No.

(Interruptions)

DR. T. SUBBARAMI REDDY : Sir, as per rules, a single Member listed on the question is entitled to ask two supplementaries. I am the single person listed for this question . . . (Interruptions)

MR. SPEAKER : You have already asked more than two supplementaries.

(Interruptions)

DR. T. SUBBARAMI REDDY : Sir, I have asked only half of the question . . . (Interruptions)

MR. SPEAKER : All right.

DR. T. SUBBARAMI REDDY : Sir, my second supplementary is that lakhs and crores of rupees are involved in the steel industry. I would like to know from the hon. Minister how is the present Government going to solve the problem. I want a categorical answer to my question. I would like to know when is the Government going to decide, apply its mind and solve this problem.

[Translation]

SHRI RAMESH BAIS : Mr. Speaker, Sir, it is difficult to fix a time limit for this but the government is worried about it. Efforts are on to make them profitable which are running in losses.

SHRI SHAKUNI CHOUDHARY : Mr. Speaker, Sir, I would like to know from the hon. Minister through you, Sir, that whether the Bokaro Steel Plant of Bihar had suffered a loss of 670 crores during the nine months. I would also like to know from the hon. Minister that whether steel worth of Rs. 245 crores, have been sold in loss this year?

SHRI RAMESH BAIS : Mr. Speaker, Sir, I have no information in this regard. If hon. Member have any information, then tell me. I am ready to investigate the matter.

SHRI SHAKUNI CHOUDHARY : Mr. Speaker, Sir, I have asked a simple question that whether there is a loss of Rs. 670 crore this year in 1998-99? . . . (Interruptions)

PROF. RITA VERMA : Mr. Speaker, Sir, I am surprised to see their concern in this matter because there was congress led government in 1991, that time when country's steel plants started to suffer. From that time the pattern was changed every year in import and excise duty for making

favourable condition, for export and adverse for domestic steel industries. Today when they make hue and cry, I feel ridiculous. Our government have taken so many measures and imposed 4 per cent special additional duty. I want to ask that today indogenous steel industry is facing bad days due to changes in taxes whether the government are contemplating to abolish this tax structure, which is the creation of Congress and to make it favourable so that steel industry may be made profitable?

SHRI RAMESH BAIS : Due to reduction in duties by the previous government in steel sector, import has increased and which has created a state of imbalance. Our Government have imposed taxes on H.R./C.R. Coil wages and anti dumping import duty on steel to stop the import of steel. In this way the economic situation of steel sector will improve and the problem of steel will also be rectified.

[English]

Losses by Air India

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*171. DR. ULHAS VASUDEO PATIL :
SHRI K.S. RAO :

Will the Minister of CIVIL AVIATION be pleased to state :

(a) whether Air India has incurred heavy losses during the current financial year;

(b) if so, the reasons therefor;

(c) steps proposed by the Government to revive the financial condition of Air India; and

(d) the number of new aircraft purchased by the Air India during last five years?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR) : (a) to (d) A Statement is laid on the Table of the House.

Statement

Losses by Air India

(a) and (b) Details of losses are as under :

1997-98	Rs. 181.01 crores
1998-99 (Estimated)	Rs. 340.72 crores

The losses are due to increase in expenditure on account of interest and depreciation on new aircraft, reduction in yield due to increased competition and cost of operations, increase in wage bill and other staff costs and landing, handling and navigational charges, depreciation of rupee value, etc.

(c) Air India Limited has taken the following steps to improve the performance :

- (i) Marketing efforts have been stepped up to generate additional revenue.
- (ii) Network rationalization and consolidation with emphasis placed on route profitability.
- (iii) Reduction in expenditure on outside repairs of aircraft by undertaking more in-house repairs.
- (iv) Several posts of India based officers abroad have been abolished.

The Government has also constituted a Committee of experts under the Chairmanship of Dr. Vijay Kelkar, at present Finance Secretary to the Government of India to undertake a comprehensive examination of the reasons for the losses incurred by the Air India and to suggest strategy for turning around the company.

The Disinvestment Commission in its VIII Report on Air India inter-alia has recommended infusion of Government equity of Rs. 1000 crores and induction of strategic partner on the basis of global bids. The recommendations of the Commission are under consideration of the Government.

(d) Air India has acquired six B747 aircraft during the last five years.

DR. ULHAS VASUDEO PATIL : Mr. Speaker, Sir, I would like to know from the hon. Minister whether the Government is planning for amalgamation of Indian Airlines and Air India. How is it going to benefit in reducing the losses? This is my first supplementary.

SHRI ANANTH KUMAR : Sir, the Government of India has no plans to amalgamate Indian Airlines and Air India but we want to synergise the operations of both the Airlines. Now, on the Gulf route there is a fierce competition between Air India and Indian Airlines and on the metro domestic routes. There is an amount of competition between Air India and Indian Airlines. To remove this competition and make both of them mutually viable by synergising, we are planning towards this end so that the losses can be reduced and we can have a profitable edge.

DR. ULHAS VASUDEO PATIL : Sir, I come from the constituency where the internationally famous places like Ajanta and Ellora are there. I want to know from the hon. Minister whether the Government is planning to have new air route from Jalgaon to Delhi.

SHRI ANANTH KUMAR : Sir, this question does not pertain to the main Question.

SHRI RAJESH PILOT : Mr. Speaker, Sir, for the last five, ten years – I am not blaming the present Minister and the present Government only – there have been suggestions from both the organisations, Air India and Indian Airlines that very rarely a professional person, whether a flying profession or a technical profession, gets a chance to head these organisations. This is the profession which is making these organisations go. I would like to know from the Government whether the Government has any consideration to put these organisations under a professional person so that improvement in operation could take place. Do you have any such suggestion or consideration in your mind?

SHRI ANANTH KUMAR : Sir, these two organisations are headed by very well experienced bureaucrats who have got experience in the profession. Also the entire country is being headed by them. But the point is that whenever the supportive strength is required, we have Directors from various professional skills who assist the management of both the Airlines.

MR. SPEAKER : Now, Question Hour is over.

WRITTEN ANSWER TO QUESTIONS

Misuse of Funds Under JRY

*162. SHRI MANIKRAO HODLYA GAVIT :
SHRI D.S. AHIRE :

Will the Minister of RURAL AREAS AND EMPLOYMENT be pleased to state :

(a) whether the Government are aware that the funds allocated to the States under Jawahar Rozgar Yojana (JRY) are being misutilised by Sarpanchs/Committees;

(b) if so, whether any complaints have been received by the Government;

(c) if so, the action taken on each complaint; and

(d) the remedial measures taken or proposed to be taken to avoid such misutilised of funds?

THE MINISTER OF STATE OF THE MINISTRY OF RURAL AREAS AND EMPLOYMENT (SHRI BABAGOUDA PATIL) : (a) to (c) Jawahar Rozgar Yojana (JRY) is implemented all over the country in about 2.27 lakhs Gram Panchayats, about 5906 Panchayati Samities and about 515 District Rural Development Agencies/Zilla Parishads (DRDAs/ZPs). A few complaints of misutilisation of funds by some sarpanchs/committees are received. As and when such complaints are received, these are referred