

(f) if not, the reasons therefor?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) the financial performance of Air India for the years 1996-97 and 1997-98 is as under:—

Year	Loss (Rs. in crores)
1996-97	296.94
1997-98	280.43 (Provisional)

(b) to (f) Performance of Air India is reviewed periodically by the Management and the Board of Air India. The reviews have revealed that losses were incurred by the airline 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, increased landing, handling and navigational charges, agitation by engineers, depreciation of rupee value, etc.

Air India has taken following steps to reduce losses:—

- (i) Network Rationalisation and consolidation.
- (ii) Product upgradation
- (iii) Improvement in on-time performance.
- (iv) Creation of independent cost/profit centres.

Government have also constituted a committee of experts under the Chairmanship of Dr. Vijay Kelkar, Chairman, Tariff Commission to undertake a comprehensive examination of the reasons for the losses incurred by the Air India and to suggest strategies for turning around the company.

Development of Air Strip Near Raichur

604. DR. Y. LAKSHMI PRASAD: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government propose to develop the air strip near Raichur into a

full fledged airport in view of public demand and faster growth of the city;

(b) whether Government would also link Raichur with Hyderabad to improve transport facilities; and

(c) if so, the target set up for this purpose and if not, the reasons therefor?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) There is no proposal at present to develop an airport at Raichur.

(b) and (c) Question does not arise.

Construction of Domestic and International Airport at Guwahati

605. DR. ARUN KUMAR SARMA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) the amount allocated for the construction of the International Airport at Guwahati and the present status of the construction work of the airport;

(b) the constraints faced by the Airport Authority of India in execution and timely completion of the construction of terminal building of the domestic airport and the actions initiated by the Ministry in this regard; and

(c) the status of progress of construction of terminal building and runway of Lilabari airport Assam and time by which is scheduled to complete?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) An amount of Rs. 100 crores has been earmarked in the 9th Five Year Plan for upgradation of infrastructure facilities at Guwahati airport. The detailed estimates are being prepared and work is likely to be completed during the 9th Plan period.

(b) The progress of the work relating to modification of existing domestic terminal building was interrupted due to the fact that CP.WD, the agency for project management on behalf of AAI, had to change the contractor as the work done was not satisfactory. Disturbed conditions

in the region to some extent contributed to the slow progress of work.

(c) The progress of construction of new terminal complex and that of runway works at Lilabari is 17% and 32% respectively as on 30.4.98. These works are likely to be completed by July, 99.

Development of Civil Aviation in North-Eastern Region

606. SHRI PARAG CHALIHA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) the details of steps, if any, taken/contemplated by Government for a rapid development of civil aviation in the States of the North-Eastern region;

(b) whether any Action Plan has been prepared by Government, therefore;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) to (d) With a view to achieving better regulation of air transport services and taking into account the need for air transport services of different regions in the country, the Government has laid down the Route Dispersal Guidelines. Accordingly, every operator operating any scheduled air transport services within the country is required to provide at least 10% of the capacity deployed on trunk routes (Category—1) to stations connecting the North-East region, J & K, Andaman & Nicobar and Lakshadweep (Category-H). A proposal to provide incentives to further develop air services to North Eastern region is also under consideration, which envisages providing subsidy and other incentives to the operators for operating services in this region. Development/upgradation of airports at Agartala, Guwahati, Imphal, North Lakhimpur, Silchar, and Tezpur is in progress.

Post Offices and Telegraph Offices in Gujarat

607. SHRI DILIP SINGH JUDEV: Will the Minister of COMMUNICATIONS be pleased to state:

(a) the number of post offices and telegraph offices under the Gujarat (Ahmedabad) circle modernised during 1994-95 and 1996, till now;

(b) the expenditure incurred thereon;

(c) the criteria fixed for the selection of contractors;

(d) whether criteria has been followed strictly while awarding contracts; and

(e) if not, the reasons therefore and the action taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI KABINDRA PURKAYASTHA): (a) In 1994-95, 7 Post Offices, 24 Telegraph Offices and 33 Combined offices were modernised. From the year 1995-96, till now 90 post offices, 6 telegraph offices and 30 combined offices have been modernised.

(b) An expenditure of about Rs. 4.46 crores has been incurred thereon.

(c) The selection of contractors was done through the "Open Tender" System.

(d) yes, Sir.

(e) Does not arise.

Talks on Demands of Private Basic Operators

608. SHRI RAMDAS AGARWAL: Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether Government recently held talks with the private basic operators and as a result thereof DOT (Department of Telecommunications, has agreed for certain concessions in order to give impetus to the slow progress of the