

RAJYA SABHA

Wednesday, the 12th November, 1986/21 Kartika, 1908.

The House met at eleven of the clock, Mr. Chairman in the Chair.

ORAL ANSWERS TO QUESTIONS

Sale of Boeing 707s by Air India

*121. SHRI SURESH KALMADI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Government have agreed to the proposal of Air India to sell off five Boeing 707s; and

(b) if so, what are the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI JAGDISH TYTLER):

(a) Yes, Sir.

(b) These aircraft had completed about 17 to 21 years of service and had come to the end of their designed service life.

SHRI SURESH KALMADI: Sir, the Boeing 707 was much in the news because it was in this aircraft that the Prime Minister was returning on his trip from Belgrade when the Fire Warning alarm went off. Sir, this aircraft is now being phased out. Sir, I do not know, you know that you had made a history in Civil Aviation because the last VVIP flight of a Boeing was from Botswana to New Delhi which carried you Sir. Now this aircraft, which carried you just two to three months back is being phased out. I do not know why there was a great hurry to sell off the Boeing 707? We are today short of aircrafts in Air India as well as Indian Airlines. The Boeing 747s which have come to us, two of them have been grounded because of the JAL crash and the Boeing Company has said that some checks must

be done in this aircraft. So, we do not have two 747. The newly acquired A-310, they are also just there. We do not have pilots to fly them. The French pilots are going to fly them till April or May and even the A-310, on the Moscow route in winter cannot operate because of some technical reasons. So, when all these shortages of aircrafts are there and also because of our decision that was about Indian Airlines, we are supposed to go in for 757. If you had gone in for that, probably, that aircraft would have started arriving. (Interruption).

MR. CHAIRMAN: Your question please.

SHRI SURESH KALMADI: So, with all these things, I do not know why we are selling off the Boeing 707. Couldn't you have at least used it for carrying cargo? This is my question to the hon'ble Minister.

SHRI JAGDISH TYTLER: Sir, it is a very big question. There are six or seven questions put in one question but I would like to go one by one so that I am able to answer it. The first question is why was there a need to sell it off? The fleet of 707 which I have told you was a very old one. They have outlived their utility. Any time an aircraft is certified as air-worthy, it can fly. That is a Certificate given by the Director General of Civil Aviation. The reasons as to why we are phasing them out are: they are very expensive to maintain. The spares are not easily available. The availability of spares is very expensive affair. They are not available easily and have to be manufactured fresh against specific orders. The aircraft being old have become fuel gazer, fatigue suffered by the airframe requires continuous grounding and inspection, resulting in a very low utilisation. The above factors pushed the cost of the operation to a level where the commercial operation is not viable. The aircraft being old and narrow-bodied.

the Boeing 707s have lost the passenger utility. No other major airlines in the world are using these aircrafts. Being old aircraft incidence of corrosion, fatigue, cracks, fuel leaks, electric wiring defects have been experienced making it unnecessary for prolonged running of the aircraft and each aircraft has gone more than 50,000 hours and second thing, Sir, there is no shortage of aircrafts in Air India. We have got a phased training for the pilots, with some other French pilots also teaching in India. Some others have already gone to France, have got the training and for the rest of them, it is a planned phasing out of the aircrafts and training of the pilots which we have done.

MR. CHAIRMAN: No. One of the several questions which Mr. Kalmadi put is could it not be used for cargo?

SHRI JAGDISH TYTLER: Yes Sir. We thought of it. Actually, one of the orders I had passed in the Ministry that please examine if we could use them for cargo purpose. Again, apart from these reasons—fuel guzzler, maintenance, spares—this kind of aircraft, that is Boeing 707, is not considered efficient freighter aircraft in view of their low volumetric capacity, and more so because the cargo out of India is of low density and requires high volumetric capacity. Further the extra maintenance required would mean very low utilisation even for cargo operations.

SHRI SURESH KALMADI: The hon. Minister has just said that no other airline in the world uses this aircraft and these aircraft have crossed 50,000 hours. I am very surprised because just two to three months back, you were on such an aircraft and the Prime Minister was on such an aircraft which is not used anywhere in the world. Anyway corrective action may be taken. Now, a committee was appointed to go into the fire alarm thing which came up in the Prime Minister's aircraft. I want to know whether this committee

has submitted its report and whether in the report they had said that these aircraft must be phased out immediately. Also I want to know whether a proper global tender procedure was adhered to by the Civil Aviation Ministry and Air-India before disposing of these aircraft.

SHRI JAGDISH TYTLER: The enquiry committee sat and the report has been received. It has been accepted by the Government and suitable action is being taken against the responsible officers.

SHRI SURESH KALMADI: The aircraft is sold already?

SHRI JAGDISH TYTLER: No, no. Listen to me. I am taking...

MR. CHAIRMAN: Both of you are experts in the subject. Therefore, you must allow each other to speak...

SHRI JAGDISH TYTLER: The committee's report has been accepted by the Government and we are going to take suitable action. Now, as far as the main findings are concerned, I can tell you that it was partly human failure and partly failure of the system. The details, if you want, I can give you...

MR. CHAIRMAN: He asked whether global tenders were called.

SHRI JAGDISH TYTLER: Yes Sir. Notices inviting global tenders published as per the rules. If you want I can give the names of the newspapers also. And I would like to tell you that these standard documents were available to parties on payment of 100 dollars from Air-India offices abroad as well as in Bombay and Delhi. There were ten parties from the USA, five parties from the UK, three parties from Europe, one party from Australia and four parties from India.

SHRI SATISH KUMAR SHARMA: Sir, I would like to ask the hon. Minister whether it is a fact that we have a cargo aircraft which we have chartered from outside operators, for which we are paying foreign exchange.

SHRI JAGDISH TYTLER: Yes, Sir.

SHRI SATISH KUMAR SHARMA: And the chartered aircraft, to the best of my knowledge, was a DC-8. Well, in today's context, technologically speaking, that is also a fuel guzzlers. When we talk about fuel guzzlers, and economics of operation of these aircraft, it varies from company to company. That is if Air-India has a subsidiary to carry on only cargo operations, the operating cost of that operation will not be the same as the operating cost of Air-India in its typical flight configuration. I would request the hon. Minister to reconsider retaining these aircraft, may be in a subsidiary looking after only cargo operations, because to the best of my knowledge, there is enough scope in the country for cargo operations and I feel that this fleet of 707s can be much better utilised for cargo operations.

SHRI JAGDISH TYTLER: I do not think that is a right thing because I have just given the reasons why we cannot use these aircraft.

PROF. C. LAKSHMANNA: Mr. Chairman, Sir, the Minister has said that the 707s are to be phased out because of the factors which he mentioned. I would like to know from the Minister what are the various types of aircraft which we are having and how many aircraft are in the same bracket and what type of action he intends to take about them. If there is need for phasing out 707s, why are you not taking similar action about the other aircraft?

SHRI JAGDISH TYTLER: We have only three types of aircraft with Air-India: A-310 Airbuses, Boeing 747—200 jumbos and Boeing 707. About the utility of Boeing 707, I have given the reasons. There are no other airlines in the country which have the same aircraft.

MR. CHAIRMAN: Next question.

Railway's Failure to earn profits from Scrap

*122. **SMT. KRISHNA KAUL:** Will the Minister of RAILWAYS be pleased to state:

(a) whether Government's attention has been drawn to the news-item which appeared in the weekly "Current" dated the 30th August, 1986 under the caption "Railways pass off golden chance to reap profits from scrap" if so, the details of the relevant facts; and

(b) what steps have been taken by Government to break the monopoly of contractors and earn more profits?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA):

(a) Yes, Sir. The allegations made in news-item are, however, only of a general nature and do not refer to any particular Railway unit from where the facts could be obtained for detailed examination.

(b) Well-defined rules and regulations have been laid down for disposal of scrap, and disposal is being made through auctions/tenders, after giving wide publicity, at the best available prices commensurate with quality of the scrap and local market trends.

SHRIMATI KRISHNA KAUL: Sir, the hon. Minister in his reply, has stated that the allegations are of a general nature and do not refer to any