

**CALLING ATTENTION TO A MATTER OF
URGENT PUBLIC IMPORTANCE**

**REPORTED RECOMMENDATION OF THE
IAC TECHNICAL COMMITTEE FOR THE
PURCHASE OF DC-9 PLANES**

SHRI M. PURKAYASTHA (Assam): Sir, with your permission, I beg to call the attention of the Minister of Tourism and Civil Aviation to the report appearing in the Press that the I.A.C. Technical Committee has recommended the purchase of DC-9 planes to augment its fleet.

THE MINISTER OF TOURISM AND CIVIL AVIATION (DR. KARAN SINGH) : Sir, the Indian Airlines have had under consideration for some time proposals to purchase suitable aircraft for their fleet. Earlier, the need for such purchase arose out of the proposal to replace the Viscount aircraft in use by the Corporation. This matter was fully examined by a Committee headed by Air Vice Marshal P. C. Lal, which came to the conclusion that there was no immediate need for such replacement, but that of the new models considered the most suitable were the DC-9 and the Boeing-737.

With the growth of traffic, however, specially on the main trunk routes the need was felt to augment the fleet of the Indian Airlines quite apart from "the need for Viscount replacement. The Corporation carefully studied the past traffic trends as well as the likely future developments in this respect, specially in the light of the special effort now being made to attract foreign tourists to this country, and came to the conclusion that it would require immediately Avc aircraft, each with a capacity of more than 100 passengers.

In view of this conclusion, the Indian Airlines undertook a study of suitable available aircraft. In addition to the two planes earlier suggested by the Lal Committee, it also considered the BAC-111 and the TU-134. For this purpose the Corporation sent out a team of officers to the United States, the USSR and the U.K. The team reported

their conclusions to the Board of Directors of the Indian Airlines, who thereupon formed a Sub-Committee to study the alternatives in depth. At the request of this Committee the services of the technical experts of the Directorate General of Civil Aviation were also made available to them. After careful study the Sub-Committee came to the conclusion that the most suitable aircraft would be DC-9, and they recommended accordingly to the Board of Directors. The Board accepted the recommendation, and in turn have unanimously recommended to Government the purchase of five DC-9 aircraft.

The proposal of the Indian Airlines is now before Government for consideration and decision. In coming to such a decision, Government will naturally have to take into account all relevant factors. I can assure the Honourable Members that the final decision will be taken as expeditiously as possible after full and careful consideration.

SHRI M. PURKAYASTHA- An expert committee, headed by Air Vice-Marshal P. C. Lal, had considered the aircraft needs of the Indian Airlines early in 1967 and it came to the conclusion that there was no need to buy any new aircraft for the next five years. But when the present Chairman of the Indian Airlines took over, he set up a new expert committee, a technical committee consisting of the Assistant General Manager, the Engineering Manager and the Training Manager of the Indian Airlines, to review the situation. This committee, after visiting certain foreign countries, had first recommended that Boeing-737 was the most suitable aircraft for augmenting the present Indian Airlines fleet, but for some mysterious reason that decision has been reversed and now DC-9 has been preferred. May I know from the Minister what are the reasons which weighed with the expert committee to change their earlier decision and whether the Government will also take into consideration the advantage of payment in rupee, if Soviet aircraft is purchased, instead of the US aircraft ? Will the Minister please also consider

[Shri M. Purkayastha : I think that it will be advantageous for India to purchase aircraft from the Soviet Union, as the Soviet Union is purchasing railway wagons from us, not because of its superior quality, but for expanding trade between India and the USSR?]

DR. KARAN SINGH: I think that the main consideration which has weighed with the Corporation is that of profitability. The Airline is expected not only to provide top-class service to the passenger, but also to make money, because the House and the country at large expects that the Corporation should be profitable. Now, therefore, when we are going in for a very big purchase, naturally the Airlines will try and see which is the most profitable one. They have worked out a lot of figures and on the basis of those figures they have suggested that of the three planes under consideration, DC-9 would be the most profitable. I think that is the main consideration that has weighed with the Corporation. Now that the matter is with the Government, naturally the Government will consider it from other points of view also.

SHRI M. PURKAYASTHA: May I know . .

MR. CHAIRMAN : You have made a long speech and the Minister has replied. Mr. Kulkarni.

SHRI A. G. KULKARNI (Maharashtra)
Mr. Chairman, Sir, I am very sorry to say

MR. CHAIRMAN : Please put a question. Kindly do not make a speech.

SHRI A. G. KULKARNI: I am putting a question.

SHRI BHUPESH GUPTA (West Bengal)
You start: "Am I entitled to be sorry, Sir.

SHRI A. G. KULKARNI : May I know why the hon. Minister here has given...

MR. CHAIRMAN : "In view of the statement made, would the hon. Minister please state. . ." You go on like that.

SHRI A. G. KULKARNI: In view of the statement made by the hon. Minister, may I know Sir, from you whether he has made a wrong statement ? The Indian Airlines appointed an evaluation committee and the evaluation committee, as a majority, submitted a report to the Indian Airlines saying that certain planes were superior to DC-9, but on some fictitious ground of cargo traffic some officer in the Ministry of Civil Aviation, Mr. J. N. Goyal. . .

MR. CHAIRMAN: Do not mention names.

SHRI A. G. KULKARNI : . . . submitted a report, though he is a nontechnical man, that DC-9 should be purchased, under some pressure. I want to know in this connection when it was already approved by the technical committee of the Indian Airlines that some aircraft, not DC-9, should be purchased, what weighed with the Corporation to recommend to the Government the purchase of two DC-9, which has come through Mr. J. N. GOYAL or some Goyal who is Joint Secretary in the Ministry ? What is the reason and what action Government is going to take ?

DR. KARAN SINGH: I think it is entirely wrong to say that I made a wrong statement. I made it absolutely clear that the recommendation that has come to the Government is on the part of the Corporation. The Corporation sent out this technical team. The team reported back. Then the Corporation set up its own Sub-Committee to look into the report. At that stage the technical opinion of the Ministry or technicians was also made available to them on request. It was as a result of the overall consideration that they gave. . .

SHRI A. G. KULKARNI : Sir, I want your protection. Would he lay that report on the Table of the House ?

DR. KARAN SINGH: May I also say that I think it is a matter for very deep regret that allegations should be made against individuals who are not in a position here to stand and defend themselves? Certainly the gentleman mentioned by the hon. Member, Mr. J. N. Goyal, is a member of the Board of the Indian Airlines.

SHRI A. G. KULKARNI : Was he a member of the Evaluation Committee?

DR. KARAN SINGH : He is a member of the Board. When the report of the Evaluation Committee came before the Indian Airlines, as a member of the Board he had every right to give his opinion. I would say one thing. When this sort of allegations are made against officers, the only thing that I as a Minister can say is that I must defend them unless somebody can give me some proof. I do not want to defend anybody who is guilty.

SHRI Z. A. AHMAD (Uttar Pradesh) : Are you prepared to lay the report on the Table of the House?

SHRI BHUPESH GUPTA: He has made with all sense of responsibility a statement. Obviously we should presume that he has to the best of his knowledge certain information. Having regard to that fact the hon. Minister need not go out of his way in extri defence of the officer. He should find it out.

SHRI CHANDRA SHEKHAR (Uttar Pradesh) : Sir, I have a submission to make. The hon. Member has made an allegation. I do not see that it is very improper. If the nation's interest is at stake, it is the duty of every Member to bring to light all facts- The hon. Member made a statement. At least for a layman like me who is not much educated the impression upon me was created that this recommendation is according to the Technical Committee report. The impression to the House and to the public and to the common man will be that this recommendation of the Board of Directors was in accordance with the recommendation

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made by the Technical Committee. Now the hon. Member says that the Technical Committee's recommendations were overruled by a civilian serving in the Ministry. If it is a fact, it was the duty of the hon. Minister to say that the Technical Committee report was overruled because of other considerations, and I think that right is only with the Government and the Cabinet and not with a Joint Secretary sitting in the Ministry. He can explain his position or his view in the Committee, but if he has taken overall consideration, what would the hon. Minister and the Cabinet consider about it? Whether the Technical Committee's report, has been overruled or not, that is the only specific question which the hon. Member has raised, and the Minister should reply.

DR. KARAN SINGH: I think there has been a good deal of misunderstanding on this issue. There is no question of any member of the Board overruling the report of the Technical Committee. When the Technical Committee reported back to the Board, it reported that Boeing-737 was the better one. (Interruption.) What I object to is a Member saying that a member of the Board under pressure has made. . (Interruption.) May I submit if the hon. Members would give a hearing.

SHRI BHUPESH GUPTA : Sir, on a point of order. Everything that we say-should not be taken as if we are trying to pressurise or encouraging Pressurisation. We come to know things through newspapers or otherwise that certain pressures are being built on the Government by agencies. The Government may not be amenable to the pressures but it is a fact which newspapers publish. I, for instance, had been informed that bribery is going on over this matter. I have not said it but when I have my chance I will say something I have come to know that bribery is also being indulged in.

DR. KARAN SINGH : May I explain the position with regard to the question which the hon. Member. Mr Chandra Shekhar, has raised? The

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Technical Team went out, they gave a report. The Board of the Indian Airlines which consists of nine members set up a Sub-Committee. That Sub-Committee consisted of the two Chairmen and the General Manager of the Indian Airlines.

SHRI A. G. KULKARNI : Was Mr. Goyal a member of the Committee ?

DR. KARAN SINGH: No. The Board set up a Sub-Committee of three members including the two Chairmen and the General Manager of the Indian Airlines, a three-member Sub-Committee, to look into the report. At that stage in order to help this Sub-Committee to make up its mind they asked the Ministry—so far this was only in the Corporation,—there are technical experts in the Ministry—for 'one or two technical experts. Their services were also loaned. They considered the report of the Technical Team. They at that stage also made certain other studies. From their report to which the hon. Member referred 'tve main thing which came in was the Question of cargo—except that, the hon. Member has called it a fictitious thing. The cargo thing was taken into consideration and as a result of the Committee's studies they came to the conclusion that DC-9 was the best. They reported that to the Board. In that Board of the Indian Airlines there are nine members. They then finally took cognizance of that and took the decision that the DC-9 would be the better one, which they sent us. The point I am trying to make is there is no question of my trying to conceal any fact.

SHRI G. H. VALIMOHMED MOMIN (Gujarat) : What were the reasons given ?

DR. KARAN SINGH : May read out from the figures which the Corporation has given me ? The figures are these. According to the profitability on 70 per cent payload, which means 70 per cent passenger utilisation and 70 per cent freight in ten years the Corporation expects the DC-9 to make a profit of Rs. 54 crores and the Boeing to

make a profit of Rs. 44 crores. Over a ten-year period according to the figures they have said that the DC-9 is going to be more profitable by Rs. 10 crores.

SHRI M. M. DHARIA (Maharashtra) : Are they the figures of the Committee ?

DR. KARAN SINGH: The Government can only take cognizance of the final report that emerges from the Corporation.

SHRI A. D. MANI (Madhya Pradesh) : What about the Russian planes ?

DR. KARAN SINGH : They are less profitable. I can give you details. (Interruption.) It is not really a question of ideology. In response to a question which the hon. Member, Shri Bhupesh Gupta, asked last year, I assured him that a decision would be taken not on the basis of any pressure, because he was very anxious...

SHRI BHUPESH GUPTA: How do you pay ?

SHRI S. S. MARISWAMY (Madras) : In view of the fact that the Minister has said that the particular officer had not used his influence, the statements made against the officer, who is not here to defend himself, must be expunged, because the Minister had denied that.

MR. CHAIRMAN: Shri Bhargava.

SHRI M. P. BHARGAVA: (Uttar Pradesh) : May I know from the hon. Minister whether a comparative study has been made of the two planes, what are the considerations in coming to a decision whether DC-9 or the other plane, Boeing, will be purchased, what are the considerations besides profitability, and if a comparative statement of the two is available with the Minister, may I request him to read out what are the various considerations which weighed in the decision, and what are they at the moment ?

SHRI BHUPESH GUPTA : Including the mode of payment.

DR. KARAN SINGH: The main conclusion of the Corporation has been based, as I said before, on the basis of profitability. The DC-9 and the Boeing-737 have the same capacity, 115 seater each. They are the same. Now, the difference which comes, according to what the Corporation says, is in the cargo. Apparently . . .

SHRI A. G. KULKARNI : Cargo is not important.

DR. KARAN SINGH : Apparently, in Boeing-737 when the plane is fully loaded along with the passengers and their luggage, the space for extra cargo is very small, it is negligible, whereas in the DC-9, along with the full load, there is a lot of space. Now, the hon. Member interrupted me by saying that cargo is not an important point. I think this is an important consideration. If we were to say that cargo is not important at all, then this important factor would be withdrawn from the . . .

SHRI A. G. KULKARNI : The local condition of this country is there where motor transport has developed up to date.

DR. KARAN SINGH : We are a very large country . . .

SHRI A. G. KULKARNI: He is making an allegation.

DR. KARAN SINGH : I am not making any allegation. May I say one thing ? This is a very large country. Now, you have got to fly large distances in a small period. The experience of the other nations has been that air cargo is going to become extremely important in the next decade because our projection . . . (Interruption by Mr. Kulkarni.) If the hon. Member would just let me speak without interruption .

MR. CHAIRMAN : You should not interrupt him.

DR. KARAN SINGH: I was going to submit that our projections in aviation are for the next decade because aviation is so rapidly expanding that we cannot only think of tomorrow. Now, for the next decade, it has been found all over the world, and in developing countries, that air cargo plays an important part. There are certain perishable goods and there are other kinds of goods. Therefore in working this out, certain importance has got to be given to the cargo. And from the Report of the Corporation it seems that in most other things the two planes were neck and neck. It was this extra cargo capacity of DC-9 which tilted the balance in favour.

SHRI M. P. BHARGAVA: What is the extra cargo capacity ?

SHRI AKBAR ALI KHAN (Andhra Pradesh) : Passenger amenities are equal ?

DR. KARAN SINGH: Passenger amenities are absolutely equal. I was also saying about this profitability which is worked out.

SHRI M. P. BHARGAVA : We would like to know what is the difference in cargo ?

DR. KARAN SINGH : The difference in cargo will be reflected . . .

SHRI A. D. MANI: May I . . .

DR. KARAN SINGH: I cannot answer two Members from different sides of the House together. I am answering the question of Mr. Bhargava.

MR. CHAIRMAN: Two Members should not speak at the same time. It is very wrong. You are the most enlightened Member of the House.

SHRI A. D. MANI: I am sorry, Sir.

DR. KARAN SINGH: The cargo capacity is reflected in the profitability. And as I said, on a 70 per cent freight basis, the DC-9 is expected to have a profit of Rs. 54 crores as against Rs. 44

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crores of the Boeing. On a 60 per cent freight basis, it will have a profit of Rs. 51 crores as against Rs. 4,1-i crores of the Boeing. On a 50 ner cent freight basis, it will have a profit of Rs. 49 corres as against Rs. 41 crores in the Boeing. This does show that there is a certain definite advantage from the cargo point of view in DC-9. This is the recommendation that has come to us.

SHRI RAM NIWAS MIRDHA (Rajasthan) : The hon. Minister just said that the Technical Committee had firstly advised that no new plane should be purchased in the next Rve years. Will he please explain why it was thought necessary nol to accept that recommendation of the Committee and whether it would not be proper to wait for two or three more years ro that new models of planes and new advancement in aeronautics come into view and then a decision could be taken about that ? What are the reasons why that particular recommendation was not accepted ?

Secondly, the Technical Committee probably made certain recommendations on the operational efficiency and connected things. The Airlines Corporation has certain viewpoints which it has placed before the Government. May I know from the Minister what are the arrangements for financing this deal, whether any loans are available or whether it will have to go in for free foreign exchange of our country., what would be the repayment liabilities of these models and o+her models that we consider and whether these factors would not be given due importance in the final decision ?

DR. KARAN SINGH: I would like to clarify that the Technical Committee and the Lal Committee are different. The First Committee was the Lal Committee. That merely said that it was not necessary to replace the Viscounts for another five years. They were still good. Now, we have been studying the expected increase in passenger traffic, both as a result of our own eco-

nomie development and as a result of the tourist influx. And therefore, our projections show that we would definitely need more capacity because even today we are functioning at a dangerously high utilisation on many of our routes, particularly the Golden Triangle, the Delhi-Bombay-Calcutta route, the so-called Golden Triangle, because . . .

SHRI BHUPESH GUPTA : Why has that ' Golden Triangle' come ? The Birlas travel along that line?

DR. KARAN SINGH: Because it brings in a lot of money to the Airlines.

The question of financing which the hon. Member has raise l—and the hon. Mr. Bhupesh Gupta also mentioned about it—is naturally a very important one, and to that we are now giving consideration.

SHRI BHUPESH GUPTA: Tell us.

DR. KARAN SINGH This a matter which is under consideration at present.

One thing is clear. There is no question of our using free foreign exchange for this. If an American plane is to be bought, the idea is to negotiate the loans which will be paid by the earnings of the Airlines because, as I have pointed out, the profitability is an important factor. Now it is expected that the Airlines will not only have enough money to repay the loan . . .

SHRI BHUPESH GUPTA : The loan should be paid in foreign currency.

DR. KARAN SINGH : Yes.

. . . and repay the interest but after that they will be available to us; the planes will be available to us.

SHRI BHUPESH GUPTA: You explain. All that I want to say is ihat money will be repaid in foreign currency, not in Indian rupees; they have to buy our exports.

DE. KARAN SINGH: Because we have got to buy a thing in foreign currency, we have to repay in that currency. My point is, we v/ill pay out of the earnings of the planes.

SHRI BHUPESH GUPTA : That is a different matter.

DR. KARAN SINGH : We will repay out of the earnings of the Airlines itself.

SHRI RAM NIWAS MIRDHA : From foreign exchange earnings ?

DR. KARAN SINGH : Yes, foreign exchange. That is the point I want to say.

श्री आर० पी० खंतान (बिहार) : क्या मंत्री जी बताएंगे कि कितनी केपिटल लगेगी एक में और कितनी केपिटल लगेगी दूसरे में ? दोनों में डिफरेंस कितना है केपिटल का ?

डा० कर्ण सिंह : डी०सी०-९ का है 27.75 करोड़ और बोइंग का 27.33 करोड़।

Almost equal. The difference is about Rs. 40 lakhs.

SHRI BHUPESH GUPTA : The Soviet Union wanted payment in rup-pees.

MR. CHAIRMAN : Mr. Pande.

SEVERAL HON. MEMBERS : He is very much here.

SHRI C. D. PANDE: (Uttar Pradesh) : Mr. Chairman, the Expert Committee or the Technical Committee decided that the Boein,- ? should be taken and no other consideration should be taken into account, because the moment you enter into other considerations, then those other considerations may prove to be a greater fraternisation of a party when the plane is not worth considering. Now, the departure from the Expert Committee's Report will release forces of pressure more than that. Therefore, what are the considerations ? What else can be the consideration than the motive of profitability and its usefulness ? When the Expert Committee

has taken all factors into consideration, what else remains ? And if anything has happened afresh, then more dangerous things may come in.

DR. KARAN SINGH : I am not sure whether there is any specific thing asked in that.

SHRI C. D. PANDE: What are the considerations ? Why do you depart from that ?

(No reply)

SHRI M. M. DHARIA : In this matter, even though the Technical Committee has submitted its Report, it seems that the Board of the Corporation has over-ruled the Report of the Committee. It is the duty of the hon. Minister, I suppose, to bring before this House what are the reasons for over-ruling the Report of the Experts Committee. And I would also like to know from the hon. Minister whether it is not a fact that the representatives of these companies are even today sitting in Delhi and that they are trying to bring all possible pressures.

SHRI BHUPESH GUPTA : We know it for a fact.

SHRI M. M. DHARIA ! And on many occasions, the officers who are responsible for making these purchases are victims of these representatives, I ran bring to the notice of this House today that a Caravelle was* id be purchased through agents in Delhi. I immediately approached Mr. Poonacha, the Minister of Aviation at that time, and brought it to his notice that if he made the purchase from Parte, from the company itself direct, we would be saving Rs. 8 to Rs. 9 lakhs, and Mr. Poonacha immediately accepted it, and this country was saved to the tune of Rs. 8 to Rs. 9 lakhs. It is these representatives and it is these officers—I do not want to name anybody. It is for the hon. Minister to enquire into the matter as to what was the reason for this particular officer to submit such a wrong letter to the Chairman. He is a member of the Board, he could have attended the meetings. He submits it

[Shri M. M. Dharia]

on June 12, 1968. When he has stated that he is a layman, he has gone into details giving all his reasons. And there again, the comparison is not fair. It is at the instance of somebody else, particularly of the representatives of these companies, that Mr. Goyal has written this letter. I make a charge against Mr. Goyal. From where did he get all this information if he is not a technical person? Who were the persons who were contacted by him or who contacted Mr. Goyal? I would like to know all this information. I can understand the Minister defending that officer. My main charge is that in this case it is very clear that various pressures are being exercised and I would like to know from the honourable Minister whether he has enquired into this matter, whether he has enquired into all these things that the report of the Expert Committee is something else than the decision taken by the Board. What are the material reasons for that? Has the Minister studied all these things?

DR. KARAN SINGH : The honourable Member has said that there are a lot of agents working here, but luckily I have not met anybody. I understand there may be people working but if we are going to satisfy every company we can buy only one plane from each.

SHRI M. M. DHARIA : I cannot say that all the companies should be satisfied. That decision should be taken on merits.

DR. KARAN SINGH: Exactly, Sir. The point I was trying to make was this that when we take a decision one company or the other is bound to feel disgruntled because unless we buy one plane from everybody, which is an absurdity, we cannot satisfy all of them. If we buy, let us say, the Boeing the DC-9 people will feel dissatisfied...

SHRI M. M. DHARIA : I have not suggested that they should be bought from this company or that company. It is not the thing.

SHRI CHANDRA SHEKHAR : When Mr. Dharia says they should be purchased from any company, I do not know why the Minister is trying to give a completely wrong impression to the country. You are the Minister. You can say anything.

DR. KARAN SINGH : I am not giving any wrong suggestion whatsoever. I am merely saying that in the light of what the honourable Member has said that certain pressures will be there, we have to take a decision purely on merits. I entirely agree with the honourable Member, Mr. Dharia, when he said that we should not allow any pressure, far less any type of bribery or illegal transaction. Sir, I can assure you that if there is any such pressure which comes to my notice, I will be the first person to take the most serious view of it because I am interested in getting the best plane for the country, whether it is of one company or of the other. But I can say this that I am determined to see that whatever plane we buy it will be in the best interests of the country. The honourable Member has said that there are certain pressures. I will keep my eyes and ears open. If there is any proof, if there is any information that comes to me of any illegal transaction Sir, I will be the first person to take the most serious notice of it and if any illegal transaction takes place when I am the Minister, I should not be here.

SHRI BHUPESH GUPTA: We are not questioning the bona fides of any person as such. But by reading the newspaper and gathering information we have an impression, and a very strong impression, that there is a lot of shady business about it. All that I want to know is whether honourable Minister is aware of this. The honourable Minister should tell us about the accommodation of the three planes. He has not told us about the Soviet plane. That should also be mentioned. I am not asking to buy this or that. At the moment the capacity of the three should be mentioned. I am asking this because, Sir, for a fact some officers of the Government of India are saying in

very high quarters that it is not desirable to buy this Soviet plane even if they give on rupee payment without involving any foreign exchange as against our floods. Now, Sir, this is also a factor as to how the payment is to be made. How do you meet the payment liabilities in the case of an American plane? We have to consider what it means in terms of foreign exchange over a period of time; what it means in the case of a plane from the United Kingdom and what it means in the case of a Soviet plane. That is what you should explain. I believe, when we are short of foreign exchange, this is an important factor. Then you should also tell us from an examination as to the occupancy - whether your Carvelles are full. We travel, by Caravelles. Very often we And they are not fully occupied. They are not always fully occupied. Then I want to know what makes you think that in the next two or three years you must have bigger planes where you must seat 105 to 110 people rather than a lesser number of people when the cost is less, when the foreign exchange is less. These, I believe, are also certain material points for consideration.

The Minister, Dr. Karan Singh, said, he will keep his eyes and ears open. We too have our eyes and ears open and what Mr. Kulkarni said and what Mr. Dharia has supported has travelled into our ears. I tell you that there is a lot of talk even about giving money for getting a deal through.

DR. KARAN SINGH : As I said, the honourable Member. Mr. Bhupesh Gupta, raised some important points. With regard to this question of pressure and bribery I have already said— in the case of the points raised by the honourable Members Shri Dharia and Shri Kulkarni and others—there is no information, we have no information or no proof that there is such a thing. As I said, I would be very grateful if the honourable Members, if they have any proof, any particular information about this which I may not get,

can give me I would like very much. to . . .

SHRI BHUPESH GUPTA: Ask Mr. Chavan to find out from the Intelligence Department.

DR. KARAN SINGH: He has also raised two or three other important points, whether the payment is going to be made in rupees, etc. These are exactly the points which we are at present considering. We are considering, that in consultation with the Economic Affairs Department. As I said, this if the recommendation of the Corporation These various aspects have to be considered before taking a final decision.

SHRI BHUPESH GUPTA: What is the Soviet offer?

DR. KARAN SINGH: The Soviet planes are TU-134. They are 10-seaters as against 115. So we have to buy 9 aircraft as against 5 aircraft of this. So the projections have been worked out on the basis of 9 Soviet as against 5 of this. In that the projection cost is almost the same: 27 crores for the DC, 27 crores for the Boeing and 26 crores for the Soviet plane.

SHRI BHUPESH GUPTA: In the case of Soviet planes you have to take more.

DR. KARAN SINGH : Yes, nine planes. We will have to buy nine. The foreign exchange cost will also be the same. But the profitability, the real difficulty is in these projections. They have worked out, if the overhaul of the Soviet plane is done in the USSR it is more profitable. Over ten years the profitability of the Soviet plane is worked out at 72 lakhs as against 54 crores for DC-9 and 44 crores for the other—the Boeing. If the overhaul is done in India it worked out to a loss of about 20 crores. One of the things we considered was, we send them to the Soviet Union for overhaul. That is the most favourable thing because apparently the cost of fuel in the Soviet Union is very much lower. That is what we have discovered. Their fuel

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costs are extremely low whereas «o.ur fuel costs are extremely high. Perhaps that, to a large extent, explains the economics of the Soviet plane. But if we buy the Soviet plane, the Indian fuel will have to be useJ. With regard to the payment he has mentioned another thing, that is, why do we buy bigger planes. This is a very fundamental question. This is really a question of projecting the growth of traffic. Certain projectionas have been made and we have discovered that almost invariably whatever projections are made, they turned out to be on the conservative side, because the growth of traffic really is very fast.

SHRI BHUPESH GUPTA: What is the occupancy of a Caravelle ?

DR. KARAN SINGH : It is very high. I do not have the exact figure. At times it is virtually impossible to .get seats in the Caravelle on the golden triangle.

SHRI BHUPESH GUPTA: Wo have known other triangles but this is 'golden triangle'.

DR. KARAN SINGH : When these new planes come up to the end ol the next decade there would be a tremendous traffic explosion. Our economic base is beginning to develop. More and more people will want to travel. Therefore, we must keep in mind those .figures.

MR. CHAIRMAN : Next item. The issue has been threadbare discussed. Papers to be laid on the Table.

SHRI JOACHIM ALVA (Nominat-<ed) : Sir, I sent a notice on the last ^occasion which is rejected. I must get a chance . . .

MR. CHAIRMAN: Papers to be laid.

SHRI JOACHIM ALVA : I must get a chance for five minutes.

MR. CHAIRMAN : I have passed on the next item.

SHRI JOACHIM ALVA : Does it mean that those who create mischief are allowed to speak ?

MR. CHAIRMAN: No.

SHRI M. P. BHARGAVA : I object to the use of the w:n-d "mischief".

SHRI JOACHIM ALVA : Those who bring pressure on the Chair are allowed to speak I sent a notice . . .

MR. CHAIRMAN : Please sit down. You are a great parliamentarian. You must know the rules. When I am standing you shomd sit down.

SHRI JOACHIM ALVA: On the last occasion when you were not here I sent a notice . . .

MR. CHAIRMAN : When I stand up you should sit down. Please sit down.

SHRI JOACHIM ALVA : What I would like to say is that practically all the Members of the Congress Party alone have put this Calling Attention notice and they have been allowed to speak. But why none from the Nominated side ?

MR. CHAIRMAN: I thought yon were a Congress Member.

SHRI JOACHIM ALVA: I am a Nominated Member. Let me speak for five minutes.

MR. CHAIRMAN: Let me say that I feel that the issue has been discussed thredbare . . .

SHRI JOACHIM ALVA: This is very unfair. I should be allowed to speak for five minutes.

MR. CHAIRMAN : . . . I would like to say that all matters will be before the Cabinet and ali the views expressed here in different ways are there. Therefore, you must excuse me if I am not able to accommodate you.

SHRI JOACHIM ALVA : You will give nearly an hour to them but you will not allow me. If you do not give me five minutes, it is very unfair. Mr. Rajnarain takes nearly two hours in a day. . .

श्री राजनारायण (उत्तर प्रदेश) : श्रीमन्, देखिये, मेरा नाम नहीं लाना चाहिये। हम तो इतने सीधे-सादे बैठे रहते हैं।

PAPERS LAID ON THE TABLE

ANNUAL REPORT AND ACCOUNTS (1966-67) OF THE HINDUSTAN SHIPYARD LTD., VISAKHAPATNAM AND RELATED PAPERS

THE MINISTER OF TRANSPORT AND SHIPPING (PROF. V.K.R.V. RAO) : Sir, I beg to lay on the Table, under sub-section (1) of section 619-A of the Companies Act, 1956, a copy of the Annual Report and Accounts of the Hindustan Shipyard Limited, Visakhapatnam, for the year ended the 31st March, 1967, together with the Auditors' Report on the Accounts. [Placed in Library. See No. LT-1814/68.]

THE BIHAR STATE UNIVERSITIES (UNIVERSITY OF BIHAR, BHAGALPUR AND RANCHI) AND THE MAGADH UNIVERSITY (AMENDMENT) ORDINANCE, 1968 AND RELATED PAPER

THE MINISTER OF EDUCATION (DR. TRIGUNA SLN) : Sir, I beg to lay on the Table -

(i) A copy of the Bihar State Universities (University of Bihar, Bhagalpur and Ranchi) and the Magadh University (Amendment) Ordinance, 1968 (English and Hindi versions), under sub-clause (a) of clause (2) of article 213 of the Constitution read with sub-clause (iv) of clause (c) of the President's Proclamation dated the 29th June, 1968.

(ii) A statement explaining the circumstances under which the Ordinance mentioned at item (i) above was issued by the Governor of Bihar.

[Placed in Library. See No. LT-1741/68 for (i) and (ii).]

THE AIRCRAFT (AMENDMENT) RULES, 1968

THE MINISTER OF TOURISM AND CIVIL AVIATION (DR. KARAN SINGH) : Sir, I beg to lay on the Table, under section 14A of the Aircraft Act, 1934, a copy of the Ministry of Tourism and Civil Aviation Notification G.S.R. No. 1392 (in English), dated the 17th July, 1968, publishing the Aircraft (Amendment) Rules, 1968, together with an explanatory note thereon. [Placed in Library. See No. LT-1657/68J]

STATEMENTS SHOWING ACTION TAKEN BY GOVERNMENT ON ASSURANCES, PROMISES AND UNDERTAKINGS GIVEN DURING VARIOUS SESSIONS

THE MINISTER OF STATE IN THE DEPARTMENTS OF PARLIAMENTARY AFFAIRS AND COMMUNICATIONS (SHRI I. K. GUJRAL) : Sir, I beg to lay on the Table the following statements showing the action taken by Government on the various assurances, promises and undertakings given during the session shown against each :—

(i) Statement No. IX—Fifty-ninth Session, 1967.

(ii) Statement No. IX—Sixtieth Session, 1967.

(iii) Statement No. VI—Sixty-first Session, 1967.

(iv) Statement No. IV—Sixty-second Session, 1967.

(v) Statement No. III—Sixty-third Session, 1968.

(vi) Statement No. I—Sixty-fourth Session, 1968.

[See Appendix LXV, Annexure Nos. 82 to 87.]

THE DELHI LAND REFORMS (AMENDMENT) RULES, 1967 AND RELATED PAPER

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI VIDYA CHARAN SHUKLA) : Sir, I beg to lay on the Table :—

(a) A copy each of the following Notifications (in English) issued by the