

We Wish Our Readers
A Very Happy
New Year

CHAIRMAN ADDRESSES PRESS CONFERENCE AIR-INDIA'S ALL ROUND PROGRESS



Left, a partial view of the large gathering of correspondents present at the Chairman's press conference at the Bombay House on December 30, 1969. Right, Mr. Tata, flanked by Mr. K.K. Unni, AGM (L) and Mr. C.V.R. Rao, FC.

Boeing 747

Space age navigation system

AIR-INDIA'S fleet of Boeing 747s is to be equipped with a space age inertial navigation system. The system is based on the one which guided the Apollo spacecraft to the Moon and back.

Designed by A.C. Electronics of USA, the first unit is to be installed on one of our Boeing 707s to enable the pilots and the engineers to familiarise themselves with the working of the system.

Four Air-India engineers will go this month to A.C. Electronics for a two-week course on the system. They are: Mr. S. M. Seethapalli, Technical Officer, Engineering Training Division, Mr. C. P. Menon, Maintenance, Mr. L. M. Shilohtri, Senior Technical Officer, Technical Services Division

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'TN 1968-69 Air-India maintained its unbroken record of profitability although the operating profit at Rs. 4.82 crores and the net profit after interest and before tax at Rs. 2.94 crores were slightly lower than in the previous year', said Mr. J. R. D. Tata, Chairman. He was addressing a crowded press conference at the Bombay House on December 30, 1969.

Total capacity provided during 1968-69 rose by 6.3 per cent over the previous year, but capacity actually utilised rose by 13.2 per cent, with a consequent improvement in the overall load factor. Passengers carried increased by 16 per cent from 285,459 in 1967-68 to 331,051 in 1968-69. Aircraft utilisation improved further and averaged 10.4 hours per aircraft per day, which is amongst the highest in the world.

Reviewing Air-India's performance against the background of international air transport industry, he said: "The year was a difficult one, with rising costs on the one hand and declining yields per mile due to the further expansion of special all inclusive tour fares and excursion fares, on the other. Air-India's operating revenues increased by 8.2 per cent, but expenses rose by 10.3 per cent. Still, Air-India's performance may be considered commendable, particularly in view of the handicaps from which it suffers of being a relatively small airline thinly spread over the world, and with a paucity of its own ethnic traffic due to travel restrictions on Indian citizens."

The trends of the past year are continuing in the current year, of which nine months have already elapsed. The profit squeeze continues in the wake of a further decline in average revenue yields, of rising costs and of heavy capital investments for the new Jumbo jets. Air-India's performance however in the first nine months continued to be satisfactory.

Same level

Pending the delivery of its Boeing 747s, Air-India's operations will remain substantially at the same level as in the current year for, with the high rate of aircraft utilisation achieved, there is little margin of capacity for expansion. There

will, however, be some marginal increases in the frequency of some routes and possibly the addition of a few new stops.

This year will be the last of the decade of the '60s which coincided for Air-India with the introduction of its jet fleet. During this ten-year period, Air-India earned operating profits of Rs. 29.02 crores, net profits after interest but before taxes of Rs. 21.73 crores, and also earned or saved Rs. 60 crores of foreign exchange for the country.

"Two striking features of Air-India's performance upto now may be mentioned," said Mr. Tata. "While the total capital investment of Government since the inception of the

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Airport Managers Meet

"YOU ARE in a position to make us or break us", Mr. S. K. Kooka, Commercial Director, told the Airport Managers in Bombay on December 15, 1969. He was inaugurating a two-day Regional Airport Managers Conference at the Training College.

It was no use providing first class in-flight service, if the ground handling was poor. Air-India had expanded tremendously, "but we do not have to be impersonal", Mr. Kooka said. He had been impressed with the way some of the American airlines were dealing with this problem. "It was a revelation," he added.

Mr. Kooka felt there was a need for better co-ordination amongst sections and departments. "There are no sides in this game. We are all one

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Chairman's press conference

(continued from page 1)

Corporation stands at Rs. 26.82 crores and has remained unchanged for the last seven years, Air-India has ploughed back Rs.31 crores from its own internal resources and the Corporation's net worth at the close of the year was Rs.45.63 crores. Air-India has requested the Government to provide additional capital of Rs.5 crores during 1970-71.

"The other feature of interest is that Air-India has successfully raised foreign loans of \$70 million or Rs. 52½ crores, for its fleet of ten Boeing 707 aircraft, of which it has already repaid \$53 million from its own earnings and \$93 million, or about Rs.70 crores, for three jumbo jets, due for delivery in 1971 and 1972. Thus the total foreign loans negotiated will have been \$163 million or Rs.122 crores, which are likely to increase by a further \$30 million or Rs.22½ crores next year for the fourth Jumbo.

Small size

"Considering the relatively small size of the Corporation, it can be seen from these figures that Air-India's operating and financial performance has earned the confidence of foreign financial circles."

Once again the industry is finding itself carrying a heavy burden of debt to finance new fleets of costly large capacity jets. From orders already booked for such jets, the additional capacity offered on the world's airlines is likely to exceed the traffic for some years and low load factors may continue to prevail.

At the same time, costs give every indication of continuing to rise particularly in regard to wages which, in the airline business, form a high percentage of total costs.

Competition in which the

large capacity jets will favour the larger carriers will be fiercer than ever. Air-India will thus face a challenging task in meeting such competition, particularly if restrictions on travel abroad by Indians continue. "It is, therefore, to be fervently hoped that such restrictions will be lifted or at least relaxed," said Mr. Tata.

Technically the transition to the Jumbos will not present difficulties, except possibly in ground handling at airports like India's which are insufficiently developed. In this context, the continuing delay in enlarging and modernising our airports may create serious bottlenecks.

The shortage of hotel accommodation will also tend to retard growth of traffic to India. In order to contribute to the solution of this problem, Air-India is entering the hotel industry and will, through a wholly owned subsidiary, begin by establishing and running two hotels in Bombay, one at Juhu Beach and the other at Bombay Airport.

If, however, the flow of tourist traffic to India is to increase to the full potential of a country such as ours, the accommodation provided for tourists in all categories—hotels, motels, and rest houses—will have to be multiplied many times from its present level, and internal travel facilities also increased in proportion. In this context, the inadequacy of capacity on Indian Airlines, due to a two-year delay in obtaining Government's approval to the acquisition of additional aircraft, is acting as a serious impediment to the flow of tourist traffic to India, which is being increasingly bypassed in favour of countries offering better facilities and services. As a result, India is suffering a severe loss in foreign exchange.



"Maybe I shouldn't congratulate you, Mr. Finchly, but you are the 300,000th passenger to lose his baggage on Air Apparent."

Airport Managers Meet

(continued from page 1)

family. It was a question of working together," he said.

Airport Managers should not regard themselves as forgotten men. "We look to you for guidance," Mr. Kooka said.

Mr. Kooka devoted considerable part of his speech to the challenge of the Boeing 747. He felt it will provide "a tremendous testing time" and the Airport Managers will have to be on their toes. Referring to the enormous cargo capacity of the 747, he said: "We are petrified at the logistics of it." However, we plan to operate the 320Cs with pallets before then which should give us experience of handling pallets.

Air-India will buy some of the most expensive ground handling equipment for the 747. "It will be your property and you must take personal pride in it," said Mr. Kooka. He asked the Airport Managers to convey their 'moans and groans' to Mr. Stan Pinto, Commercial Manager-Ground Handling who chaired the Conference.

The opening session of the Conference was attended by Mr. P. F. Mahta, Deputy

Commercial Director, Mr. B. S. Rama Rao, Commercial Manager-Administration and Mr. N. N. Dewan Commercial Manager, Customer Service.

The Conference had before it a comprehensive agenda covering a wide variety of subjects. Discussions were also held with the representa-

tives of various departments to sort out special problems.

The Conference was attended by the Manager, Santa Cruz, the Deputy Manager, London Airport and Airport Managers from New York, Geneva, Frankfurt, Paris, Prague, Moscow, Rome, Beirut, Cairo, Kuwait, Teheran and Delhi.

Space age navigation

(continued from page 1)

and Mr. R.A. Gokhale, AME I, Instrument Overhaul Shop.

Since the system will, for the first time, introduce an airborne digital computer in the aircraft, the Engineering Training Division organised a short course on the fundamentals of computers last month. Among those who attended the 28-hour course were Mr. K. G. Appusamy, Director of Engineering, Mr. Om Sawhny, Engineering Manager, Headquarters, Mr. V. N. Herekar, Engineering Manager, Technical Services, and other senior engineers.

The object of the course, which was spread over seven days, was to provide basic knowledge of digital compu-

ters—principles, functions and the main components. The engineers were shown our Electronics Data Processing Centre in the Accounts Department.

The lectures on the computers were given by Mr. Seethapalli. The course concluded with a final lecture on inertial navigational systems by Mr. M. S. Datar, Senior Technical Officer.

Name changed

THE Engineering Training Establishment has been renamed as the Engineering Training Division. Mr. P. G. Gadgil, who is in charge will be known as Principal, Engineering Training Division.

Regional Managers Conference

The Regional Managers' Conference was held at the Bombay House on December 17 and 18, 1969. Photograph shows Mr. J. R. D. Tata, Chairman, speaking at the Conference, which was inaugurated by Air Marshal M. S. Chaturvedi, General Manager.



SEMINARS ON DISCIPLINE AND SELECTION PROCESS

Scientific approach to problems

A SERIES of seminars on the subjects related to Personnel Management are being organised by our Personnel Department for managerial staff from other departments. The object is to encourage the development of a scientific approach in dealing with day to day problems.

The subjects chosen for the first two of the series held last month were: the Problems of Discipline and the Selection Process. They were conducted by Assistant Personnel Officers Mr. J. S. Bawa and Mr. M. V. Nahusharaj. Their success was immediately apparent as the seminar on the Problems of Discipline was repeated.

Mr. P. D. Baliwala, Deputy Director of Engineering, inaugurated the Seminar on the Problems of Discipline on the first occasion and Mr. B. S. Rama Rao, Commercial-Manager Administration, on the second. Mr. S. K. Nanda, Chief Personnel Manager inaugurated the Seminar on Selection Process.

Explaining the background to the Problems of Discipline

Seminar, Mr. Nanda said: "Certain personality patterns of individuals and the environmental conditions under which the individuals work, exercise great influence on the employees' morale and general observance or violation of rules and regulations."

Maintenance of discipline is one of the most important functions of the Management and the line managers and supervisory staff have a primary responsibility for it. "The correct approach to discipline involves sound principles of natural justice and effective implementation of the administrative procedures," he said.

Imposing discipline is one thing and to generate a sense of discipline is another. All

generate discipline. Discipline should only be imposed wherever it becomes necessary. "Indiscipline is a sign of low morale. It is the duty of the managers to seek the causes which lead to indiscipline and take all remedial measures to prevent indiscipline" he said.

Taking disciplinary action is an important task and should be handled by those who have a thorough knowledge of rules and regulations, principles of natural justice and human problems.

Mr. Bawa encouraged the participants to provide answers to the problems, in order to test their individual response. His object was to impress upon them that education rather than punishment, constructive correction rather than reproof was the key in the entire problem of discipline in an organisation.

Discipline should be di-

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Above, Mr. B. S. Rama Rao, CM-A, inaugurating the Seminar on the Problems of Discipline at the THQ conference room. Also seen in the photograph is Mr. S. K. Nanda, CPM. Left, some of the staff who attended the Seminar. Right, Mr. J. S. Bawa, Assistant Personnel Officer, conducting the Seminar.



CARACAS MEETING: FARES AGREEMENT REACHED

THE International Air Transport Association's Passenger Traffic Conference in Caracas reached final agreement on passenger fares for travel via the North and Mid-Atlantic.

The Caracas Meeting began on November 18, 1969, and following round-the-clock sessions ended on December 9, 1969, after the successful conclusion of negotiations begun previously in Lausanne, Switzerland.

Air-India was represented at the Conference by Mr. I. D. Sethi, Commercial Manager-Planning and Mr. B. K. Mangokar, Tariffs Manager.

Mr. H. Don Reynolds, Assistant Director General-Traffic and the Chairman of the

meeting, said that agreement was achieved through some of the most difficult negotiations undertaken in the field of human relations. He called the fares some of the lowest ever offered to the public.

Agreement

The agreement on international fares covers routes between points in the Western Hemisphere on the one hand and Europe, Middle East, Africa and India on the other. The basic fares agreement includes a re-adoption of fares and conditions of service agreed earlier in year in Dallas.

In addition the airlines extended the 14/21 day excursion fare to 28 days in most areas with no change in price. A new 29/45 day excursion fare was also introduced, as was a new lower fare for groups of 80 passengers. Some limitations on stopover privileges accompanied the lower levels of the new fares to sustain airlines' revenue yields.

Commenting on the outcome of the Caracas Meeting, Mr. Knut Hammarskjold, Director General of IATA said: "The stability achieved by this agreement will enable the airlines to devote time and effort to formulating policy ideas in time for the worldwide Composite Traffic Conference in

Honolulu next fall with a view to creating a new simplified fares structure corresponding to the requirements of the market and sound airline economy."

How does the agreement affect India?

The validity of the currently applicable 28-day excursion fares from North America to the Indian sub-continent will be increased from 28 days to 35 days. The fares, however, will remain unchanged.

Further, in addition to the existing promotional fares from North America to the Indian sub-continent, a new economy class inclusive tour fare will be introduced for groups of 20 passengers. For

travel commenced during the period October through April, the fare for New York/Bombay round-trip journey will be \$540 and for travel commenced during the period May through September, the corresponding round trip fare will be \$580. These fares reflect discounts of approximately 54 per cent and 51 per cent respectively when compared with normal economy class round-trip fares. The price at which the tours based on these fares will be sold to passengers will be the air fare mentioned above plus the cost of other facilities and attractions, which must not be less than \$100 for the first 14 days and \$7 per day for each additional day.

LETTER FROM LONDON

Introducing Air-India

By
Trevor Turner

SINCE the beginning of 1969, almost 200 U. K. Travel Agents have been on Educational Trips organised by Passenger Sales, London. These groups have very often consisted of about eight of the younger members of the Travel Agencies, who are not familiar with our operations, standard of service and countries to which the trips proceed.

There have been ten such groups to India, two to the Far East, eight to Europe and two to the Middle East. Each group is accompanied by a member of the U. K. Sales Staff. In addition to this we have had five Interline Trips to New York for our airline colleagues from whom we get a lot of business. Interline revenue is very important to us.

Tours

Roy Wills who deals with the tours from the U. K. tells us that last year we operated tours in conjunction with fifteen operators, more than ever before. These tours have been successful and contributed towards our revenue. Some of them have been planned to be of specific interest and have included such subjects as botany, wild life, art treasures, a trekking tour to Everest, rail transport, music, dance and folklore. Mr. Wills who has only been doing this work for just over six months has himself been on two tours to India as well as on a course at the Training College. He has even bigger and better tour ideas for 1970.

On the Charter front, we have been increasing our activity which again has been of help to our revenue. Most of these Charters have been to the East and there is no doubt that the U. K. general public are rapidly becoming more Charter-minded. Our provincial offices in the U. K. have been of assistance with this increased Charter business.

On the cargo front, late in November, we carried 9,578 kgs. of cargo ex-London, which was one of the biggest cargo uplifts from here. Once a week from London, we are now loading soft cargo on fixed pallets in the rear section of the economy class cabin. The U. K. Cargo staff are eagerly looking forward to operations with the 320C and the removable pallets.

Trophy

Last year we presented a trophy to the winning team of the Indian Students Association Hockey Tournament. This tournament took place in Acton and teams from all over England participated. The Indian Students Association was formed

in July 1967 and its aims are to further social education for Indian students studying in the U. K. The membership of the Association is now almost 400.

Phyllis Bocarro from Sales, London, who is now Chairman of the Women's Travel Club, recently visited Philadelphia to attend a meeting of the International Federation of Women's Travel Clubs. This is a new organisation which is in the process of being formed. Each delegate was asked to suggest ideas for a symbol for this new organisation. Phyllis is anxiously waiting to know whether our suggestion will be the successful design.

Two of our London based hostesses, Miss Sunita Siphaimalani and Miss Zaren Noble recently assisted to entertain some handicapped children, who were given a lunch at the Skyways Hotel and then taken to the Animal Safari Park at Windsor.

A number of our friends have recently left us and these have included Susan Keane (from Sales) Susan Stroud (Filing) and Patrick Grant (Accounts) from the Bond Street Office and Margaret Borstel (Traffic) from London Airport. We send them all our good wishes for the future.

On behalf of all the London staff, may we send Seasonal Greetings to everybody.



Above, Bernice Nicolson who has been a member of our Heathrow Traffic staff for seven years has been chosen to participate in 'Miss London Airport Contest'. The photograph was taken in our Maharajah Lounge at London Airport. Below, the Bothe sisters from the Black Forest in Germany who both work for us seldom meet. However, recently they were together at London Airport when Marion (L) was flying to New York and Gisella arrived on a flight from the Middle East.



Mr. Ajit Singh our Manager Netherlands seen with (from L to R) Bobby Bara, Connie Smith, Skeeter Davis, George Hamilton and Nat Stuckey. The photograph was taken during the promotional campaign organised with RAC Country and Western Tour.



BOMBAY CALLING

Goodbye 'Sixties

TIME and tide wait for no man. And so the 'Sixties have slipped away quietly. What will the 'Seventies be like with the Jumbos and the SSTs in the offing?

Normally, this time of the year is the off season for us. As the mercury inches downward and Bombay basks in the pleasant sunshine of its all-too-brief winter, we like to enjoy a respite. But not this year; life has been as hectic as ever.

Our Manager Nani Mital and Area Sales Manager Indu Seth recently visited two of our off-line stations — Ahmedabad and Baroda. At Baroda, where our new office was opened only recently, Mr. Mital addressed a press conference which was widely reported.

Albert Gonsalves, our DSM, has gone to Nairobi as Acting Assistant Manager. The lure of distant lands has taken the toll of two of our Space Controllers — Kevin Miranda and Melwyn Menezes, who are now in Dhahran with Kanoo Travel Agency. Their colleague Mike Divekar has joined a local travel agency. From the PTA Counter, Vinod Kaura has defected to pool-partners CSA and in his place we have Robert D'Souza and S.G. Joshi. We have lost two more staff — Noshir Billimoria and Homi Godha — who have joined the Customer Service and will shortly begin their training to become Assistant Flight Pur-



Our sales force has been reinforced with the arrival of two new comers. Mr. B. R. Satyanarayana Rao has been designated as Superintendent, Agency and Interline Sales and Mr. V. S. Mani has taken over as Sales Development Superintendent. We hope we will be able to spell his name as 'Money'.

Church bells and wedding bells rang aloud during the festive season. Usha Nayampalli and Shirin Dhanbhora broke the good news and provided occasions for a happy get-together for staff. Our best wishes to Usha and Shirin for a long and happy married life.

Our congratulations to Telephone Operator Girish Shreyakar who has completed his planned family; he now has a third son.

Henry Saldanha

Mr. N. L. Mital, Manager Western India (R) and Mr. I. V. Seth, Area Sales Manager (L) are seen with some of the guests at the dinner at the Sports Club in Ahmedabad. Centre, Mr. K. M. Modi, Consul-General for the Philippines, flew to London on our flight recently. He was seen off at Bombay Airport by Mrs. Modi, Mr. S. D. Koppal of our Passenger Relations Unit (L) and Mr. B. R. Satyanarayana Rao of Bombay District (R). Below, Mr. Hoshi Merchant is seen with Mrs. S. Dax, wife of the Vice-President of Siemens, Germany, before her departure for Zurich on our flight recently.



The Japanese delegation photographed at Tokyo Airport before departure.

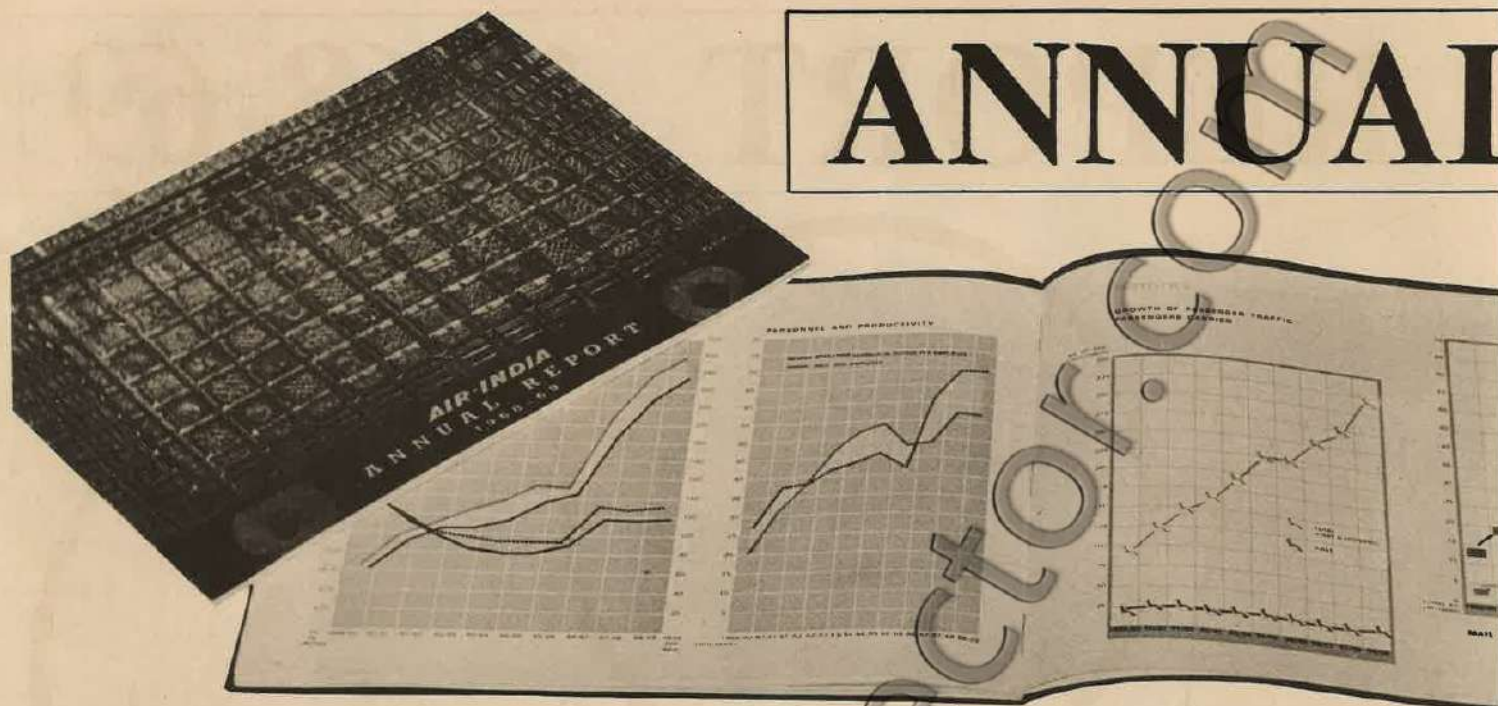
Japanese delegation flies out on Air-India

A 20-MEMBER high powered Delegation representing a wide cross section of Japanese industry trade and banking flew on Air-India from Tokyo to Bombay last month for an Indo-Japanese Economic Co-operation Conference. The conference was held at the Taj Mahal Hotel between December 9 and December 13, 1969.

The Indian Delegation at the Conference was led by Mr. R. A. Podar, President of Indian Chamber of Commerce. The Conference explored various ways and means to increase Co-operation with the Japanese industry in promoting joint ventures in India.

Among the Japanese industrial and business leaders who attended the Conference were Shinobu Ichikawa, President of Osaka Chamber of Commerce and Industry; Masashi Isano, President of Kobe Chamber of Commerce and Industry and Kawasaki Heavy Industries; Eiji Yokoyama, Managing Director of Mitsubishi Shoji Kaisha; Junji Hiraga, Executive Vice President of Tokyo Shibaura Electric Co.; Kiichi Ishiguro, Executive Managing Director of Mitsui & Company; Tokishiro Shiina, Vice-President of Sumitomo Shoji Kaisha; Kichimemon Kishimoto, Vice-President of Okaura Trading Company; Sumio Hara, President of the Bank of Tokyo; Tokizo Okuhara, Managing Director of the Federation of Japan Economic Organizations (Keidanren) and Yoshinobu Nagamatsu, Managing Director of Sumitomo Chemical Co.





OPERATING PROFIT EXCEEDS RS. 4 CRORES FOR THIRD YEAR

FOR the third year in succession Air-India's operating profit has exceeded Rs.4 crores. According to the 16th Annual Report, the profit in 1968-69 was Rs.4.82 crores (US\$6.430 million). However, this was lower than the operating profit of Rs.5.43 crores (US\$7.247 million) achieved in 1967-68.

"The decline in the operating profit and net profit" says the Annual Report, "was mainly caused by rising costs, particularly in staff salaries and other costs in India and abroad on the one hand and on the other, by the increased availability of concessional fares throughout the world".

Despite this, Air-India's operations during the year were fairly satisfactory and continued to reflect a steady growth. This is borne out by the fact that there was an all round rise

in traffic. The number of passengers carried increased by 16 per cent from a total of 285,459 in 1967-68 to 331,051 in 1968-69. While the total capacity provided (available tonne-kilometres) rose only by 6.3 per cent from 434.45 million ATKms to 461.99 million ATKms, the total capacity utilised showed a healthy 13.2 per cent rise from 198.98 million RTKms to 225.28 million RTKms, giving an overall load factor of 48.8 per cent in 1968-69, which was 1.7 per cent

higher than the previous year. Cargo and mail tonne-kilometres flown were up by 14.5 per cent and 16.8 per cent respectively.

As in the previous year, says the Report, interest of Rs.87.15 lakhs (US\$1.162 million) was paid at the rate of 6½ per cent on 50 per cent of the capital designated as loan capital, which remained unchanged at Rs.13.41 crores (US\$17.877 million). Interest and other charges on dollar borrowings amounted to Rs.1.51 crores (US\$2.015 million); thus the total incidence of interest charges was Rs.2.38 crores (US\$3.177 million) during the year as compared to Rs.2.27 crores (US\$3.027 million) in the previous year.

The payment of dividend at 6 per cent on equity portion of the capital of Rs.13.41 crores (US\$17.877 million) amounting to Rs.80.45 lakhs (US\$1.073 million) has been approved by the Board. For this purpose, a sum of Rs.79.00 lakhs (US\$1.053 million) has been appropriated to dividend reserve from the profits of the year.

The Report says that there will be no further addition to the fleet during the years 1969-70 and 1970-71 which will be a period of consolidation until the arrival of the first two Boeing 747s in the first quarter of 1971. Air-India continues to retain its delivery positions for two Anglo-French Concorde and two US SSTs.

Period of expansion ahead

ALTHOUGH Air-India looks forward to a further period of expansion and profitable operations during the next five years, the task will be an arduous one. The Report cites two reasons for this. One, because of the changing world pattern of international air transport resulting from the introduction of large capacity jets which favours the larger carriers and second, the continuing restrictions on travel abroad by Indians which deprive Air-India of a vital ethnic traffic.

It is, therefore, all the more important for the Corporation, says the Report, to maintain the highest standards of efficiency and economy, while at the same time offering the best possible service to the travelling public and cargo shippers.

Cautious policy

Assessing Air-India's prospects with the Boeing 747s, the Report says, "Fortunately, the tremendous rate of growth of air cargo traffic—approxi-

mately double that of passenger traffic—and its almost unlimited potential for expansion in the years ahead, should compensate for any temporary reduction in the rate of growth of passenger traffic.

For this reason, the huge cargo capacity offered by the Boeing 747 ordered by the Corporation may well prove to be commercially and financially, its greater advantage. Because of it, this aircraft should be able to operate profitably at substantially lower load fac-

tors than the present generation of jets.

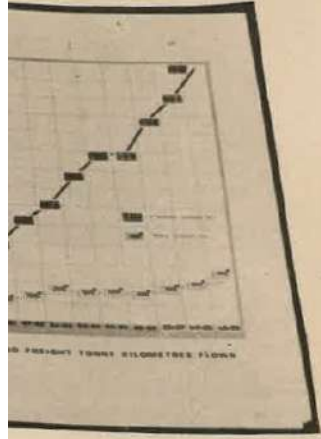
Prospects

Nevertheless both because of the financial and foreign exchange limitations imposed upon it, and because of the magnitude of the risks involved, the Corporation has adopted a cautious policy in its programme of acquisition of new aircraft.

HIGHL

- Operating revenue increased by 16.8 per cent from Rs. 79.339 crores (US\$79.339 million) in 1967-68 to Rs. 92.352 crores (US\$73.352 million) in 1968-69.
- Operating expenses rose by 16.8 per cent from Rs. 86.106 crores (US\$66.106 million) in 1967-68 to Rs. 99.534 crores (US\$73.352 million) in 1968-69.
- Consequently the operating profit rose by 16.8 per cent from Rs. 5.43 crores (US\$7.247 million) in 1967-68 to Rs. 4.82 crores (US\$6.430 million) in 1968-69. The net surplus, before tax, was Rs. 4.82 crores (US\$6.430 million), as compared to Rs. 5.43 crores (US\$7.247 million) for the previous year.
- Total capacity provided rose by 6.3 per cent from 434.45 million ATKms to 461.99 million ATKms, while capacity utilised rose by 13.2 per cent from 198.98 million RTKms to 225.28 million RTKms.
- This resulted in an improvement in the load factor from 48.0 per cent in 1967-68 to 48.8 per cent in 1968-69.
- Total number of passengers carried rose by 16.0 per cent from 285,459 in 1967-68 to 331,051 in 1968-69.
- Cargo-tonne-kilometres were up by 14.5 per cent from 198.98 million in 1967-68 to 225.28 million in 1968-69.
- Revenue from cargo, including 15.5 per cent from Rs. 837.6 lakhs in 1967-68 to Rs. 967.43 lakhs in 1968-69. Mail revenue showed a rise from Rs. 390.71 lakhs (US\$5.209 million) in 1967-68 to Rs. 423.04 lakhs (US\$5.640 million) in 1968-69.
- Air-India flew a total of 34,452 hours in 1968-69, as compared to 32,193 in 1967-68.
- The annual rate of utilization of aircraft in 1968-69 was 3.1 per cent higher than in the previous year. The daily utilization of aircraft during the year was 3.1 per cent higher than in the previous year.
- Operating cost per available tonne-kilometre declined by 3.7 per cent to Rs. 1.1 in 1968-69, as compared to Rs. 1.14 in 1967-68. On the other hand, the operating cost per tonne-kilometre declined by 2.49 per cent to Rs. 2.49 in 1968-69, as compared to Rs. 2.55 in 1967-68.

REPORT 1968-69



RIGHTS

by 8.2 per cent from Rs.55.01 in 1967-68 to Rs.59.50 crores in 1968-69.

10.3 per cent from Rs.49.58 to Rs.54.68 crores (US\$72.909 million).

profit declined from a record (million) in 1967-68 to Rs.4.82 in 1968-69, a drop of 11.3 per cent. It was Rs.2.94 crores (US\$3.918 million) in 1967-68 and Rs.3.49 crores (US\$4.657 million) in 1968-69.

by a marginal 6.3 per cent from 461.990 million ATKms while the increase of 8.3 per cent from 198.977 million ATKms.

percent in overall load factor from 1968-69, a rise of 1.7 per cent.

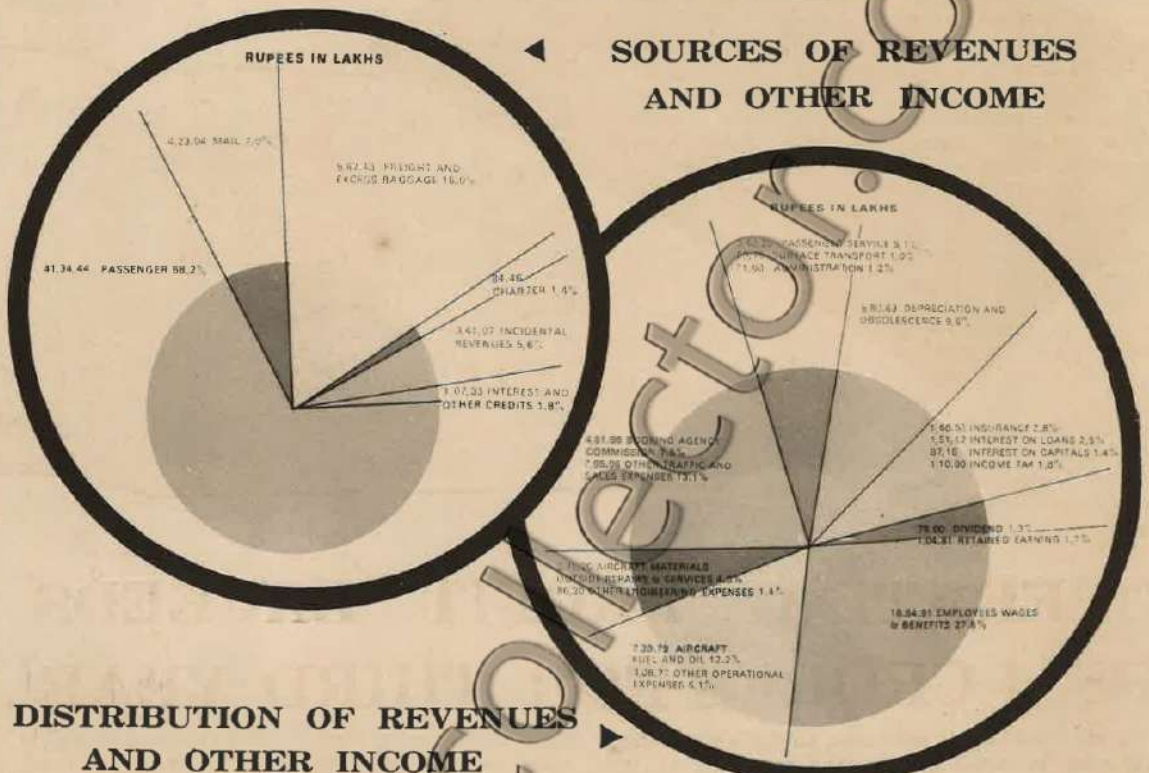
down on scheduled services rose to 331,051.

up by 14.5 per cent from 60.24 million in 1968-69, while mail increased by 10.8 per cent to 11.20 million. Excess baggage improved by 10.8 per cent to 11.20 million. Excess baggage improved by 10.8 per cent to 11.20 million. Excess baggage improved by 10.8 per cent to 11.20 million.

35 revenue hours during 1968-69 previous year.

of 3,792 revenue hours per aircraft better as compared to the utilization of 10.39 hours per aircraft in 1967-68, a 1.4 per cent better than in the previous year.

onne-kilometre in 1968-69 was from Rs. 1.14 in the previous year to Rs. 2.43 in 1968-69. The operating cost per revenue tonne-kilometre was Rs. 2.43 in 1968-69, a 1.4 per cent better than in the previous year.



Industry on threshold of a new era

WITH the introduction of the Boeing 747, the international air transport industry is on the threshold of a new era which, along with an increase in traffic may also bring in its wake new problems and some financial risks.

As the new jets will merely be larger versions of existing jets and have similar flying characteristics, the only serious technological problem they may create will be in the ground handling of their larger loads of passengers and cargo until the airports they serve have developed or improved the ground terminal facilities required to cope with them adequately.

In this respect, however, the transition will be no greater than that from the propeller planes of the fifties to the jets of the sixties. In fact, the extra strain placed on ground facilities to handle larger loads embarked and discharged by the "Jumbos" will, in the initial years, be partly compensated by a reduction in frequencies which should help to relieve congestion during peak hours at a number of the world's airports.

In India, however, the serious inadequacy of existing ground facilities at the four

international airports and the delay in enlarging and modernising them are likely to create serious bottlenecks.

The Annual Report says that the history of the present generation of jets, which brought such great benefits to the air transport industry and to the travelling public, will, by and large, repeat itself with the "Jumbos".

Whether they will prove to be as successful financially as predicted, will depend largely on the degree of restraint displayed by the Industry in ordering them. The calculated risk taken by the Industry in the late fifties and early sixties in ordering what appeared at the time a greatly excessive number of planes of an entirely new and still commercially unproven type, proved justified in practice because the jets, while proving far more reliable in operation than the old piston engined and propeller driven planes they replaced, offered the travelling public and shippers of cargo a striking

advance in speed and comfort and thus created a traffic which exceeded expectations.

The conditions under which the transition from the current generation of jets to the "Jumbos" will take place will be totally different. While the speed and comfort offered by the new planes will be only marginally greater than those of today, it is, unfortunately, not likely that their operating costs will be so much lower than those of current jets as to permit an appreciable reduction in fares which might otherwise have attracted to the air entirely new strata of travellers.

Furthermore, the history of other forms of public transport over the last century shows that after a prolonged steep rise in traffic brought about by the advance in speed, economy and comfort of the new means of transport, the growth curve gradually flattens out. The same phenomenon may be expected to occur in air transport, at least until the large scale introduction of supersonic aircraft in the eighties generates a new up-surge of traffic.

The Report warns that the serious shortage of hotel accommodation which is developing in most countries may retard the growth of passenger air traffic throughout the world. Although new hotels are being put up every year in many parts of the world, the situation has become critical in most large cities where the high cost of building and of land acts as a disincentive to the construction of new hotels.

Apart from being in the interests of the airlines, the economic benefits of tourism to any country, and particularly to developing countries such as ours, are so great that it is imperative that the growth of hotel accommodation in our country should be made to match the growth of air traffic.

In the light of these adverse factors, the growth of passenger traffic may slow down during the eighties and any excessive purchase of the new generation of large capacity aircraft would cause a serious deterioration in the financial position of the Industry whose profit margins are already severely squeezed between rising costs and falling yields.

OUR SKYSCRAPER Scene of hectic activity

By P. G. Bhandarkar, Project Engineer

OUR City Air Terminal and Administrative Building at Nariman Point is now the scene of hectic activity. As the target date of February 1, 1970 for the occupation of some of the Tower Floors approaches, the tempo will rise still further.

About 800 people from different contractors are working round the clock to finish the work in time.

We are concentrating at the moment on the completion of the Tower floors only. Work on the Terminal and the Booking Office has been entrusted to a firm of interior decorators. Installation of the neon sign, work on the marble facade on the east and west side of the building and pavements will take some time to complete.

Water mains and electrical power have already been connected. Two passenger lifts have been put into operation, two more will be ready by mid-February and the remaining two by April 1970.

As for air conditioning, two of the three motors have been received and are being installed. After this we shall begin testing the pipes, which we hope to complete in the first week of January. After about three weeks of testing of the plant, it should be possible, by running two compressors of 600 tons each, to provide air conditioning for the building by the end of January 1970.

The sewage treatment plant has been installed. Apart from treating sewage, the plant will

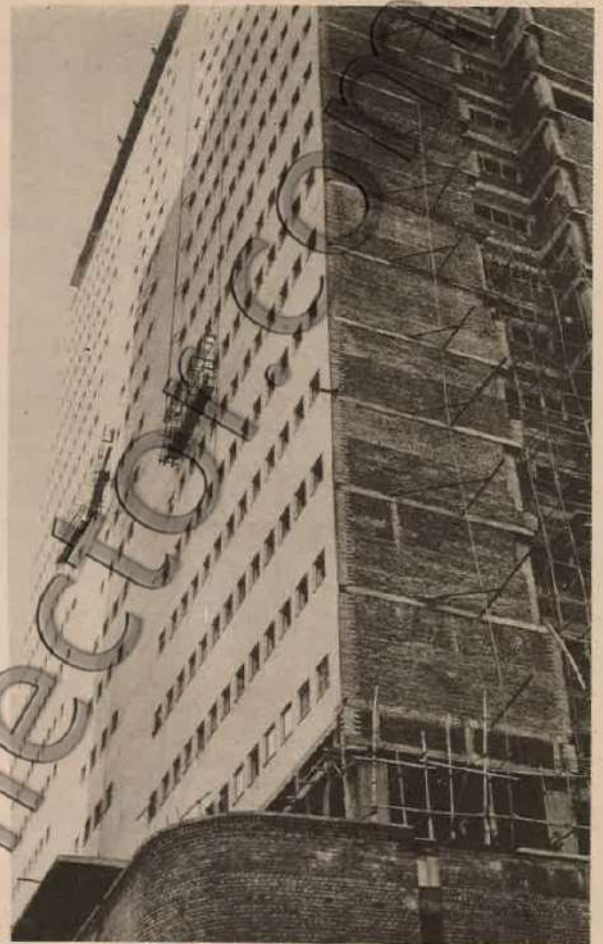
provide about 50,000 gallons of make-up water a day for the condenser cooling system of the air conditioning plant.

Work on the fire hydrant and sprinkler pipes has been completed and installation of fire pumps is in progress.

Cabins on different floors are being built and we hope to have two floors ready at the end of January.

Judging by the progress of the work so far, it should be possible for some sections to move into the new building by February 1, 1970.

Right, a view of our new City Terminal from the east. Below, the star-shaped roof above the podium.



ON THE JOB:

JAGANNATH R. Kelkar has been an instrument technician in Air-India for 21 years. He is 44 and now a chargehand in our Instrument Overhaul Shop. He took his diploma in the instrument trade way back in 1944 from the Department of Technical Education, Madras, and later joined the Army.

What he really wanted to do was to study electrical engineering. So on leaving the Army, he joined Wadia College, Poona, for a diploma course. Unfortunately, he had to give it up.

In his long career, he has worked on all kinds of instruments. Lately he has specialised on the oxygen system of aircraft. Recently he designed an adaptor to connect the oxygen line to the Passenger Service Unit, which has made changing of the PSU units easier and less time-consuming. He was given a Suggestion Award of Rs.75.

IF you ask for Pretto, as I did, in the Components Overhaul Division, the chances are they will ask you, "Which one? Father or Son?" "One who has won the Suggestion Award". "Ah, then you want the father. Down there".

At 56, Senior Aircraft Technician Joe Pretto has spent greater part of his life working on aircraft components. He started with Tata Aircraft in 1943, and except for a three-year break when he was in the Navy during the War, he has been an aviation man.

Designing gadgets is now not new to Pretto who has now won a Suggestion Award (Rs.150) for a fixture for installation of key-ways on Goodrich wheel hubs. He is not particularly excited about winning the Award. There were many that he didn't submit, one of which he proudly pointed out at the back of the Shop.

SUNEEL S. Gaitonde is a 29-year-old Senior Plant Technician who gives the impression of being a man in a hurry. When asked about the Suggestion Award (Rs.75/-) which he won recently for modifying the Exhaust Gas Temperature harness on the Boeing turbo-starters, he explained in great detail how the whole thing worked. This was not through any desire to impress, but to be sure that I understood.

It is obvious he loves machines, for he gave up College to train at the Industrial Training Institute in Bombay. He was with the Central Workshop of the State Transport and with Otis, before joining Air-India in 1961.

Gaitonde is an outdoor man. On Sundays and holidays he goes fishing, to which he was introduced by his friend, Dick Turner. "We often go together", he said.



NEWS ROUND-UP

Consumers' Co-operative Society

THE ANNUAL Report of the Air-India Staff Colony Consumers' Co-operative Society, which has just been published, shows that the Society made a net profit of Rs.15,203 in 1968-69. The total sales during the year were worth Rs.18,27,559 as against Rs.13,40,200 in the previous year. The Society has declared a dividend of 9 per cent to its members.

In the last five years, the Society's share capital has gone up from Rs.48,010 to Rs.1,32,750, its sales from Rs.6,38,619 to Rs.18,27,559 and its membership from 1,337 to 1,986.

The Society renders considerable service to the residents of our Staff Colony, including running a ration shop, a medical stores and distribution of milk. As the Management of Air-India has allotted more accommodation, says the Annual Report, the Society hopes to expand its services still further.

Mr. P. K. Iyer is the President of the Society, with Mr. P. P. Tari, Chairman and Mr. B. K. Kelkar, the Secretary.

Mr. Barretto honoured

MR. MALCOLM Barretto, Manager, France, was declared "CHEVALIER DU TAS-TEVIN" during a colourful and traditional ceremony in the historical Chateau de

Clos-Vougeot in South of France.

While conferring the honour the Organiser commented: "According to our four hundred years old records, it is the first time that our brotherhood is honoured in receiving amongst us a distinguished representative from India."

With this honour, Mr. M. Barretto becomes an expert on wines. The other expert in our Paris Office having this distinction is Mr. Edward Adolph, Airport Manager, Orly. He is at present in charge of selecting wines for the Corporation.

Look around Air-India Base

A RECENT visitor to our Engineering Base at Santa Cruz has been Mr. Jindrich Rezabek, Director of Aircraft Maintenance and Overhaul, Czechoslovak Airlines, who was on a tour of South East Asia to look at the technical facilities for servicing their IL-62s. He later

went to Singapore and Jakarta.

Mr. Rezabek said after the visit that Air-India had more than adequate facilities not only for servicing and repairs, but to assist CSA in overhauls, if necessary.

Mr. Om Sawhney, Engineering Manager, (HQ), gave a

dinner at the Sun-N-Sand in honour of Mr. Rezabek.

CSA technicians help our Station Engineer at Prague and in June last year six CSA technicians were in Bombay for a familiarisation course on the Boeing 707.

Mr. Om Sawhney gave a dinner in honour of Mr. Jindrich Rezabek at the Sun-n-Sand in Bombay.



Mr. Malcolm Barretto, our Manager-France, being greeted at the historical Chateau de Clos-Vougeot.



The Air-India exhibit at the All Goa Rose Show. Inset photograph shows Mr. Dayanand Bhandolkar, Chief Minister of Goa, looking at our exhibit. Mr. Louis D'Souza, our Sales Representative in Goa, is second from left.

Goa Rose Show

AIR-INDIA'S exhibit attracted considerable attention at the first All Goa Rose Show held recently. The Show was inaugurated by the Chief Minister of Goa, Mr. Dayanand Bhandolkar.

Roses from Thailand, Japan and Lebanon were specially flown in by us for the Show. From Thailand came 'Christine' and 'Elizabeth'; from Japan came 'Happiness', 'Buchas', 'Super Star', 'Gordon Rapture', 'Hallow' and 'Karina'; and from Lebanon came the 'Montezums' 'Rouge Maillard', 'Dr. Verhagen' 'Red Star' and 'Carla'.



Unexpected wind fall

AN UNEXPECTED windfall came to Sales Officer, Mr. C. G. Ramani, last month when he won the second prize of Rs.500 in a Burma Shell quiz for motorists. Mr. Ramani sent in the questionnaire when a friend insisted that he should do it. He didn't really expect to win and had forgotten all about it.

The quiz was about cricket

and those who know Mr. Ramani were not surprised that he won the prize. He is a cricket fan and really knows the game, having played whilst at school and college. He gave it up only after an injury.

Now he reads all about it. "I have not missed a single test in Bombay since 1948", he said. Something of a record?

Five for two

FOLLOWING the recommendations made by the Labour Relations Committee, certain changes have been made in the rules governing the granting of free/concessional passages. It has now been decided that a married couple, where both

husband and wife are employees of the Corporation, will be entitled to an aggregate of five passages between them per year, which are most favourable. The fifth passage will, however, be admissible only for travel on domestic sectors.

SPORTS NEWS

Badminton

Air-India team Visits Nairobi

AIR - INDIA'S Badminton Team consisting of eight players, including three ladies, made a successful tour of Nairobi recently. They played four matches, three in Nairobi and one in Kisumu. They won two and lost two.

India's High Commissioner in Kenya and President of Commonwealth Games and Olympic Association for Kenya watched the matches. Mr. O. Roncon, Mr. R. Sar-

malkar and Miss Tara Dandige were particularly impressive and were cheered repeatedly.

The members of the team were: Mr. O. Roncon, Mr. Ravi Sarmalkar, Mr. N. C. Abrol, Mr. S. K. Sekhri, Mr. T. N. D. Pillai, Miss Tara Dandige, Mrs. V. V. Kadam and Miss S. Iyer. Mr. V. M. Bhagwat accompanied the Team as Manager.



Above, the Air-India Badminton Team photographed at Bombay Airport before departure for Nairobi. The photograph shows (L to R) Mr. V. M. Bhagwat, Manager, Mr. R. K. Kaul, Mr. S. K. Sekhri, Mr. A. S. Banavalikar, Personnel Manager, Miss S. Iyer, Mr. D. P. Nimkar, Engineering Manager (Overhaul), Miss Tara Dandige, Mr. T. N. D. Pillai, Mr. N. C. Abrol, Mr. V. L. Manjrekar, Sports Officer. (Kneeling L to R) Mr. O. Roncon, Mrs. V. V. Kadam, Mr. R. A. Sarmalkar. Left, the finalists in the inter-departmental tournament (L to R) Mr. N. J. Hegde, Mr. M. K. Kulkarni, Mr. R. V. Nayak, Manager, Mr. S. D. Kalshekar and Mr. F. M. Fracis.



Table Tennis Exciting matches

THE INTER Departmental Table Tennis Tournament 1969 was won by the team from Maintenance. The team consisted of Mr. N. J. Hegde and Mr. M. K. Kulkarni.

They defeated Mr. S. D. Kalshekar and Mr. F. M. Fracis

from the Power Plant overhaul Division.

Mr. R. V. Nayak, who managed the Tournament, said that there were 30 teams participating in the Tournament which saw some of the most exciting matches seen here.

Air-India team makes a clean sweep

AS we go to press, we hear that Air-India's Badminton team won all four matches against Indian Airlines, Madras, and also against IA, Calcutta, in the IA/Air-India League Tournament played in Madras.

Scientific approach (continued from page 3)

rected against the act and not the person, he said. He emphasised that the managerial action should be to determine and discover scope for correction and improvement of the employees involved without encouraging violation of the rules and regulations. Before taking a decision the Manager should carefully review and anticipate the effect of his decision on labour/management relationship.

In his inaugural speech at the seminar on the Selection Process, Mr. Nanda stressed the importance of interview in the Selection Process. He said that a candidate comes to an interview full of tension, reservations, doubts, and fear, and it is the duty of every one who sits on the interview panel to make him feel comfortable and relaxed. "The objective of the interview should be to find out what the candidate knows rather than what he does not know or how much he does not know," Mr. Nanda said.

Introducing the subject, Mr. M. V. Nahusharaj, Assistant Personnel Officer (Recruitment and Management

Development) said that building and maintaining an effective human organisation is the most important managerial function. Regardless of the nature of the industry or the size of the company the key to successful operation of a business lies in the proper selection, placement and treatment of an individual employee. Management has a direct obligation, which it cannot afford to ignore, to carefully select and correctly place each employee.

He pointed out that a well planned selection process can lead to considerable savings in the long run. As a matter of fact, in many cases it can mean the difference between a profit and loss.

He touched upon several finer points in interviewing like the art of putting questions and judging other people. He showed a film on the subject. The contribution of psychological tests to the Selection Process was also discussed.

Mr. D. F. Pereira, Training Officer of Larsen & Toubro was the guest speaker at the seminar.

Oh, Hello Captain

An international cricket match was played in Kuwait recently. The International Team which consisted of such well-known players as Basil D'Oliveira and Freddy Truman, was led by Tom Graveney, who is seen here greeting Capt. K. R. Gazdar, our Dy. Operations Manager (Western Division), London.





The Indo-Thai Air Agreement was recently signed in Bangkok. Photograph shows Dr. P. K. Bannerjee, Indian Ambassador to Thailand (L) and Dr. Chitti Sucharitkul, Dy. Minister for Foreign Affairs, Government of Thailand, signing the Agreement.

WHO'S WHO & WHERE

Promotions

COMMERCIAL DEPARTMENT		TO
D. P. Mitra,	Sydney.	Regional Manager (Offg.)
S. R. Tamhane,	Suva.	Stn. Manager (Offg.)
T. K. P. Pillai,	Santa Cruz.	Stn. Manager (Offg.)
ENGINEERING DEPARTMENT		AME I
D. Chakravarty,	Santa Cruz.	



Above right, the large gathering of staff and guests watching the performance given by the students of the Air-India Modern School during the Annual Day celebrations on December 20, 1969. Above, some of the children who participated in the ballet 'Meghdoot' photographed during the performance.



Air-India Modern School Annual Day

A GLITTERING, colourful function held at the Indian Airlines Sports Club at Santa Cruz on December 20, 1969, marked the sixth Annual Day of Air-India Modern School. Mr. R. P. Mhatre, Director, Indian Institute of Technology, Bombay, was the Chief Guest at the function, which was presided over by Mr. Hans Bhugra Municipal Councillor and JP.

As usual the children of the School enlivened the evening with excellent presentations of songs, dances and a drama. The highlight of the programme was the ballet 'Meghdoot'. Speaking on the occasion Mr. Mhatre praised the work being done by the School and said it was necessary to teach children technical and scientific subjects, possibly with the help of models. The standards of education should not be

allowed to fall, he added. He praised Air-India's progressive labour policy.

Mrs. Mhatre and Mrs. Bhugra distributed prizes and various scholarships. The Air-India staff Welfare Fund scholarship of Rs. 80.00 was bagged by Miss Sharbarinag.

Miss R. D'Souza, Principal, in her report gave details regarding the functioning of the school and different activities undertaken during the year. Mr. V. Pichumani President of the Staff Colony Association in his address thanked all the parents for their cooperation in running the school efficiently and he hoped it will be possible to send the first batch of students for the SSC examination within the next three years. Mr. P. N. Roy, General Secretary, proposed a vote of thanks.

IATA MEMBER

CIA Mexicana de Aviacion has joined the International Air Transport Association as an active member from January 1, 1970.

With the addition of Cia Mexicana de Aviacion, IATA's membership at present comprises 89 active and 15 associate members. Cia Mexicana de Aviacion's head office is located in Mexico City.

OBITUARY: Mr. S. R. Dalvi

WE regret to report the death of Mr. S. R. Dalvi, Assistant Superintendent, Stores, on December 8, 1969. He was in the K. E. M. Hospital suffering from kidney infection.

Mr. Dalvi, who was 46 at the time of his death, joined Air-India in May 1946.

We send our sincere condolences to Mrs. Dalvi and her three sons.



A group photograph taken at the inaugural function of 'Join the Caltex Jet-Set' campaign at Woodlands Service Station, Alipore, Calcutta. Mr. B. B. Gulati, our Manager Eastern India, is third from left with Mr. S. N. Sinha, Regional Manager, Caltex, Calcutta, fourth from right.



MERIT AWARDS : 1968 - 1969

ENGINEERING



(L to R) D. Chakravarty, A. M. E. II (Group I, First Prize); N. A. Kochrekar, Office Assistant (Group I, First Prize); S. J. Soans, Chargehand (Group I, First Prize); D. T. Dighe A. M. E. I. (Group I, First Prize)



(L to R) A. E. Paul, Foreman (Group I, First Prize); P. S. Rane, Sr. Aircraft Technician (Group II, First Prize); C. N. Narkar, Sr. Clerk (Group II, First Prize); P. R. K. Pillai, Sr. Aircraft Technician (Group II, First Prize)



(L to R) K. N. Nair, Cleaner (Group II, First Prize); D. S. Sawant, Sr. Aircraft Technician (Group II, First Prize); G. K. Satghare, Sr. Plant Technician (Group II, First Prize); N. D. Bhajnik, Cleaner (Group II, Second Prize)



(L to R) B. K. Mhaskar, Sr. Aircraft Technician (Group II, Second Prize); V. Y. Kolamkar, Sr. Aircraft Technician (Group II, Second Prize); E. H. Wadia, Sr. Aircraft Technician (Group II, Second Prize); P. V. Nagotkar, Cleaner (Group II, Second Prize)



(L to R) S. C. Saliari, Cleaner (Group II, Third Prize); A. M. Karkhanis, Sr. Progress Clerk (Group II, Third Prize)

COMMERCIAL



(L to R) P. Jayaram, Office Assistant (Group I, First Prize); R. M. L. Saxena, C. T. A. (Group I, First Prize); W. Lewis, Asst. Cabin Supervisor (Group I, First Prize); N. F. Castelino, Sr. Steno (Group II, First Prize)



(L to R) P. S. M. Eswaryya, Sr. Steno (Group II, First Prize); T. N. Ganapathy, Steno (Group II, First Prize); Mrs. R. D'Souza, Sr. Clerk (Group II, Second Prize); R. Abdul Wahab, Chowkidar (Group II, Second Prize)

B. Ramanujam, Loader (Group II, Third Prize)

STORES AND PERSONNEL



(L to R) M. V. Bichu, Progress Supervisor (Group I, First Prize); A. B. Advani, Sr. Store-keeper (Group II, First Prize); Y. A. Pednekar, Typist/Clerk (Group II, Second Prize); H. M. Gadekar, Cleaner (Group II, Third Prize)



(L to R) L. A. Mondkar, Sr. Clerk (Group II, First Prize); S. K. Dawood, Head Vendor (Group II, Second Prize); R. B. Singh, Chowkidar (Group II, Third Prize)

OPERATIONS

(L to R) D. G. Lad, Telex Technician in charge (Group I, First Prize); S. Y. Sapte, Sr. Plant Technician (Group II, First Prize); N. R. Kale, Loader (Group II, Second Prize)



ACCOUNTS

(L to R) K. G. Pai, Office Assistant (Group I, First Prize); K. P. Abdu, Sr. Clerk (Group II, First Prize); S. A. Nabar, Sr. Clerk (Group II, Second Prize); S. S. Sawant, Jr. Clerk (Group II, Third Prize)

