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AIRPORTS AUTHORITY OF INDIA (AAI)

MINISTRY OF CIVIL AVIATION

**COMMITTEE ON PUBLIC UNDERTAKINGS
(2021-22)**

TENTH REPORT

(SEVENTEENTH LOK SABHA)



**LOK SABHA SECRETARIAT
NEW DELHI**

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AIRPORTS AUTHORITY OF INDIA (AAI)

MINISTRY OF CIVIL AVIATION

**[Action taken by the Government on the Observations/Recommendations contained in
the First Report of the Committee on Public Undertakings on Airports Authority of India
(AAI)]**

*Presented to Lok Sabha on 04 February, 2022
Laid in Rajya Sabha on 04 February, 2022*



**LOK SABHA SECRETARIAT
NEW DELHI**

February, 2022/ Magha, 1943(Saka)

CPU No.1025

Price : Rs.....

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Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (.....Edition) and Printed by the General Manager, Government of India Press, Minto Road, New Delhi-110002

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COMPOSITION OF COMMITTEE ON PUBLIC UNDERTAKINGS (2021-22)

****Shri Santosh Kumar Gangwar - Chairperson***

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4. Shri Chandra Prakash Joshi
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*** Shri Santosh Kumar Gangwar appointed as Chairperson, COPU w.e.f. 13 August, 2021 vice Smt Meenakashi Lekhi appointed as Minister on 07 July, 2021.**

INTRODUCTION

I, the Chairperson, Committee on Public Undertakings (2021-22) having been authorized by the Committee to submit the Report on their behalf, present this Tenth Report on Action Taken by the Government on the Observations/Recommendations contained in the First Report of the Committee on Public Undertakings (17th Lok Sabha) on 'Airports Authority of India (AAI)'.

2. The First Report was presented to Lok Sabha and laid on the Table of Rajya Sabha on 29 January, 2021. The Action Taken Replies to all the 43 Recommendations contained in the Report were received from the Ministry of Civil Aviation on 24 September, 2021.

3. The Committee (2021-22) considered and adopted the draft Report at their sitting held on 21 December, 2021. The Minutes of the Sitting are given in Appendix-I.

4. An analysis of the action taken by the Government on the Observations/Recommendations contained in the First Report (17th Lok Sabha) is given in Appendix II.

New Delhi;
24 January, 2022
4 Magha, 1943 (S)

SANTOSH KUMAR GANGWAR
Chairperson
Committee on Public Undertakings

R E P O R T
C H A P T E R I

This Report of the Committee deals with the action taken by the Government on the Observations/Recommendations contained in the First Report of the Committee on Public Undertaking (2020-21) on 'Airports Authority of India' which was presented to Lok Sabha on 29th January, 2021. It contained forty-three observations/recommendations.

2. Action Taken notes have been received from the Government in respect of all the forty-three observations/recommendations contained in the Report. These have been categorized as follows:-

- | | | |
|---|---------------|-------------|
| (i) Observation/Recommendations which have been accepted by the Government
Sl.Nos.1.1, 2.2, 3.1, 3.2, 5.1, 5.2, 6, 7, 8, 9,10, 11, 12, 14.1, 15, 16, 18, 19.1, 19.3, 20, 21, 22, 23, 24, 25.1, 25.2, 26.1, 26.2, 27.1, 27.2, 29, 30, 31, 32 & 33 | (Chapter II) | (Total: 35) |
| (ii) Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies.
Sl. Nos. 2.1, 3.3, 4,13 & 17 | (Chapter III) | (Total: 05) |
| (iii) Observations/Recommendations in respect of which replies of Government had not been accepted by the Committee and which require reiteration.
Sl. Nos. 19.2,19.4, 28 | (Chapter IV) | (Total:3) |
| (iv) Observations/Recommendations to which the Government has furnished interim replies and final replies are still awaited.
Nil | (Chapter V) | (Total:0) |

3. The Committee desire the Ministry of Civil Aviation to furnish final Action Taken Notes/replies in respect of observations/recommendations contained in Chapter I of the Report. They further desire that a final and comprehensive action taken Notes/Replies may also be furnished within 3 months on those Observations/Recommendations contained in Chapter V on which the Government have given interim/incomplete information.

4. The Committee will now deal with the Action Taken by the Government on some of

the Observations/Recommendations in succeeding paragraphs.

Grant of 'Navratna' Status to AAI

Recommendation (Sl. No. 5.1 and 5.2)

5. The Committee in their Report, had recommended the following with regard to the granting of Navratna status to AAI:-

"The Committee observe that the Airports Authority of India (AAI), a Statutory Corporation which was created by an Act of Parliament viz. Airport Authority of India Act, 1994, had been granted 'Miniratna Category-I' status in the year 2009 under "Ratna Scheme" of the Department of Public Enterprises (DPE). The Ratna status conferred to AAI provided functional autonomy and financial powers such as expenditure up to Rs.500 crore to the Board. The Committee note from the information submitted to them that the AAI Board requires wider functional autonomy and enhanced financial powers in view of (i) the fast changing aviation scenario posing challenges and providing opportunities for growth; (ii) the need to utilize its vast knowledge base in strengthening its role in airport development and offering consultancy services in India and abroad; (iii) the requirement of extending and strengthening operations under Regional connectivity Scheme (RCS) under UDAN scheme; (iv) entering into strategic partnership via Joint Ventures with Indian and Aviation Companies operating at global level; (v) the plans to form Special Purpose Vehicles (SPVs) and Joint Ventures (JVs) with States/Local authorities for green field airports. The Committee have been informed that with a view to fulfill its aspirations, the AAI had applied to DPE in the year 2017 for granting them the status of "Navaratna" which offers wider functional autonomy and enhanced financial powers. The DPE, however after considering the request, had advised AAI which is a "Statutory Corporation" to convert itself into a "Company" under the Companies Act, 2013 which requires amendment in the AAI Act, 1994. The AAI has however submitted that it will be able to function as an Authority i.e.as a "Statutory Corporation" more efficiently after getting the Navaratna status. The Committee's analysis further reveals that (i) AAI has been performing reasonably well and paying handsome dividends to the Government since many years in the past (ii) AAI has achieved ratings 'very good' for two years i.e. 2013-14 and 2014-15 and 'Excellent' for three years i.e. 2015-16, 2016-17 and 2017-18 on Memorandum of Understanding (MoU) parameters of DPE and (iii) AAI had been complying with other stipulations of Department of Public Investment and Management (DIPAM), Ministry of Finance, DPE, etc. and thus the Committee observe that the AAI fulfills almost all other eligibility criteria for being considered for 'Navaratna' entity except its present status of a Statutory Corporation which the DPE desires to be converted as a Company under the Companies Act, 2013. The Committee also are of the opinion that the status of a company definitely brings in more transparency and accountability in the functioning of the organization and therefore the AAI should

explore to convert it into a Company under the Companies Act, 2013 as has been suggested by the DPE. The Committee would like to be apprised of the steps taken in this regard."

6. The Ministry, in their action taken reply, have stated as follows:-

- (i) "AAI formed on 1st April 1995 by an Act of Parliament. AAI was granted Mini-Ratna Category-I PSE status in March 2009 by the DPE.
- (ii) DPE while processing the proposal for grant of Navratna status to AAI has observed that AAI has to become a Company under the Companies Act for grant of Navratna Status.
- (iii) On the issue of Buy back of shares for the capital contributed by the Government to AAI as per the directions of DIPAM, Ministry of Finance, DPE has asked to expedite the process.
- (iv) MoCA also asked AAI to furnish a Report clearly indicating the implications of the proposed Buyback of Shares by AAI.
- (v) As the issue involved analysis of the Provisions of AAI Act, 1994 and Companies Act, AAI engaged M/s. Cyril Amarchand Mangaldas, Advocates and Solicitors to assess and evaluate the proposal of Buyback of Shares by AAI.
- (vi) The Consultant submitted their report and brought out that to make applicable the provisions of Section 68 of the Companies Act (on Buy-back of Shares) to AAI, issue of notification under Section 1(4)(f) of Companies Act on a Standalone Basis is not feasible. This would require making other related Sections of the Companies Act applicable to AAI through that Notification and making necessary amendments in the relevant Sections of AAI Act, 1994 to remove any conflicts between the two enactments. The consultant also elaborated about the Notification and sections to be notified under the Companies Act and amendments required in the select sections of AAI Act to undertake the "buyback of Shares by AAI" in their report.

The overall conclusion has been elaborated by the Consultant vide Para-D of their Report-Sr. No. 5.1 to 5.5 wherein they have also brought out that existing provisions of the AAI Act, which are in conflict with the Companies Act needs to be amended by the Parliament (to address such conflict) or by means of fresh Legislation by the Parliament."

7. The Committee in subsequent recommendation No. 5.2, had recommended the following:-

"The Committee further observe that the AAI has not only grown substantially in terms of operations, revenue earnings, expansion of

various activities, earning profits and paying dividends during the last many years but also seems to meet almost all requirements of the parameters of the MoU signed with the DPE and therefore it could be logically concluded that the AAI will excel further in its business operations after getting 'Navratna' status which will give more functional autonomy and enhanced financial powers to the Authority. The Committee, therefore, recommend that once the legal status of AAI changes into a Company as per suggestion of the DPE, the request of AAI to grant them, 'Navratna' status should be considered by DPE so that the AAI with the elevated status could excel in its business operations and emerge as a leading global player in aviation infrastructure management sector."

8. The Ministry, in their action taken reply, have stated as follows:-

"Airports Authority of India (AAI) is a Schedule 'A' Miniratna category-I CPSE under the administrative control of Ministry of Civil Aviation (MoCA) which was formed on 1st April, 1995 by an Act of Parliament viz. The Airports Authority of India Act 1994 (55 of 94).

The proposal to convert the status of AAI from 'Miniratna' to 'Navratna' was referred to the Department of Legal Affairs (DoLA) by this Ministry. DoLA opined that "the provisions of the Companies Act, 2013 including the provisions of Section 68 can be extended to anybody corporate like AAI which is incorporated by an Act of Parliament by issuing a notification as per the provisions of Section 1(4)(f) of the Companies Act, 2013".

Accordingly, a report indicating the implications of proposed buy back of shares, was sought from AAI. As the issue involved analysis of the provisions of AAI Act, 1994 and Companies Act, AAI engaged *M/s. Cyril Amarchand Mangaldas, Advocates and Solicitors* to assess and evaluate the proposal of Buyback of Shares by AAI, who in their Report on the subject has *inter-alia* stated that if AAI is to be re-incorporated as a company under the Companies Act, it would result in a fundamental change in the corporate structure, functioning and governance of AAI. Applying Section 68 of the Companies Act on a stand-alone basis to AAI through a notification under Section 1(4)(f) of the Companies Act is not feasible. Incorporation of such provisions relating to, *inter-alia*, share capital requirement and corporate governing bodies would be in conflict with existing provisions of the AAI Act and would necessitate either prior amendment of the AAI Act by the Parliament (to address such conflict) or fresh legislation by the Parliament. The matter was further referred to M/o Corporate Affairs who has also seconded the opinion of *M/s. Cyril Amarchand Mangaldas*.

Since DoLA had earlier opined that the provisions of the Companies Act, 2013 can be extended to anybody corporate like AAI which is incorporated

by an Act of Parliament by issuing a notification as per the provisions of Section 1(4)(f) of the Companies Act, 2013, therefore, the issue has been referred to DoLA with the request to offer its considered opinion/comments in the matter taking in view the report furnished by M/s. Cyril Amarchand Mangaldas with regard to Buy-back of Shares by AAI. A response from DoLA is yet to be received in the matter."

9. The Committee in their original report had observed that in the year 2017, AAI had applied to DPE for granting them the status of 'Navratna' that would give them more functional & financial autonomy in their functioning. DPE had considered the request of AAI and had advised AAI to convert itself into a 'Company' under the Companies Act, 2013 which requires amendment in the AAI Act 1994. Since AAI fulfilled all the eligibility criteria for being considered a 'Navratna' status company, the Committee felt that granting of 'Navratna' status would bring more transparency, accountability and enhanced functional & financial autonomy and as such, AAI should explore to convert itself into a Company under the Company's Act, 2013. The Ministry of Civil Aviation in their Action Taken Replies have informed that the proposal to convert the status of AAI from 'Miniratna' to 'Navratna' was referred to the Department of Legal Affairs which was also of the opinion that 'the provisions of the Companies Act, 2013 including the provisions of Section 68 can be extended to anybody corporate like AAI which is incorporated by an Act of Parliament by issuing a notification as per the provisions of Section 1 (4)(f) of the Companies Act, 2013.' Accordingly, AAI engaged a consultant M/s Cyril Amarchand Mangaldas, Advocates and Solicitors to assess and evaluate the proposal of Buyback of Shares by AAI. The consultant opined that 'if AAI is to be re-incorporated as Company under the Companies Act, it would result in a fundamental change in the corporate structure, functioning and governance of AAI. Applying Section 68 of the Companies Act on a stand-alone basis to AAI through a notification under Section 1(4)(f) of the Companies Act is not feasible. Incorporation of such provisions relating to, *inter-alia*, share capital requirement and corporate governing bodies would be in conflict with existing provisions of the AAI Act and would necessitate either prior amendment of the AAI Act by the Parliament (to address such conflict) or fresh legislation by the Parliament.' This opinion of the consultant was also seconded by the Ministry

of Corporate Affairs. Since the opinion of the consultant M/s Amarchand Mangaldas was also seconded by the Ministry of Corporate Affairs, the Ministry of Civil Aviation referred the matter again to the Department of Legal Affairs to offer their considered opinion which is still awaited. The Committee note the difference of opinion given by the Department of Legal Affairs and the Ministry of Corporate Affairs and the consultant. They desire the Government to expedite obtaining of the opinion of the Department of Legal Affairs and take conclusive action in the matter immediately which has been pending since 2017.

Setting-up of Trans-shipment hub for Cargo handling

Recommendation (Sl. No. 11)

10. The Committee in their Report, had recommended the following with regard to the physical performance of AAI:-

"The Committee note that Trans-shipment Cargo refers to Cargo which is unloaded from one carrier and loaded or intended to be loaded on the same or on another carrier or vehicle for carriage to its final destination. A trans-shipment hub refers to a centre where all types of trans-shipment cargo are accumulated, processed and further uplifted without much interference of Customs with primary moto to reduce the turnaround time of Aircrafts in Indian Airports and cost as well. The Committee have been apprised that the Ministry of Civil Aviation had undertaken a study to establish "Trans-shipment hubs" at major airports like Delhi, Mumbai, Chennai and Kolkata and concluded with the feasibility of establishment of trans-shipment hub at Delhi and Chennai airports only. Feasibility study were also conducted by a subsidiary of Airport Authority of India i.e. AAICLAS for establishment of trans-shipment hub and Special Economic Zone (SEZ) at Chennai International Airport which could not materialise due to shortage of space. However, a dedicated shed measuring about 1800 sqm in the air side of the integrated terminal for handling of trans-shipment cargo with X-ray screening & access control facility was earmarked for the purpose at Chennai Airport. At Delhi airport, DIAL operationalized a dedicated Transshipment Excellent Centre (TEC). The Committee further note that apart from these two hubs, no other Trans-shipment hub has yet been established at any Indian airport. The Committee note from the future cargo handling projections given by AAI that airports in India will be handling about 4337.44 metric tonnes of Cargo by 2023-24 and about 5488.36 metric tonnes of cargo by the year 2028-29 as compared to 3561.9 metric tonnes of cargo handled in 2018-19 and 2279.15 metric tonnes of cargo handled in 2013-14. With the likelihood of Cargo traffic set to increase so much in the decade, the Committee feel that establishment of new

trans-shipment hubs and Special Economic Zones (SEZs) at airports would be a necessity. Unless more such hubs are set-up, the Committee is apprehensive about such huge cargo being handled at ease in near future as per the projections. As setting-up of trans-shipment hubs eases congestion in normal warehouse at Indian airports and encourages simplified customs procedures and more movement of trans-shipment cargo at reduced cost, the Committee desire that the (i) SEZ set-up at Chennai airport be expanded by addressing issue of shortage of space (ii) establishment of trans-shipment hub at Mumbai and Kolkata be pursued vigorously, and (iii) feasibility study be conducted for establishment of hubs in a time bound manner at other major airports that handle huge trans-shipment cargo."

11. The Ministry, in their action taken reply, have stated as follows:-

"While customs have been engaged in simplified procedures for the movement of Transshipment cargo, AAICLAS on its part is taking steps to establish SEZ at Chennai airport by seeking sufficient land from AAI by way of procurement of land from Air India, which is undergoing disinvestment program, opposite to Integrated Air cargo terminal at Chennai airport. AAICLAS is further engaged in Cargo Terminal Operations (CTO) by introducing RA/RA3 facilities at Chennai & Kolkata airports which is facilitating a single entity concept in air cargo handling. The RA facility will be introduced in all other major international airports so that the transshipment cargo movement in a high volume at Indian airports is facilitated."

12. The Committee, in view of the expected increase in cargo handling by 2023-24 and further increase in projections leading up to 2028-29 had recommended that establishment of new trans-shipment hubs and Special Economic Zones at airports would be sine qua non for reducing turnaround time of aircrafts and costs at Indian airports. In their reply, Ministry stated that AAICLAS on its part is taking steps to establish SEZ at Chennai airport by seeking sufficient land from AAI by way of procurement of land from Air India and is 'further' engaged in Cargo Terminal Operations (CTO) by introducing RA/RA3 facilities at Chennai & Kolkata airports which is facilitating a single entity concept in air cargo handling.

The Committee are however concerned to note that no categorical reply has been given on the issue of establishment of trans-shipment hub at Mumbai and Kolkata. Further, the Ministry had not responded to the issue of conducting of feasibility study for establishment of similar hubs in a time bound manner at

other major airports of the country. The Committee express their apprehension as to how such huge cargo will be handled which is projected to increase to 5488.36 MT by the year 2028-29. The Committee while recommending for vigorous pursuing of the establishment/ expansion of trans-shipment hub at Delhi, Mumbai, Chennai and Kolkata within a definite time-frame also re-emphasize conducting of feasibility study by AAICLAS on establishment of similar hubs at other major airports of the country.

Passenger Services

Recommendation (Sl. No. 14.1)

13. With regard to filling up the passenger services at the airports across the country, the Committee in their Report had recommended as follows:-

"The committee note that AAI has launched a project "Driving Improvements in Service and Hospitality at Airports"(DISHA) to improve various dimensions of operational excellence and customer experience in various areas such as operations, facilities, navigation, customer delight, customer grievance management, organization, internal and external communication. The Committee also observe that in order to provide assistance to Persons with Disabilities (PWDs), senior citizens and VIPs at airports handling passenger traffic of 1million and above, 'May I Help You' counters have been established. Lost and Found online portal has also been developed in co-ordination with IT Department to ease out the passenger claiming process. The Committee also note that in order to reduce check-in time for passengers at airports, the additional number of equipments have been provided at 40 major airports. These equipments include (i) Common User Terminal Equipment (CUTE) (ii) Common User Self Service(CUSS) (iii) scanners (iv) MCR/OCR keyboards. Further, stamping of hand baggage tags have been dispensed with at 57 airports and 4 more airports are ready for trial run. The Committee also observe that passenger feedback system has been implemented at 10 airports and installation of the system at 32 airports is underway. The Committee hope that all the aforementioned facilities will be provided at all other airports in a definite timeframe. The Committee would also like to be apprised of the updated status of the progress in these customer friendly services at the airports."

14. The Ministry, in their action taken reply, have stated as follows:-

"In order to provide assistance to Persons with Disability (PwDs), Senior citizens and VIP's "May I Help You" Counters are being established at all AAI Airports

having scheduled operations. Also, Lost & Found online portal and CUTE/CUSS facilities are being provided at AAI airports.

AAI is leaving no stone unturned in terms of capacity creation, to cope with the future traffic demand and has already embarked on a gamut of capacity building and enhancement projects not only limited to construction of new terminal buildings, expansion/modification of existing terminal buildings, construction of new green field airports but also putting to use the latest state of the art technologies to encourage automation like CUTE, CUSS, e-gates, Digiyatra, inline baggage conveyor system, body scanner etc. Better slot management is a key to decongest and enhance the capacity of the existing terminal buildings. The above technologies will help in drastically reducing the time spent at various processes at the airport, leaving passengers more time to indulge in various activities. For many passengers the time at airport has become fun time.

AAI is continuously striving to emulate best experience offered by world' best airports to move up the ladder from mere passenger satisfaction to true passenger delight.

AAI airports have excelled their peers in the time of pandemic, as evident from the high rating given by the passengers for specific questions related to safety and hygiene. AAI airports have provided all measures to cope with the COVID 19 in effective and efficient manner so as to build the confidence among the passengers simultaneously reducing the stress of travelling in difficult conditions."

15. The Committee had observed that in order to reduce check-in time for passengers at airports, equipment such as CUTE, CUSS, Digiyatra, e-gates, scanners, MCR/OCR keyboards had been provided at 40 major airports etc. The Committee had also noted setting up of facilities such as DISHA, 'May I Help You' counters, Lost and found online portal, etc. at airports. The Committee had also observed that the passenger feedback system had been implemented at 10 airports and installation of the system at 32 airports was underway. The Committee had hoped that all the facilities will be provided across the airports in the country in a definite timeframe and had desired to know about the updated status of the progress of these services at different airports. The intent of the committee behind these recommendations was to make flying experience better for the passengers by incorporating as many customers friendly services as possible at airports. The Committee however find it disappointing to note that the Ministry has not indicated any time frame or deadline by which these facilities/amenities would be available to the public/passengers at various airports in the country. They have simply stated that they are leaving no stone unturned in putting to use the latest state of art technologies. The Committee re-

emphasize that a definitive timeframe for provision of each service/ amenity at each airport be drawn by the Ministry and monitored scrupulously. The details of the timeframe prepared and the various services to be provided to the air passengers at Airports may be furnished for the information of the Committee. The Committee would also like to be apprised of the measures/efforts taken by AAI/Ministry for better Slot Management as it is a key to decongest and enhance the capacity of the existing terminal building at all the airports.

APP based Cab Service – need for proper signages at pick-up points

Recommendation (Sl. No. 16)

16. With regard to app based cab service- need for proper signages at pick-up points at the airports across the country, the Committee in their Report had recommended as follows:-

"The Committee note that AAI have awarded license to APP based Cab service providers such as UBER, OLA, etc. at airports through open tendering process and separate pick-up points have been earmarked by AAI for providing Cab services to the passengers at respective airports with direction signages for the cab service providers. The Committee however observe that most of the designated pick-up points of UBER, OLA, etc. do not have appropriate identification marks for the passenger or the driver to identify his exact location at the airport. In the absence of such signages/marks, passengers and Cabdrivers face difficulty in communicating their exact locations resulting in wastage of precious time and causing crowding and traffic jams at the UBER, OLA pick-up points. The Committee therefore desire that appropriate circles be marked indifferent colours on the ground with appropriate identification numbers so that passengers can communicate their exact locations to the drivers. The identification number can also be displayed on the pillars or side walls in the area of the pick-up points which is easily visible to the drivers to locate the passengers. Similarly, pathways can also be marked in numbers or colours for the cab drivers to communicate their exact locations. If the pick-up points are in open area, trees or ground may be marked with identification numbers for the convenience of the passengers and the drivers. The Committee further desire that for the safety and security of passengers, data base of local taxi drivers registered at airports also needs to be maintained."

17. The Ministry, in their action taken reply, have stated as follows:-

"The observation of the committee and suggested measures thereon have been noted for implementation. All the airports managed by AAI have been advised to implement the suggested measures so that inconvenience faced by the passengers is reduced to the minimum level."

18. The Committee in their original report, had recommended to deploy various kinds of signages for convenience of passengers as well as for cab drivers like appropriate circles be marked in different colors on the ground with appropriate identification numbers so that passengers can communicate their exact locations to the drivers and identification numbers can also be deployed on the pillars or side walls in the area of pick up points which is easily visible to drivers for locating the passengers. The Committee had further desired that pathways can also be marked in numbers or colours for the cab drivers to communicate their exact locations. The Committee observe that the Ministry has not furnished the concrete actions taken by them as the recommendations of the Committee as these measures relate to reduction in waiting time of lakhs of passengers at pick up points and decongestion of airports across the country. The other crucial issue relating passenger safety for which the Committee had recommended for maintaining a data base of local taxi drivers registered at the airports but the Ministry has not submitted details in this regard. The Committee desire that the status of action taken on implementation of the recommendation/observations of the Committee at all major airports be furnished to the Committee at the earliest.

Sustainable Aviation Fuel (SAF) – Biofuel

Recommendation (Sl. No. 18)

19. The Committee, in their Report had recommended the following with regard to Sustainable Aviation Fuel (SAF) – Biofuel:-

" The Committee observe that civil aviation is a global business operating under international rules and protocols and the airlines are also bound by the national regulators of the countries. Therefore, national authorities are important stakeholders in promoting the innovation in the biofuel industry through research and development. The Committee note that as per the NITI Aayog 'Strategy for NEW INDIA@75' document, Aviation Turbine Fuel (ATF) is relatively expensive in India due to high taxes and lack of competition amongst providers. As it remains outside the GST network, there are also regional disparities in its price. The price of aviation fuel in India may be up to 60 percent higher than the prices in ASEAN and the Middle East countries because of high central and state taxes. Further, the fuel cost as a percentage of operating charges amounts to 45% in India as

compared to the global average of 30%. India consumes around 8 million tons of aviation turbine fuel (ATF) and a 25% blend would require around 2 million tons of biofuel or around 5-6 million tons of Jatropha seeds per annum. The Committee observe that as per the ICAO Sustainable Aviation Fuel (SAF) guidelines, while the combustion of SAF emits similar quantities of CO₂ to the combustion of Conventional Air Fuel (CAF), SAF still provide an environmental benefit on a lifecycle basis. SAF will result in decreased emissions when compared with CAF. The Civil Aviation Fuel Guide which is a joint document of ICAO, UNEP and GEF highlights Brazil's longstanding experience with bio fuels in the transport sector, with all gasoline having been blended with ethanol by mandate since 1931. The Committee note that Brazil and the United States signed a memorandum of understanding in the year 2011 to cooperate on the development of renewable aviation fuels. In 2013, Sustainable Aviation Bio fuels for Brazil were formed as a result of a combined effort between the Industry and research stakeholders. The Ministry of Civil Aviation have apprised the Committee that Bio fuels have the potential to reduce carbon emissions from aviation. One of the domestic scheduled airline viz. M/s Spicejet Ltd. had taken initiative to have 'proof of concept' by using biofuel on one of its flights successfully, in consultation with Directorate General of Civil Aviation, Ministry of Civil Aviation. The Ministry stated the use of biofuels is possible, depending upon commercial viability and easy availability. The Committee while being curious of being apprised about the outcome of the experiment carried out on biofuels by M/s Spicejet Ltd., would also like the Government to frame an aviation grade biofuel policy to promote cultivation and commercial exploitation of Sustainable Aviation Fuel (SAF)."

20. The Ministry, in their action taken reply, have stated as follows:-

" Outcome of the experiment carried out on biofuels by M/s Spicejet Ltd.

A demonstration flight was carried out in 2018 on Spicejet's Bombardier Q400 aircraft using Jatropha based biofuel produced by Indian Institute of Petroleum, Dehradun. The Aviation Turbine Fuel (ATF) was blended with biojet fuel in the ratio of 75:25 and was used in one of the engine while the other engine operated with 100% ATF. The flight took off from Dehradun and landed at Delhi, wherein engine parameters were found to be satisfactory and no abnormalities were observed.

Aviation grade biofuel policy to promote cultivation and commercial exploitation of Sustainable Aviation Fuel (SAF).

Recently, Ministry of Petroleum & Natural Gas, Govt. of India, has constituted a Committee to take ahead the Bio-ATF programme under the Chairmanship of Director (R&D), Indian Oil Corporation Ltd. Ministry of Civil Aviation (MoCA) is

member of this Committee. MoCA has also collaborated with other Ministries for scaling up the production of biofuel. MoCA is also a member of the Committee constituted under the Chairmanship of Secretary, Ministry of Road Transport & Highways (RT&H) for increasing the use of alternate sustainable pollution free fuel to achieve fuel efficiency and reduction of carbon emission, as per goals of Mission 2030.”

21. The Committee realizing the importance of clean & pollution free environment and India’s over-dependence on the imported crude oil had suggested the Government to frame an aviation grade biofuel policy to promote cultivation and commercial exploitation of Sustainable Aviation Fuel. The Ministry in their reply have stated that Ministry of Petroleum & Natural Gas, Govt. of India, has constituted a Committee to take ahead the Bio-ATF programme under the Chairmanship of Director (R&D), Indian Oil Corporation Ltd. Ministry of Civil Aviation (MoCA) is member of this Committee. The Committee have been further informed MoCA has also collaborated with other Ministries i.e Ministry of Road Transport and Highways (RT&H) for scaling up the production of biofuel in the country for achieving fuel efficiency and reduction of carbon emission, as per goals of Mission 2030. The Committee, while appreciating the steps taken by the Government in this regard would like to be apprised of the actual progress made by the Government and the impact of these initiatives on the cultivation and commercial exploitation of Sustainable Aviation Fuel in Aviation sector.

Aviation Safety and Security Measures

Recommendation (Sl. No. 19.2)

22. The Committee, in their Report had recommended the following with regard to aviation safety and security measures at various airports across the country:-

"The Committee observe that the Aircraft Accident Investigation Bureau (AAIB) was set up in July, 2012 as an independent investigative body under the Ministry of Civil Aviation with the mandate to institute and investigate all the accidents and serious incidents with all up weight of more than 2250 Kgs. The power to investigate incident and serious incidents with all up weight of less than 2250 Kgs. was bestowed on DGCA under the provisions of the Aircraft (Investigation of Accidents and Incidents) Rules, 2012. The Committee however do not find any rationale for division of investigative powers between the two agencies i.e. AAIB

and DGCA simply based on the weight of the aircrafts. The Committee are also apprehensive about the independent functioning of AAIB if it remains under the administrative control of the same Ministry about whose negligence/lapses it is mandated to critically investigate and report. The Committee would therefore like to be apprised of the exact nature of the functioning of these two agencies and also about their status with regard to the autonomy and independence in their functioning."

23. The Ministry, in their action taken reply, have stated as follows:-

"India is signatory to convention of International Civil Aviation Organization (ICAO) which is a specialized agency of the United Nations Organisation (UNO). Annex 13 to the ICAO Convention on the subject "Aircraft Accident and Incident Investigation" requires a State to have independent accident investigation authority to ensure investigation of all aircraft accidents and serious incidents involving aircraft of a maximum mass of over 2250 kgs or a turbojet-powered aeroplane. Further, Annex 19 to the ICAO Convention on the subject 'Safety Management' recognizes investigation of occurrences as an important source of identification of hazard and management of safety.

Further, as per the Rules 2017, AAIB has been tasked with the investigation of aircraft accidents and incidents of serious nature and making recommendations on the basis of findings of the investigations only. The recommendations are then forwarded to the concerned regulatory authorities only. The recommendations are then forwarded to the concerned regulatory authorities, stakeholders, etc., for taking appropriate action for prevention of similar occurrence in the future. Since both DGCA and AAIB have been delegated powers under the Aircraft (Investigation of Accidents and Incidents) Rules 2017 to respectively constitute an inquiry, investigate the occurrence and accept the report of investigation done by them, they are independent in investigation function.

DGCA being Safety Regulator for the Indian Aviation Sector, has been tasked with the overall management and supervision of the entire gamut of activities like registration, licensing and surveillance of aerodrome, aeroplanes, operators, flight training, crew and other equipment and regulations thereof. Both DGCA and AAIB are attached offices of this Ministry and advise this Ministry in various specialized fields for a robust, efficient and smooth working of the sector. Also DGCA has been tasked with Cooperation with International agencies like ICAO, regional civil aviation bodies (EC, COSCAP-SA) and with different countries (bilateral agreements). Both DGCA and AAIB have been delegated powers for smooth day to day functioning."

24. The Committee in their report had observed that the Aircraft Accident Investigation Bureau (AAIB) and DGCA are attached offices of the Ministry of Civil

Aviation established with the mandate to investigate all the accidents and serious incidents of the aircrafts. The Committee was apprehensive about the independence of the two authorities functioning under the administrative control of the Ministry of Civil Aviation and did not find any rationale for division of investigative powers between the two agencies i.e. AAIB and DGCA simply based on the weight of the aircrafts. The Committee had desired to be apprised of the exact nature of the functioning of these two agencies and also about their status with regard to the autonomy and independence in their functioning to ensure these agencies may investigate in transparent manner without any undue pressure. The Ministry in their action taken reply have although explained the functioning of the two investigative bodies, they have not given any rationale to clear the Committee's apprehension about the independent functioning of AAIB if it remains under the administrative control of the same Ministry about whose negligence/lapses it is mandated to critically investigate and report. The Committee reiterate the Ministry to explain how the independence of these agencies is ensured to enable their independent, smooth and transparent functioning.

Aviation Safety and Security Measures

Recommendation (Sl. No. 19.3)

25. The Committee, in their Report had recommended the following with regard to aviation safety and security measures at various airports across the country:-

" The Committee observe that bird strike is a major operational threat at any airport as it poses a serious risk to the passengers and may cause serious damage to the aircraft. The analysis of the data on bird strike incidents at Indian airports during the period from 2014 to 2018 indicate that bird strike incidents have increased continuously during this period as it has gone up from 679 incidents in 2014 to 1186 incidents in 2018. Further, 1167 bird strike incidents reported in the year 2019 is also an alarming figure. The Committee observe that large number of bird strikes reported year after year is a clear reflection of non-serious approach of AAI in implementation of the effective measures to counter this problem. The Committee would therefore recommend that AAI should undertake a study of the measures being taken by the airport operators globally with a view to apply the best international system to efficiently contain the bird strike incidents."

26. The Ministry, in their action taken reply, have stated as follows:-

1. " The Committee expressed concern about the bird strike incidents in the major operational airports. Measures for reduction of bird strike are in place at the airports by Airports Authority of India and this is an ongoing activity.
2. Regarding recommendation of the Committee to "*undertake a study of the measures being taken by the airport operators globally with a view to apply the best international system to efficiently contain the bird strike incidents*", it is stated that AAI has already undertaken following measure in addition to existing mitigation measures:

A study by Salim Ali Centre for Ornithology and Natural History (SACON) under the Ministry of Environment & Forests, Government of India at Coimbatore, Kannur & Ahmadabad Airport. SACON has submitted the Report. AAI has also engaged SACON for similar study at 8 airports, viz. Varanasi, Surat, Indore, Bhopal, Raipur, Calicut, Patna and Agartala. Out of these, work has already started at 5 airports, viz. Surat, Indore, Bhopal, Patna and Agartala.

3. However, specific recommendation of the Committee to "*undertake a study of the measures being taken by the airport operators globally with a view to apply the best international system to efficiently contain the bird strike incidents*" will be considered by AAI, in addition to the effort already undertaken by AAI."

27. The Committee had expressed serious concern over bird strike incidents that cause harm to passengers and severe damage to aircrafts. As observed by the Committee in their original report, there is an urgent need to undertake a study of the measures being taken by the airport operators globally with a view to apply the best international system to efficiently contain the bird strike incidents at our airports. The Committee desire that such study be taken up without any delay to minimize air incidents concerning passenger safety.

Aviation Safety and Security Measures

Recommendation (Sl. No. 19.4)

28. With regard to aviation and security measures at the airports, the Committee in the Report also recommended as below:-

"The Committee note that International Civil Aviation Organization (ICAO) requires the contracting states to establish and implement an effective state oversight system taking into account eight Critical Elements (CEs)- Legislation, Organisation, Licensing, Operations, Airworthiness, Accident Investigation, Air Navigation Services and Aerodromes which are essentially safety defense tools and are required for Effective Implementation (EI) of safety related policies and associated procedures. Further, Effective Implementation (EI) of CE's or lack of it is an indication of States' capability of the safety oversight. The Committee's analysis of the data furnished to them shows that though current EI score at 70.8% is slightly (1%) above the world average of 69.76%, yet in respect of CE's such as Organisation (61.54 %) and Licensing (25.26%), India trails by wide margin behind the world average of 71.14% and 73.55% respectively. The Committee are concerned to note that India which is one of the major civil aviation markets after US and China, is lagging far behind in EI of two CE's – Organisation and Licensing. The Committee thus observe that AAI has not been able to keep pace with world average standards in EI of these two CE's. The Committee are therefore apprehensive that lagging behind in EI of said CE's may deter foreign investment in civil aviation sector denting the sector's expected growth. The Committee, therefore, urge the Government to take suitable steps not only to reach world averages but also to be on par with the best in the world in respect of all the eight Critical Elements in general and the aforementioned two CE's in particular."

29. The Ministry of Civil Aviation, in their action taken reply, have stated below:-

"Licensing covers – Pilots, Flight Engineers, Ground Personnel, Air Traffic Controllers and Aerodrome.

With regard to Licensing/Certification of Aerodrome, as per **ICAO Annex 14** Para 1.4.1, "States shall certify aerodromes used for international operations in accordance with the specifications contained in this Annex as well as other relevant ICAO specifications through an appropriate regulatory framework".

All AAI airports used for international operations is Licensed by DGCA in accordance with DGCA CAR Section 4, Series B and Series F Part 1. Therefore, our EI is 100%. In addition to this all AAI domestic airports from where schedule air transport services are taking place are also Licensed by DGCA. However, Defence airports from where scheduled air transport services are taking place are not yet licensed. DGCA has exempted Defence airports from Certification till 30th June 2021 from where scheduled air transport services is taking place. (Copy of the notification is enclosed).

Poor % of EI in India in the Critical Element (CE) 'Licensing' may be attributed to other Licensing areas."

30. The Committee noted that out of eight Critical Elements (CEs) viz., as mandated by ICAO- Legislation, Organisation, Licensing, Operations, Airworthiness, Accident Investigation, Air Navigation Services and Aerodromes, AAI is lagging behind in Effective Implementation (EI) in two Critical Elements viz. (i) Organisation and (ii) Licensing), which is 61.54 % and 25.26% respectively against the world average score of 70.8%. The Committee however find that the Ministry of Civil Aviation in their reply has only elaborated the reasons for poor performance in respect of only one critical element i.e. Licensing. While it has chosen to be conspicuously silent on the other critical element 'Organisation.' The Committee further find that the Ministry while elaborating on the Licensing element has only explained the issue of licensing of Aerodromes, defence airports, etc. while it has left out other important components of the critical element such as Pilot, Flights, Engineers, Ground Personnel and Air Traffic Controllers. The Ministry has also failed to furnish the reasons for poor percentage of effective implementation in India in other licensing areas. The Committee on Public Undertakings while seeking the elaborate reasons for poor performance in the two critical elements emphasize the Government to take suitable steps not only to reach world averages but also to be on par with the best in the world.

Single use plastic free airports

Recommendation (Sl. No. 20)

31. With regard to single use plastic free airports, the Committee in the Report also recommended as below:-

"The Committee observe that in pursuance of directions issued by the Ministry of Environment, Forest and Climate Change, the AAI, in the first phase, declared 35 airports as single use plastic free airports on the basis of third party assessment carried out by QCI. Further, in Phase-II, 20 airports have been selected for declaring them as single use plastic free by 15 September, 2019. The Committee observe that ban on single use plastic at airports is a welcome step towards containing the pollutants in the airport premises. The Committee however note that so far only 45 airports have been/are being declared single use plastic free airports. Keeping in view the fact that apparently, there are no constraints in simultaneous implementation of this environment friendly measures at all airports, the Committee are unable to comprehend the decision of the AAI to

implement this measure selectively only at some airports. The Committee therefore strongly recommend that the AAI should immediately declare the remaining airports also as 'single use plastic' free airports and enforce the compliance strictly."

32. The Ministry of Civil Aviation, in their action taken reply, have stated below:-

"As per the directions issued by Ministry of Environment, Forest and Climate Change to beat plastic pollution, 85 AAI Airports namely Adampur, Agartala, Agatti, Agra, Ahmedabad, Amritsar, Aurangabad, Bagdogra, Belgaum, Bhatinda, Bhavnagar, Bhopal, Bhubaneswar, Bhuj, Bikaner, Calicut, Chandigarh, Chennai, Coimbatore, Dehradun, Dibrugarh, Dimapur, Diu, Gaya, Goa, Gorakhpur, Guwahati, Gwalior, Hubli, Imphal, Indore, Jabalpur, Jaipur, Jaisalmer, Jalgaon, Jammu, Jamnagar, Jharsuguda, Jodhpur, Jorhat, Kadapah, Kandla, Kangra, Kanpur, Khajurao, Kishangarh, Kohlapur, Kolkata, Kullu, Leh, Lilabari, Lucknow, Ludhiana, Madurai, Mangalore, Mysore, Pakyong, Pant Nagar, Pathankot, Patna, Portbandar, Port Blair, Prayagraj, Puducherry, Pune, Raipur, Rajahmundry, Rajkot, Ranchi, Salem, Shillong, Shimla, Silchar, Srinagar, Surat, Tezpur, Tiruchirappalli, Tirupati, Trivandrum, Tuticorin, Udaipur, Vadodara, Varanasi, Vijayawada & Visakhapatnam have been declared "Single-Use Plastic Free Terminals" in 2019."

33. The Committee appreciate that AAI in 2019, have declared 85 airports as 'Single-Use Plastic Free Terminals' in pursuance to directions issued by Ministry of Environment, Forest and Climate Change and hope the remaining airports also to be declared single use plastic free airports very soon.

Preferential treatment in landing and take off

Recommendation (Sl. No. 22)

34. The Committee, in their Report had recommended the following with regard to Preferential treatment in landing and take off:-

"The Committee during the evidence of the representatives of AAI held on 17 February, 2020, referring to the allegations that flights of private airlines are given preference over that of Government owned airlines 'Air India & Air India Express', in landing and take off at many airports, sought clarification from AAI on this issue. The representative of the AAI while categorically denying any such preferential treatment to any airline, clarified that only the VIP flights carrying the President, Prime Minister, Vice President and the visiting heads of States and the flights carrying sick passengers in an emergency are given preference for early landing. The Committee would however like the Ministry/AAI to furnish them a

note giving airport-wise details for the last two years about the flights which though approached first for landing but were allowed delayed landings for different reasons including preferential treatment to other flights."

35. The Ministry, in their action taken reply, have stated as under:-

"1. International Civil Aviation works on the premise of "non-discrimination". Indian ATCs handle three million air traffic movements comprising of overflights, landings and takeoffs every year (8200 per day x 365 = 3000000).

2. In case of a normal flow of traffic the rule followed is "FIFO" or "first in first out". The distance to run to touchdown and the time taken based on horizontal speeds of the aircraft will be the basis on which the arrival sequence is determined.

3. In case of special circumstances flights are accorded priority, and these include an aircraft which anticipates being compelled to land because of factors affecting the safe operation of the aircraft (engine failure, shortage of fuel, etc); hospital aircraft or aircraft carrying any sick or seriously injured person requiring urgent medical attention; aircraft engaged in search and rescue operations; and VIP I (President), VIP II (Vice President), VIP III (Prime Minister) and VIP V (Foreign Heads of State/Govt.) aircraft.

4. Furthermore, modern ATC Centres are equipped with state-of-the-art ATS Automation System, which are provided with features such as Arrival Manager (AMAN) which is an automated tool which sequences aircraft and the flights are informed in advance about their sequence to land, which is not changed unless there is a situation necessitating according a priority based on the scenarios listed in 3 above.

5. The "airport-wise details for the last two years about the flights which though approached first for landing but were allowed delayed landings for different reasons including preferential treatment to other flights", was solicited by the Committee. It has been ascertained from all ATC Centres with daily air traffic movements of 30 flights or more, and stations listed in Annexure-A have reported that no complaints were lodged by the airlines regarding preferential treatment. Fifteen cases of complaints have been reported by Delhi, Kolkata, Hyderabad, Bengaluru and Guwahati ATC Centres, tabulated in Annexure-B and they have been analyzed thoroughly and the Airline Management has been duly informed. In these cases, there have ostensibly been perception errors which have been effectively corrected through communication.

6. The mechanism of Collaborative Decision Making (CDM) is robust and allows AAI, the Air Traffic Service Provider and the Airline Operations to interact regularly and mutually sort out such issues and develop mutual trust."

36. The Committee had expressed their concern over allegations of private airlines being given preferential treatment over Government owned airlines viz 'Air India & Air India Express' and asked the Ministry/AAI to furnish airport-wise details of complaints alleging delayed landings and other preferential treatment given to airlines. The Ministry have furnished data on preferential treatment related to Delhi, Kolkata, Shamshabad, Bengaluru and Guwahati airports stating that the mechanism of Collaborative Decision Making (CDM) is robust and allows AAI, the Air Traffic Service Provider and Airline Operations to interact regularly and mutually sort out such issues and develop mutual trust. However, on pursual of the data, the Committee note that in maximum number of instances, the complainant is Air India proving the apprehensions of the Committee to be true. The Committee feel that such incidents of complaints from Air India cannot be mere coincidence and the Ministry has to look into these complaints seriously for ensuring transport and fair competition amongst various airlines. They desire more interactions with complainant airlines i.e. Air India to infuse more confidence and mutual trust.

Regional Connectivity Scheme (RCS) – UDAN

Recommendation (SI. No. 25.1)

37. The Committee, in their Report had recommended the following regarding Regional Connectivity Scheme (RCS)-UDAN:-

"The Committee learn that the Ministry of Civil Aviation launched the Regional Connectivity Scheme RCS-UDAN (UdeDesh ka Aam Nagrik) on 21 October 2016 with the primary objective of facilitating / stimulating regional air connectivity by making it affordable. The RCS is a demand driven scheme and supported by Central Government, State Government and Airport Operator. Development of regional air connectivity routes is proposed to be left to the market forces so that airlines undertake assessment of demand and nature of supply required on particular routes and lead the process under RCS. The Committee further learn that about 100 airports, heliports, waterdromes have been identified for revival/ development under RCS UDAN and to be made operational by the year 2024. As per the provision in the scheme, RCS airports would be operationalized within two years from the date of issue of 'Letter of Intent'. The Committee are however perturbed to note that only 9 airports could be made operational out of the 19 RCS airports that were scheduled to be operationalised by 2019-20. As per the

information furnished, 25 airports are to be operationalised during 2020-21, another 20 airports by 2021-22, next 16 airports by 2022-23 and the final lot of 20 airports by 2023-24. The Committee also find that the original estimated cost of development of these airports was Rs.2468.17 Crore which was revised to Rs. 2956.76 crore with an increase of about Rs. 488.59 crore. The Committee appreciate that RCS-UDAN Scheme has a noble intent to realise the dream of common man to have affordable air travel but with the given pace of development of the RCS airports, the Committee are constrained to express their apprehension whether all the 100 airports would be made operational by the scheduled time *i.e* 2023-24. The Committee therefore recommend the Ministry to gear up its machinery for timely completion of all the pending works including works relating to infrastructure development so that the target of operationalisation of 100 airports under RCS-UDAN by 2023-24 could be successfully achieved."

38. The Ministry, in their action taken reply, have stated as follows:-

"Out of 100 airports to be developed, a total of 35 airports are to be developed by 2020-21. Against these, 32 airports have been completed so far, for operationalization. Among these 20 airports are in operation. Covid -pandemic had adverse impact on the development of airports in year FY 2020-21."

39. The Committee note that as per the replies furnished earlier to the Committee by the Ministry, out of 100 airports/ heliports identified for revival/development, 19 were scheduled to be operationalized by 2019-20 and 25 airports to be operationalized by 2020-21. However, as per the replies furnished now, the Ministry have stated that 35 airports were to be developed by 2020-21 out of which 32 have been completed and 20 airports are in operation. On an analysis of the data furnished, the Committee find that out of 44 targeted airports to be developed, only 20 could be made fully operational by the Government. The reasons cited by the Ministry for the shortfall of more than 50% in target was attributed to Covid-pandemic which had an averse impact on development during 2020-21. The Committee express their apprehension that with given pace of development the target of development and operation of 100 RCS airports for making air travel affordable to the common people by the year 2023-23 cannot be met. The Committee therefore re-emphasize the Government to gear up its machinery for timely completion of all the pending works including works relating

to the infrastructure of development so that 100 airports under RCS-UDAN can be developed and made operational by 2023-24.

Joint Ventures - DIAL and MIAL

Recommendation (Sl. No. 26.1 and 26.2)

40. The Committee, in their Report had recommended the following with regard to joint ventures especially for DIAL and MIAL as follows:-

"The Committee observe that the Cabinet approved in September, 2003 the proposal of the Ministry that restructuring of Delhi and Mumbai airports may be undertaken through JV routes by formation of two separate companies between the AAI and selected JV partner. Consequently, the AAI signed the Operations, Management and Development Agreement (OMDA) with DIAL and MIAL. The Committee have been informed that the agreement signed with both DIAL and MIAL are similar and hence the features of OMDA are also similar for both DIAL and MIAL. As per the agreement, the DIAL have to pay to AAI an annual fee@45.99% of the projected revenue while the MIAL have to pay 38.70% of the projected revenue for each year. The Committee's analysis of the data submitted to them indicate that the revenue share of AAI in the gross revenue earned by DIAL has initially registered increasing trend i.e. Rs.3225.62 crore in the year 2014-15, Rs.3741.41 crore in 2015-16 and Rs.4280.86 crore in 2016-17 but thereafter it reflected the declining trend as it was Rs.2306.38 crore in 2017-18 and Rs.1835.33 crore in 2018-19. The Committee however notice that the revenue share of the AAI out of the gross revenue earned by MIAL has shown consistently increasing trend as it was Rs.931.25 crore in 2014-15, Rs.1066.06 crore in 2015-16, Rs.1187.70 crore in 2016-17, Rs.1330.61 crore in 2017-18 and Rs.1437.69 crore in 2018-19. The Committee would therefore like to know the reasons for the declining trend of revenue share from DIAL and the steps taken to address the issues responsible for such decline in revenue."

41. The Ministry, in their action taken reply, have stated as follows:-

"The revenue audit of DIAL & MIAL is being carried out by Joint venture cell from 2005- 07 regularly through the independent Revenue Auditors appointed as per the process enunciated in OMDA. As AAI has not conducted any audit inspection other than the one described above during the last seven years, no details of any findings/ action taken thereon are available with AAI for furnishing to the Committee. However, as per the suggestion of the Committee, inspection/ audit of books,

other material of DIAL & MIAL at various intervals of AAI's choice will be taken up from F.Y. 2021-22 onwards."

42. In their subsequent recommendation 26.2 the Committee has recommended that:

"The Committee further observe that as per OMDA, AAI is empowered to inspect the books, records, and other material kept by or on behalf of DIAL and MIAL in order to check or audit any information including calculation of revenue. The Committee however observe that MoCA/AAI have not furnished any information as to whether AAI has carried out any inspection/audit of DIAL and MIAL in addition to audit by independent auditors. The findings of audit/inspection conducted by AAI, if any, during the last seven years and the action taken thereon be furnished to the Committee. Further, the Committee also suggest that inspection/audit of the account books, other material of DIAL and MIAL be conducted to ensure that there are no leakages in their revenues. The audit/ inspection should have an element of surprise and be conducted at various intervals of AAI's choice. "

43. The Ministry, in their action taken reply, have stated as follows:-

"The revenue audit of DIAL & MIAL is being carried out by Joint venture cell from 2005- 07 regularly through the independent Revenue Auditors appointed as per the process enunciated in OMDA. As AAI has not conducted any audit inspection other than the one described above during the last seven years, no details of any findings/ action taken thereon are available with AAI for furnishing to the Committee. However, as per the suggestion of the Committee, inspection/ audit of books, other material of DIAL & MIAL at various intervals of AAI's choice will be taken up from F.Y. 2021-22 onwards."

44. The Committee after analyzing the data submitted by the Ministry observed that the revenue share of AAI from DIAL has been declining and on the other hand, the revenue share of AAI from MIAL has been increasing. The Committee wanted to know the reasons behind the declining trend from DIAL and corrective steps taken to counter the trend. The Ministry has stated in their reply that AAI has conducted only one audit inspection during the last seven years. The Committee feel that AAI could have taken *suo-moto* action on declining trends of revenue from MIAL as per provisions mentioned in OMDA which empowers AAI to inspect books, records and other material in order to check or audit any information including calculation of revenue. The Committee strongly feel that

there had been laxity on the part of AAI and the Ministry on this count. The Committee would like to know the reasons behind only one audit despite having the powers to inspect/audit the accounts. The Ministry have also not furnished the steps taken for countering the declining share of revenues. The Committee therefore would like to reiterate their earlier recommendation to conduct regular audit inspection by AAI with an element of surprise and furnish the reasons for the declining trend of revenue share from DIAL and the steps taken to address the issues responsible for such decline in revenue.

Airport Advisory Committee

Recommendation (SI. No. 27.1, 27.2 and 29.1)

45. With regard to constitution of Airport Advisory Committee, the Committee in the Report also recommended as below:-

"The Committee note that to widen the representation amongst various stakeholders, AAI has constituted Airport Advisory Committees (AACs) at various airports in the country to advise the development of passenger facilities at the airports. As per the policy, MP of the area of the airport is the ex-officio Chairperson of AAC and the MLA is the alternate Chairperson (in the absence of Chairperson) of the Committee. The Committee, however note that out of the 87 Airports having Schedule Flight Operations, AACs have been formed at only 70 Airports. AAI has not furnished any specific reasons for not constituting AACs at 17 airports for many years despite the MoCA's directions to do so. The Committee observe that AAI furnished details of AAC meetings held at 41 airports only implying that the meetings could not be held at the remaining 46 airports. AAI has not furnished specific reasons for not holding the AAC meetings at these airports. With regard to the frequency of AAC meetings, the Committee note that as per MoCA's guidelines meetings should be conducted once in six months. Committee is dismayed to find that only one meeting was held at many airports viz. Raipur, Lucknow, Mangalore, Madurai, Tuticorin, Jabalpur, Jalgaon, Kolhapur, Bhuj, Guwahati, Shillong and Tezpur airports during the last 3 years. AAI, however informed that these are conducted as per the availability of Chairman and other members. In view of the afore mentioned , the Committee take a serious note of the lapse/ failure on the part of AAI in not (a) constituting AACs at 17 airports having scheduled flight operations; (b) not holding any meetings of AACs at 46 airports; and (c) holding meetings only once

during the last three years at the above mentioned airports as against once in six months as stipulated by MoCA and recommend that immediate steps should be taken to (i) constitute AACs at 17 airports; (ii) call for meetings of AAC and to ensure meetings do take place at the stipulated intervals at all the 87 airports having scheduled flight operations; (iii) inform the public representatives concerned about provision of AAC ; and (iv) make accountable the concerned Directors of the airports for the afore mentioned actions at (i) to (iii) above.”

46. With regard to constitution of Airport Advisory Committee, the Committee in the Report also recommended as below:-

“The Committee are also of the view in those States where there is only one airport but more than one MP represent such States, all the MPs of that State may be invited to the meetings of AAC. The Committee further desire the AAI to furnish the feedback on the functioning of airports from the local MPs as agreed to by the representative of AAI during the meeting held on 18.09.2019.”

47. The Ministry of Civil Aviation, in their action taken reply, have stated below:-

"Airport Advisory Committees (AAC) are formed as per Guidelines issued by MoCA vide letter dated 14.10.2019.

Further, Airport Directors have been instructed to inform the public representatives about provision of AAC and coordinate with the Chairman, AAC (Hon'ble MP of the area of airport) of respective airports for nomination of members for the reconstitution of AAC and to conduct meetings as per schedule.

Further, Airport Directors have been instructed to take feedback on the functioning of airports from the local MPs."

48. The Committee, in further recommendations regarding Protocol Services/ Courtesy Treatment to MPs and Dignitaries at the airports, in the Report also recommended as below:-

"The Committee observe that the protocol services are provided to Hon'ble Members of Parliament at Airports as per the guidelines issued by the Ministry of Civil Aviation. The Ministry of Civil Aviation's Order dated 10 October 2007 provides for nomination of 'Protocol Officer' at each airport who would be responsible for extension of protocol/courtesy/support to the MPs. The Airport Director of respective Airport is responsible for extending these facilities. The contact numbers and email IDs of Airport Directors are made available on AAI's website. Further, the Committee note that the Ministry vide letter dated 2nd January, 2020 issued instructions to (i) all airport operators including AAI; (ii) airline operators including Air India; and, (iii) Bureau of Civil Aviation Security(BCAS) directing them to extend protocol / courtesy/ support to Members of Parliament (MPs) at airports. With a view to have effective implementation of these guidelines and to make sure that MPs do not face any difficulty in availing

these facilities, the Committee desire that (i) name and telephone number of the Airport Director, the officer responsible for providing these facilities, be displayed on boards at prominent places at the airport premises so that, in case of need, the Officer could be contacted by the MP; (ii) exclusive AAI help desk may be opened for MPs at the airport to have easy approach for assistance/ service; (iii) an app may be developed for the use of MP through which may send his/her travel plans in advance for availing the services at the airports and (iv) the list of all the airport Directors along with their contact numbers, email Ids and mobile numbers may be compiled and circulated to all MPs for their use."

49. The Ministry of Civil Aviation, in their action taken reply, have stated below:-

"MoCA vide letter dated 20.01.2020 issued instructions for extending Protocol/courtesy/ support to Hon'ble Member of Parliaments at airports. In this regard it is informed that :

- a. Airport Director of respective airport is responsible for extending protocol to the Hon'ble MPS.
- b. Contact details of Airport Directors have been made available on AAI website (www.aai.aero).
- c. Also, the updated contact details of Airport Directors of AAI airports is made available to information centre at Sansad Bhawan on 22.09.2020.

Airport Managers at AAI airports are available during operational hours to provide protocol/courtesy/support to Hon'ble MPs. Also, "May I Help You" Counters are being established at all AAI Airports having scheduled operations for providing facilities to the dignitaries."

50. The Committee had taken a serious note of the of the lapse/ failure on the part of AAI in (a) not constituting of AACs at 17 airports having scheduled flight operations; (b) not holding any meetings of AAC at 46 airports; and (c) holding only one meeting of AAC in the last three years in certain airports as against the norm of one meeting in every six months and had recommended for immediate constitution of AACs at 17 airports, holding of ACC meetings at 87 airports as per norms and make accountable the concerned Director of the airports for constitution of ACC at the 17 airports and informing the public representatives of the concerned provisions of AAC. The Ministry of Civil Aviation, have, however, responded in a perfunctory manner stating that all Airport Directors have been instructed to inform the public representatives about provision of AAC and coordinate with the Chairman- AAC, conduct of meetings as per schedule and to take feedback on the functioning of airports from the local MPs. They have

neither furnished any information on whether the AAC has been constituted at the 17 airports having scheduled flight operations nor they have furnished any copies of the instructions issued by them to the Directors of various airports for constitution of AAC and holding of meetings as per schedule. The Committee desire that a status report of each airport along with the instructions issued by the Ministry of Civil Aviation be furnished to the Committee. The Committee further desire that an action taken status report of each airport regarding the installation of display boards indicating the name and telephone number of Airport Director at prominent places of airport premises, opening of exclusive AAI help desk for MPs at all airports, development of an app for the use of MP for availing the services, courtesy treatment at the airports, etc. along with the instructions issued by the Ministry of Civil Aviation to various agencies be furnished to the Committee.

Constitution of AAC at Delhi and Mumbai airports

Recommendation (Sl. No. 28)

51. The Committee, in their Report had recommended the following with regard to Constitution of AAC at Delhi and Mumbai airports:-

"The Committee learn from the response of the Ministry that AAC is not required to be formed as per Operation, Maintenance and Development Agreement (OMDA) or State Support Agreement (SSA) at Delhi and Mumbai airports. The rationale given by them is that the OMDA/ SSA in respect of Delhi International Airport Limited (DIAL) and Mumbai International Airport Limited (MIAL) already have provision for checks and balances at the airports. The Committee, however do not agree with the rationale put-forth by the Ministry as the provision of checks and balances also exists at all the other airports and yet the provision of AAC has been made at these airports by the Ministry of Civil Aviation. Since the Delhi and Mumbai airports are privately managed airports under OMDA/SSA, with huge traffic flow, the Committee are of the view that setting-up of AAC at Delhi and Mumbai would be even more desirable and purposeful. The Elected MPs/MLAs who are directly in contact with the public will bring in more transparency and offer valuable suggestions for improvements in passenger facilities at these airports. The Committee are of the view that management of the Airport given to private operator should not be a reason for not constitution of AAC at these airports and rather private managed airports should invariably have public representatives on their

Advisory Committees to make the services of the airports public oriented. In case OMDA and SSA of DIAL and MIAL does not provide for constitution of Advisory Committees by associating the elected public representatives, the Committee recommend that the same be amended at the earliest to make an enabling provision for constitution of the similar AACs with MPs/MLAs as its Chairperson/alternate Chairperson at these JV Airports as exists at other AAI managed airports. The Committee further recommend the Ministry to ensure that the Agreements to be executed in future for management of the airports by the private operators should necessarily have a suitable clause providing for compulsory formation of Advisory Committees at these airports with due representation of local MPs/MLAs."

52. The Ministry, in their action taken reply, have stated as follows:-

"AAI executed OMDA and other Project Documents with Delhi International Airport Pvt. Ltd. (DIAL) and Mumbai International Airport Pvt. Ltd (MIAL) and has granted exclusive right and authority during the Term to undertake the functions of operation, maintenance, development, design, construction, upgradation, modernization, finance and management of IGI Airport and to perform Aeronautical, Non-Aeronautical and Essential services at the Airport as per the provisions of OMDA. Under the provisions of OMDA and State Support Agreement, OMDA Implementation Oversight Committee (OIOC), Joint Committee, Joint Coordination Committee and Airport Coordination Committee are envisaged to be constitute for IGI Airport, Delhi and CSIA, Mumbai airports :-

(a) OMDA Implementation Oversight Committee (OIOC) as required under Article 8.5.9 of OMDA. OIOC is the 'single point of contact' for all matters concerning OMDA. The OIOC is responsible for joint review of emerging issues and concerns and keeping an oversight of the development of the Airport.

(b) Joint Committee (JC) as required for Transition period under Article 5.2(iv) of OMDA, responsible for the overall supervision of the Airport operations.

(c) Joint Co-ordination Committee (JCC) as required under clause 5.1 of State Support Agreement. JCC is formed for smooth and efficient rendering of GOI services.

(d) Airport Coordination Committee (ACC) as per clause 5.2 of SSA. ACC is formed for smooth and efficient operations of the Airport and to facilitate interactions and coordination between the JVC and GOI in relation to all policy related matters of the Airport.

(e) Visit by Parliamentary Committees: Even the parliamentary committees (Department-related Parliamentary Standing Committee on Transport, Tourism and Culture) have visited IGI Airport, Delhi and provided inputs and feedbacks for improvement keeping the public utility perspective in mind.

DIAL & MIAL airports have already a robust passenger feedback system in place and passenger's inputs are evaluated and implemented for providing better passenger experience at airport.

Hyderabad International Airport Pvt. Ltd and Bangaluru International Airport Pvt. Ltd already have representation from the state govt. and AAI on the Board, as per the Shareholder's agreement. Hence, due public oversight is already present. There is no need to have the Advisory Committee with representation from MLAs/MPs.

Cochin International Airport is a Public Private Partnership (PPP) Airport under the control of Government of Kerala. Hon'ble Chief Minister of Kerala is the chairman of the Board of Directors of CIAL and the Chief Secretary and two other Ministers are also included in the Board of Directors of CIAL. All mandatory decisions and issues are discussed and decided by the Board of Directors only. So the representation of people's representatives is very much available in the management control of CIAL."

53. The Committee had recommended the association of elected public representatives at AACs across the country irrespective of the status of the airports. The recommendation was made to ensure that services provided at the airports are public oriented and continuous parliamentary oversight will ensure that no airports are lacking in the basic services as needed by the public. The Ministry of Civil Aviation in their reply have stated that there are various other Committees at Joint Venture Airports such as OMDA Implementation Oversight Committee (OIOC), Joint Committee (JC), Joint Co-ordination Committee (JCC), Airport Coordination Committee (ACC), etc. and visits by parliamentary committees along with a robust passenger feedback system render no need for AACs with MLAs/MPs. The Committee strongly disagrees with the rationale of the Ministry behind not having AACs at various Joint Venture Airports. Committee are rather, of the opinion that at the Joint Ventures Airports, there is even more need for regular oversight and monitoring. The other mechanisms available such as OIOC, JC, JCC, passenger feedback systems etc. should be used in conjugation with the mechanism suggested by the Committee oversight for optimum efficiency at the airports. The Committee, would thus again strongly recommend to AAI constitute AACs at each and every airport of the country.

Research & Development (R&D) Activities by AAI

Recommendation (Sl. No. 31)

54. The Committee, in their Report had recommended the following with regard to Research & Development (R&D) Activities by AAI:-

"The Committee observe that in order to develop a long term partnership for technical support in establishing R&D facilities to address aviation infrastructure and air traffic capabilities, AAI entered into a MoU with MITRE Corporation, USA. AAI established an R&D tech centre at Begumpet Airport, Hyderabad on 6th September 2013. The AAI Board accorded approval for (i) AAI corporate R&D Policy (ii) First version of R&D manual and R&D plan for ANS (iii) Setting up of world class Civil Aviation Research Organisation (CARO) at Begumpet Airport, catering for ANS and Airport/ Engineering research (iv) Allocation of 27 acres of land for housing CARO at Begumpet Airport, Hyderabad (v) From 2018 onwards, Rs.1200 crore spent over 12 years for establishing R&D infrastructure (buildings, labs, procurement of tools, skill development and knowledge & technology transfer). The Committee are happy to note that crucial decisions have been taken by AAI for setting up of world class Civil Aviation Research Organisation (CARO) at Hyderabad for air navigation service and airport/engineering research and taking other steps for R&D in AAI. The Committee are, however, more concerned to know the outcome of these crucial decisions taken on R&D activities of AAI and also as to how these steps have facilitated in professionally managing navigation and other airport services at various airports. The Committee would therefore like to be apprised of the progress on this count along with the subject-wise and year-wise budgetary allocations made and actual expenditure incurred since the FY 2013-14."

55. The Ministry, in their action taken reply, have stated as follows:-

"R&D Center, over the years, continued contributing in solving different problem statements raised by different units of ANS Dte, conducting simulation studies using tools like TAAM, TARGET, etc., developing Qualitative Requirements for ATM projects, coordinating with Academia and Industry for collaboration."

The budgetary allocations made and actual expenditure incurred since the FY 2013-14 is as follows:

S.No	Year	Expenditure (Rs. In Cr.) through CNS(Planning)	Expenditure (Rs. In Cr.) by R&D Center	Expenditure (Rs. In Cr.) by Engineering	Total expenditure (Rs. In Cr.) for R&D Projects
1	2014-15	9.19	160,000	-	9.21
2	2015-16	6.96	-	-	6.96
3	2016-17	5.5	-	-	5.5
4	2017-18	0	-	-	0
5	2018-19	14.52	-	30.00	44.52
6	2019-20	8.27	0.1923	9.004	17.4663
7	2020-21	-	2.215	42.675	44.890

56. The Committee while appreciating the various R&D decisions taken by the AAI to address aviation infrastructure and air traffic capabilities wanted to know the outcome of those decisions as to how those steps facilitated in professionally managing navigation and other airport services at various airports. The Committee find that replies furnished by the Ministry although the actual expenditure since 2014-15 to 2020-2021 through CNS (Planning), by R&D Centre and by the Engineering Division has been given, the budget allocations for R&D during these years has not been given. Further, the reason for not incurring any expenditure during 2017-18 has also not been given. The Committee also note that the status of the progress made in setting up of Civil Aviation Research Organisation (CA-RO) at Begumpet Airport and the outcome of the crucial decisions and R&D initiatives undertaken by AAI has not been furnished to the Committee. In the absence of any specific data on budgetary allocations and outcome of R&D initiatives undertaken in managing navigation and airport services, the Committee is unable to draw any conclusions. The Committee desire that elaborate response be furnished to them in this regard.

Need for change of the code name of Gaya Airport

Recommendation (Sl. No. 32)

57. The Committee, in their Report had recommended the following with regard to need for change of the code of Gaya Airport:-

"The Committee were apprised about a request received by the Ministry of Civil Aviation regarding change of code name of Gaya airport from 'GAY' to another code name which was sent to Air India that being a member airline of IATA to make a request for unique 3 letter code to identify the airport. However, IATA stated that as per resolution 763, the location codes are considered permanent and cannot be changed without strong justification primarily concerning air safety. The Committee have their apprehension that Gaya being a holy city, locals might be finding it offensive or embarrassing on their city being recognized in the international community with the code name 'GAY'. The Committee too find it inappropriate and unsuitable and therefore recommend the Government and Air India to complete all the requisite consultations and formalities in a time bound manner to change the code of Gaya airport from 'GAY' to any other suitable code, for example like " YAG" or some other appropriate code. The Committee would like to know the concrete steps taken in this regard by the Government and Air India."

58. The Ministry, in their action taken reply, have stated as follows:-

"The matter was referred to IATA by Air India for change of IATA code for Gaya airport. In this regard, IATA has stated that as per Resolution 763, the location codes are considered permanent and a strong justification primarily concerning air safety needs to be given. Gaya airport IATA code "GAY" has been in use since operationalization of Gaya airstrip. Hence, without a justifiable reason primarily concerning air safety, IATA has expressed its inability to change the IATA code of Gaya airport."

59. The Committee had recommended for changing the code name of Gaya airport from 'GAY' to another code name as it appeared inappropriate, unsuitable, offensive or embarrassing considering that Gaya is a holy city. The Committee had also suggested alternate code name like 'YAG'. The Committee note from the reply of the Ministry of Civil Aviation that the matter was referred to IATA by Air India which has stated that as per Resolution 763, the location codes are considered permanent and a strong justification primarily concerning air safety needs to be given. The Committee appreciate the efforts of Air India being a member airline of IATA taking up the request with the international air transport association but, yet, re-emphasize the Government also to make all effort to take-up the matter with the IATA and concerned organization as the issue involves inappropriate code naming of an airport of a holy city of our country.

CHAPTER II

RECOMMENDATIONS / OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Overview

Recommendation (Sl. No. 1.1)

The Committee note that the Airports Authority of India came into existence by an Act of Parliament in 1995. It is 100% owned by the Government of India. The mission of AAI is to provide high quality, safe, and customer oriented airports and air navigation services thereby acting as a catalyst for economic growth of the country. The Committee observe that the AAI which has been making profits consistently for the last so many years has witnessed minor dip in profits during the financial years 2017-18 and 2018-19. The Committee hope that the Authority will return to its normal profit making pace and grow up further in the near future in view of the projected growth in the civil aviation sector. The Committee are glad to note that the AAI plans to invest Rs.25,000 crore in the next five years for development/upgradation/modernization of various airports and air navigation infrastructure. The Committee hope that the projects undertaken for creation of airport related infrastructure including better passenger amenities and facilities will be completed as per the stipulated time schedules. In the present report, the Committee have touched upon many key issues such as granting of 'Navratna' status to AAI, physical and financial performance, revenue sharing with DIAL and MIAL, RCS-UDAN Scheme, strengthening the functioning of Airport Advisory Committees (AAC), Sustainable Aviation Fuel (SAF), Air Safety, Digi Yatra, development of trans-shipment hubs, development of airports through PPP model, Krishi Udaan Scheme etc. The Committee are happy to note that the Government has launched RCS-UDAN (Ude Desh k aAam Nagrik) on 21st October 2016 and identified 100 airports in the country with an aim to provide affordable air travel to the common man on these routes. The Committee hope that observations/recommendations given by them in this Report will be implemented in right spirit.

Reply of the Government

The observation of the Committee and suggested measures thereon have been noted for implementation.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Physical Performance

Recommendation (Sl. No. 2.2)

The Committee observe from the data pertaining to the year 2019-20 that the aircraft movement has declined by 3.6%, travelling passengers declined by 1.1% and freight handling declined by 6.6% in the FY 2019-20. The Committee understand the impact of the present pandemic on the business operations in the civil aviation sector during the last quarter of the financial year 2019-20. The Committee however expect the AAI to fully devote their resources during this period for effective preparedness for future so as to register higher growth in coming days in the aircraft movements, passenger handling and freight handling areas and also in the segment of non-aeronautical sector. The Committee further observe that indigenous air craft maintenance system is not adequate and therefore desire that AAI should use this inadequacy as an opportunity for them to develop the Aircraft Maintenance System as a new business segment which will not only provide indigenous aircraft maintenance facilities to airlines companies but also enhance the earnings of AAI.

Reply of the Government

MRO expenditure accounts for about 15% of the cost of an airline. However, India has a 99% dependency on foreign entities on civil and military aviation - design, manufacture and maintenance. For a country like India with its demography and size, having full MRO capability within the country is very strategic in nature for growth and sustenance of Military and Commercial Aviation in India. Keeping in view India's growing aviation market, technology and skill base, Government announced a new MRO Policy on 1st Sept 2021 with a view to create a congenial atmosphere in the country for the development of MRO industry for aircraft/ helicopters/ drones and their

engines and other parts. The salient features of the policy guidelines are enumerated below.

A. Concession fee, in any manifestation including royalty, shall not be leviable in new contracts. It shall also not be leviable from the respective date of renewal of existing contracts.

B. Selection of agency and procedures for allotment of land/ space under rationalized land/ space rental and other provisions shall be as follows:

I. Allotment of land/ space in respect of New contracts and Renewal:

a. New Contracts: To facilitate entry of MRO service providers/ AMOs at select airports in a time-bound manner, AAI would publicly invite e-Tenders, wherein the lease fee quoted by the bidder shall be the bid parameter. The agency quoting the highest lease fee shall be the selected bidder for that specific parcel.

b. Renewal of Contract/ Allotment of Land under Existing Contracts: The renewal of the existing land leases/ space license of MRO service providers/ AMOs shall be on the basis of bidding wherein Right of First Refusal (RoFR) shall be given to the existing lessee/ licensee to match the first rank bid in terms of the selection criteria provided its bid is within 15% of the most competitive bid received.

II. The quoted/ accepted lease fee shall be escalated @ 15% after every 3rd year.

III. The maximum period of contract, new or renewal, for allotment of land/ space under these provisions shall be 30 years from the date of handing over of site. However, in case the MRO agency commits default or ceases to perform the MRO activities at allotted land / space, the lease shall be terminated without payment of any compensation by AAI.

IV. MRO activities shall be promoted from the following airports: Bhopal, Chandigarh, Chennai, Hyderabad (Begumpet), Juhu, Kolkata, Delhi and Tirupati. Other airports with available land/ space resources, with potential to attract MRO service providers/ AMOs for establishing their facilities, shall be identified and notified by AAI from time to time.

This policy initiative is expected to prove to be an important step towards the national goal of self-reliance in the aviation sector.

Financial Performance

Recommendation (SL No. 3.1 and 3.2)

The Committee's analysis of the data pertaining to revenue and expenditure of the AAI during five years period from 2014-15 to 2018-19 reveals that the AAI has

registered consistent growth in their revenue earnings during this period as it increased almost 52% from Rs.9285 crore in 2014-15 to Rs. 14,133crore in 2018-19. The segment-wise analysis of the revenue earnings of AAI reflect that revenue from Airport Navigation Services has gone up fromRs.2972.89 crore in the year 2016-17 to Rs.3702.18 crore in the year 2018-19, revenue from Airport Services have gone up from Rs.3483.98 crore to Rs.4491.59crore, revenue from Non-Aeronautical Services grew from Rs.1304.97 crore toRs.1842.85 crore and revenue from „Other Income“ has also gone up fromRs.681.47 crore to Rs.1046.27 crore during the same period. This growth in revenue has been achieved despite reduction of landing, parking and housing charges and User Development Fee in pursuance of the judgment of Hon’ble Supreme Court. It is however observed that during the period from 2014-15 to2018-19, the expenditure has increased by 60% from Rs.6493 crore to Rs. 10,449crore. The Committee are however concerned to note that the profit of AAI has been declining since 2016-17. During the financial year 2016-17, the profit earned by AAI was Rs. 3116.93 crore which declined to Rs. 2801.64 during 2017-18 and it further declined to Rs.2271.44 crore during financial year 2018-19. The main reason cited by AAI for the decline in profit was the increase in employees benefit expenses. The increase in employees benefit expenses was also due to payment of Rs. 1500 crore made on account of actual valuation liability (Rs. 483 crore) payment under Defined Pension Contribution Scheme (Rs. 818 crore), increase in wage revision(Rs.116 crore) and CAD pension (Rs. 224 crore). The Committee while taking note of substantial expenditure on account of various employee related liabilities, expect that AAI will take various measures to increase their revenue in aeronautical and non-aeronautical segments and will be able to register higher profits in coming years.

and

The Committee further observe that there was decline in the earning of AAI from the segment “Airport Lease Revenue” also. The revenue earned during2016-17 under this head was Rs. 3836.75 crore which declined to Rs.3102.57 crore in 2017-18 and that further declined to Rs.3050.07 crore during financial year2018-19. One of the reasons cited for the decrease in revenue at Delhi IGI Airport whose services form a major part of revenue earnings, was implementation of reduced tariff w.e.f. 07.07.2017

on (a) landing charges (b) parking and housing charges, and (c) user development fee in compliance with the orders of Hon'ble Supreme Court of India. A close analysis of the landing and parking charges earned by AAI at Delhi Airport in the last few years shows a steep decline in the revenue earned. AAI earned Rs. 478.54 crore in 2016-17 towards landing and parking charges which decreased to Rs.271.53 crore in 2018-19 thus reflecting a steep decline of Rs.207.01 crore. Similarly, AAI had earned Rs.1243.89 crore during 2016-17 towards user development fee at Delhi Airport which plunged to Rs.63.18 crore during 2018-19 showing a huge decline of Rs.1180.71 crore. On being enquired about the measures taken for increase in non-aeronautical revenue, the Committee have been apprised that AAI have taken various steps which include (i) development of Star hotels at Bhubaneswar, Kolkata and Amritsar Airports; (ii) Integrated multi-level car parks at Chennai, Pune, Kojhikode, Amritsar, Bhubaneswar, Coimbatore, Dehradun, Trichy, Vijaywada and Indore Airports; (iii) providing land on license to retail petrol outlets at Bhubaneswar, Kolkata, Varanasi and Amritsar Airports; (iv) introducing duty free shops on a mixed model of minimum monthly guarantee or percentage revenue share whichever is higher; (v) introduction of the concept of master concessionaires at 14 Airports for food and beverages and general retail outlets etc. The Committee are glad to note that AAI have taken timely initiatives for growth of their non-aeronautical revenue. The Committee however recommend that the measures taken at present at limited number of airports should be replicated as far as possible at all airports so that the AAI could achieve robust growth in commercial operations on non-aeronautical segment also. The Committee desire that the C&AG should be requested to examine the various contracts relating to AAI with a view to bring to the notice of the Government the deficiencies and infirmities in these legal contracts so as to take care in future contracts.

Reply of the Government

- 1) The city-side Development is being planned by AAI with a view to enhance the passenger convenience and facilities at AAI Airports as well as to increase the revenue through development of non-aeronautical activities to the extent permissible under the provisions of existing AAI Act.
- 2) AAI has also taken up the Multi-Level Car Parks integrated with commercials at various Airports. The MLCP projects of Chennai and Pune Airports have already

been awarded and work is in progress. The aforesaid projects had been initiated in view of land constraints and also facilitate better passenger facilitation.

- 3) AAI is also in the process of taking up the project of providing Land on License to Retail Petrol Outlets at various Airports.
- 4) AAI has awarded the tender for construction of 12 hangars on Design, Build, Operate and Maintain (DBOM) basis at 10 Airports in the year 2018-19 to augment growth in aviation industry. The work of construction of hangars are in progress.
- 5) AAI has invited tenders through e-portal on 27th November, 2020 for leasing of Land for Establishing Flying Training Organizations (FTOs) on Design, Build, Operate, Maintain and Transfer Basis (DBOMT) at Belagavi, Jalgaon, Kalaburgi, Khajuraho, Lilabari and Salem Airports to encourage indigenous FTO facilities to save foreign currency.
- 6) Secretary, MoCA vide letter dated 22nd December, 2020 requested Chairman, AAI to get the entire land of all the airports surveyed and evaluated in order to identify and assess the requirement of AAI land for future expansion so that remaining land may be kept vacant for commercial development and projects so as to enhance the non-aeronautical revenue of AAI. Accordingly, AAI is in the process of conducting survey and evaluating the entire land of all Airports to maximize utilization of vacant land and to promote commercial activities for generating revenue for AAI.
- 7) Airports Authority of India (AAI) is taking best efforts to achieve desired level of growth in commercial facilities at airports. It is expected that the steps being taken in this direction shall help in augmenting AAI's revenue from non-aero activities.
- 8) AAI intends to build further on the recent initiatives. Master Concessionaire approach is now being implemented at twelve more airports for General Retail facility and Food & Beverage (F&B) facility. In addition, New Vehicle parking policy, APP based Cab Aggregator facility, SPA & Wellness centers and other innovative Commercial facility shall be taken up for implementation at more airports as per feasibility, in coming months.
- 9) It is also mentioned that difficult situation has emerged due to COVID-19 pandemic which has impacted the activities and revenues. However, it is expected that once the situation normalizes, all efforts shall be made to regain the lost ground and further augment non-aero revenues from commercial facilities.
- 10) As for the Air cargo, AAICLAS is a 100% wholly-owned subsidiary of AAI, taking various initiatives to increase the non-aeronautical revenue by exploring the establishment of Express terminals, SEZs, MROs for cargo spares.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Grant of 'Navratna' Status to AAI

Recommendation (SL No. 5.1)

The Committee observe that the Airports Authority of India (AAI), a Statutory Corporation which was created by an Act of Parliament *viz.* Airport Authority of India Act, 1994, had been granted 'Miniratna Category-I' status in the year 2009 under "Ratna Scheme" of the Department of Public Enterprises (DPE). The Ratna status conferred to AAI provided functional autonomy and financial powers such as expenditure up to Rs.500 crore to the Board. The Committee note from the information submitted to them that the AAI Board requires wider functional autonomy and enhanced financial powers in view of (i) the fast changing aviation scenario posing challenges and providing opportunities for growth; (ii) the need to utilize its vast knowledge base in strengthening its role in airport development and offering consultancy services in India and abroad; (iii) the requirement of extending and strengthening operations under Regional connectivity Scheme (RCS) under UDAN scheme; (iv) entering into strategic partnership via Joint Ventures with Indian and Aviation Companies operating at global level; (v) the plans to form Special Purpose Vehicles (SPVs) and Joint Ventures (JVs) with States/Local authorities for green field airports. The Committee have been informed that with a view to fulfill its aspirations, the AAI had applied to DPE in the year 2017 for granting them the status of "Navaratna" which offers wider functional autonomy and enhanced financial powers. The DPE however after considering the request, had advised AAI which is a "Statutory Corporation" to convert itself into a "Company" under the Companies Act, 2013 which requires amendment in the AAI Act, 1994. The AAI has however submitted that it will be able to function as an Authority *i.e.* as a "Statutory Corporation" more efficiently after getting the Navaratna status. The Committee's analysis further reveals that (i) AAI has been performing reasonably well and paying handsome dividends to the Government since many years in the past (ii) AAI has achieved ratings 'very good' for two years *i.e.* 2013-14 and 2014-15 and 'Excellent' for three years *i.e.* 2015-16, 2016-17 and 2017-18 on Memorandum of Understanding (MoU) parameters of DPE and (iii) AAI had been complying with other stipulations of

Department of Public Investment and Management (DIPAM), Ministry of Finance, DPE, etc. and thus the Committee observe that the AAI fulfills almost all other eligibility criteria for being considered for 'Navratna' entity except its present status of a Statutory Corporation which the DPE desires to be converted as a Company under the Companies Act, 2013. The Committee also are of the opinion that the status of a company definitely brings in more transparency and accountability in the functioning of the organization and therefore the AAI should explore to convert it into a Company under the Companies Act, 2013 as has been suggested by the DPE. The Committee would like to be apprised of the steps taken in this regard.

Reply of the Government

- (i) AAI formed on 1st April 1995 by an Act of Parliament. AAI was granted Mini-Ratna Category-I PSE status in March 2009 by the DPE.
- (ii) DPE while processing the proposal for grant of Navratna status to AAI has observed that AAI has to become a Company under the Companies Act for grant of Navratna Status.
- (iii) On the issue of Buy back of shares for the capital contributed by the Government to AAI as per the directions of DIPAM, Ministry of Finance, DPE has asked to expedite the process.
- (iv) MoCA also asked AAI to furnish a Report clearly indicating the implications of the proposed Buyback of Shares by AAI.
- (v) As the issue involved analysis of the Provisions of AAI Act, 1994 and Companies Act, AAI engaged M/s. Cyril Amarch and Mangaldas, Advocates and Solicitors to assess and evaluate the proposal of Buyback of Shares by AAI.
- (vi) The Consultant submitted their report and brought out that to make applicable the provisions of Section 68 of the Companies Act (on Buy-back of Shares) to AAI, issue of notification under Section 1(4)(f) of Companies Act on a Standalone Basis is not feasible. This would require making other related Sections of the Companies Act applicable to AAI through that Notification and making necessary amendments in the relevant Sections of AAI Act, 1994 to remove any conflicts between the two enactments. The consultant also elaborated about the Notification and sections to be notified under the Companies Act and amendments required in the select sections of AAI Act to undertake the "buyback of Shares by AAI" in their report.

The overall conclusion has been elaborated by the Consultant vide Para-D of their Report-Sr. No. 5.1 to 5.5 wherein they have also brought out that existing provisions of the AAI Act, which are in conflict with the Companies Act needs to be

amended by the Parliament (to address such conflict) or by means of fresh Legislation by the Parliament.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Comments of the Committee

(Please see para 9 of Chapter I of the Report)

Recommendation (Sl. No 5.2)

The Committee further observe that the AAI has not only grown substantially in terms of operations, revenue earnings, expansion of various activities, earning profits and paying dividends during the last many years but also seems to meet almost all requirements of the parameters of the MoU signed with the DPE and therefore it could be logically concluded that the AAI will excel further in its business operations after getting 'Navratna' status which will give more functional autonomy and enhanced financial powers to the Authority. The Committee, therefore, recommend that once the legal status of AAI changes into a Company as per suggestion of the DPE, the request of AAI to grant them, 'Navratna' status should be considered by DPE so that the AAI with the elevated status could excel in its business operations and emerge as a leading global player in aviation infrastructure management sector.

Reply of the Government

Airports Authority of India (AAI) is a Schedule 'A' Miniratna category-I CPSE under the administrative control of Ministry of Civil Aviation (MoCA) which was formed on 1st April, 1995 by an Act of Parliament viz. The Airports Authority of India Act 1994 (55 of 94).

The proposal to convert the status of AAI from 'Miniratna' to 'Navratna' was referred to the Department of Legal Affairs (DoLA) by this Ministry. DoLA opined that "the provisions of the Companies Act, 2013 including the provisions of Section 68 can be extended to any body corporate like AAI which is incorporated by an Act of Parliament by issuing a notification as per the provisions of Section 1(4)(f) of the Companies Act, 2013".

Accordingly, a report indicating the implications of proposed buy back of shares, was sought from AAI. As the issue involved analysis of the provisions of AAI Act, 1994 and Companies Act, AAI engaged *M/s. Cyril Amarchand Mangaldas, Advocates and Solicitors* to assess and evaluate the proposal of Buyback of Shares by AAI, who in their Report on the subject has *inter-alia* stated that if AAI is to be re-incorporated as a company under the Companies Act, it would result in a fundamental change in the corporate structure, functioning and governance of AAI. Applying Section 68 of the Companies Act on a stand-alone basis to AAI through a notification under Section 1(4)(f) of the Companies Act is not feasible. Incorporation of such provisions relating to, *inter-alia*, share capital requirement and corporate governing bodies would be in conflict with existing provisions of the AAI Act and would necessitate either prior amendment of the AAI Act by the Parliament (to address such conflict) or fresh legislation by the Parliament. The matter was further referred to M/o Corporate Affairs who has also seconded the opinion of M/s. Cyril Amarchand Mangaldas.

Since DoLA had earlier opined that the provisions of the Companies Act, 2013 can be extended to any body corporate like AAI which is incorporated by an Act of Parliament by issuing a notification as per the provisions of Section 1(4)(f) of the Companies Act, 2013, therefore, the issue has been referred to **DoLA with the request to offer its considered opinion/comments in the matter taking in view the report furnished by M/s. Cyril Amarchand Mangaldas with regard to Buy-back of Shares by AAI.** A response from DoLA is yet to be received in the matter.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Comments of the Committee

(Please see para 9 of Chapter I of the Report)

Human Resources Management

Recommendation (SI. No. 6)

The Committee observe that the AAI has 17,425 employees at its strength. The Authority has however identified manpower shortage and training as one of its weaknesses in its Strength, Weaknesses, Opportunities and Threats (SWOT) analysis.

The Committee's examination reveal that the human resources of the organization are being utilised optimally and suitable care is also taken for the manpower needs of the recently launched RCS-UDAN Scheme. As informed to the Committee, the Authority undertakes regular recruitment at induction level across various disciplines to ensure availability of sufficient manpower to cater to its requirements. The AAI further informed that the manpower requirement at RCS-UDAN airports are met from current manpower pool and the same will be reviewed from time to time and necessary action will be taken accordingly. The Committee hope that the concrete steps will be taken timely to formulate a well-defined recruitment policy for regular induction of skilled, semi-skilled manpower and professionals in various disciplines. The Committee also desire the AAI to explore the areas for adopting mechanization process and also to strengthen their capacity building measures along with skill development trainings so as to augment the efficiency and working capabilities of the existing human resources which will in turn enable the Authority to manage their business operations in a more mechanized form and professional manner with minimum human interface.

Reply of the Government

A. Managing the business operations in a more mechanized form and professional manner with minimum human interface - The following actions have been taken in AAI:-

- i. **Implementation of e-Office** - the NIC's solution for processing of files through e-Office has been implemented in AAI. This has resulted in expeditious decision making, paperless work environment and resource saving, flexibility of hours of work and reduced requirement of support staff for processing of file.
- ii. **Employee Self Service (ESS) Portal on SAP/ ERP interface for processing of HR services**- In AAI presently all major HR services are being undertaken through ESS portal based on the SAP/ ERP platform. Besides transparency, this has resulted in numerous benefits viz. expeditious flow of services, paperless, flexibility to apply from anywhere, developing queries and MIS, implementation of service charter etc.
- iii. **Meeting through Virtual Mode**- Taking in consideration the pandemic scenario, almost all structured meetings are being organised through video conferencing with equal effectiveness.

- iv. **Interview through Virtual Mode** - AAI has made the transition of conducting interviews for selection to various posts for succession through virtual mode, this has resulted in reduction of Tour and related expenditure besides optimal utilization of time.

B. Measures for skill developments – As under:-

AAI's Training Policy is strongly committed towards skill upgradation of employees and has provided the much needed impetus for spreading the culture of training and development, thereby promoting competencies and commitment among employees. In its endeavor to enhance the knowledge and skills of employees, AAI has profoundly trained around 12000 employees across the country during FY 2019-20 through its well established Training Institutes and training Centres located at CHQ and various regions. Following training activities were conducted during FY 2019-20:

- i. **Training Institutes of AAI:** AAI has well established training institutes viz Indian Aviation Academy, Civil Aviation Training College (CATC) Prayagrah (with campuses at Hyderabad and Gondia), Fire Training Centre (FTC), New Delhi and Fire Service Training Center (FSTC), Kolkata catering to the specific requirements in AAI employees of all disciplines. Around 4900 employees have been trained through these institutes.
- ii. **Regional Training Centres (RTC) and CHQ Training Centre** - set up to cater to training needs at region / station level and mainly cover the larger base of Non-Executives. 4708 employees were trained through various programs conducted by CHQ Training Centre and Regional Training Centers.
- iii. **Leadership Development Programs:** The thrust on Leadership Development Skills among executives has been continued by extending the MoUs signed with premier management institutes like IIM B, IIM I, IIM L & MDI Gurgaon. A total of 290 employees have been trained through these programs. Around 270 Executives attended open-enrolment programs in premier management institutes like IIM-A, IIM-C, IIM-K, SPJIMR etc
- iv. **Foreign Trainings:** In order to facilitate learning on global platform, 552 executives were deputed for various trainings held abroad.
- v. **E-Learning:** In response to the latest learning trends, E-learning was actively promoted throughout the year and 702 employees undertook various online courses to upgrade their knowledge and skills.

C. Formulation of well-defined recruitment policy for regular induction of skilled, semi-skilled manpower and professionals in various disciplines - In this regard it is apprised that AAI have well defined detailed Gazette notified Recruitment & Promotion (R&P) Regulations, 2020 for fulfilling the manpower needs in various cadres and induction levels.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Pilot Training Facilities

Recommendation (Sl. No. 7)

The Committee note from the information submitted to them by the Authority that at present nearly 400 CPL Pilots are being trained in India and best-efforts are made to provide mandatory training to all eligible candidates. The Committee observe that 1,715 Pilots had been trained during the period from 2015 to 2019 which indicate that on an average 343 Pilots had been trained per year. The Committee's analysis of the information furnished to them indicate that India will need about 14,110 Pilots during the next 10 years that is on an average 1,411 Pilots will be needed annually in view of the projected growth of the civil aviation sector. The Committee are however concerned to note that against the annual requirement of training for average 1,411 pilots, the present capacity for training is only for about 400 commercial pilots per year. The Committee thus observe that at present Pilot training infrastructure is grossly inadequate to meet the projected demand for Pilots in the coming years. The AAI itself has identified training as one of the weaknesses in their SWOT analysis. The Committee are of the view that gross inadequacy of training infrastructure in general and Pilots in particular will dent the expected growth of Civil Aviation and might lead to looking for foreign trained Pilots. The Committee therefore recommend that training infrastructure needs to be strengthened, upgraded and expanded urgently with a view to develop adequate indigenous training facilities to cater to the projected demands of trained Pilots in future.

Reply of the Government

AAI has invited tenders through e-portal on 27th November, 2020 for leasing of

Land for Establishing Flying Training Organizations (FTOs) on Design, Build, Operate, Maintain and Transfer Basis (DBOMT) at Belagavi, Jalgaon, Kalaburgi, Khajuraho, Lilabari and Salem Airports to encourage indigenous FTO facilities to save foreign currency. To encourage business prospects in India, AAI has waived off 13% Royalty and Land licence fee is proposed to be charged @ 10% of prevailing licence fee. Last date of submission of Bids is 26th February, 2021.

Various steps have been taken to increase the number of pilots trained in India. The steps taken include:

With a view to enhance the number of licensed pilots in the country and also to optimally utilise the unused infrastructure at AAI airports, award letters have been issued to start operation of 08 new FTOs at five AAI airports (Lilabari, Khajuraho, Belagavi, Kalaburgi and Jalgaon) at Lilabari, Khajuraho, Belagavi, Kalaburgi and Jalgaon at highly rationalised concession fee. The concept of royalty (revenue share payment by FTOs to AAI) has been abolished.

DGCA CAR Section 7 Series I Part V has been modified to empower Flying Instructors (FI) to authorise flight operations at FTOs. This may help increase the flying hours at each FTOs significantly leading to suboptimal aircraft utilisation. Hitherto, this power has been granted only to Chief Flying Instructors (CFI) and Deputy CFIs.

IGRUA's operation and management is proposed to be handed over to a private operator on a PPP basis for 30 years. This will help replace its ageing aircraft fleet, hire more instructors at market salaries, improve the simulator facilities and enhance the number of pilots passing out every year.

India's largest flying school IGRUA (Amethi, UP), has been permitted to start pilot training at Gondia and Gulbarga to enhance flying hours which get severely affected during winter months due to visibility issues.

IGRUA Runway at Fursatganj, Amethi which was in a very bad shape affecting the airworthiness of the aircraft and its safety was re-carpeted in the year 2020 after 15 years. The work was satisfactorily completed despite COVID-19 conditions.

In January 2021, IGRUA entered into an agreement with the Indian Aviation Academy

(IAA), New Delhi to provide ground classes for various pilot licenses.

With a view to enhance the efficiency and output, flying all days a week has been started at IGRUA.

The national aviation University, RGNAU at Amethi is considering degree courses for pilots. This will enhance the career options and encourage more young Indians to consider aviation as a long-term career option.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

ATC Training Facilities

Recommendation (Sl. No. 8)

The Committee observe that AAI owns three ATC training centres viz. Civil Aviation Training College (CATC), Prayagraj; National Institute of Aviation Training and Management (NIATAM), Gondia and HTC, Hyderabad. These training centres are responsible for in-house training of Air Traffic Controllers (ATCOs), CNS personnel (also known as Air Traffic Safety Electronics Personnel (ATSEPs), etc. The CATC is the member of International Civil Aviation Organization (ICAO) TRAINAIR PLUS programme under which they develop and share Standardized Training Packages (STPs) with international community for imparting training on various subjects. The Civil Aviation Training College(CATC), Bamruali, Prayagraj is one of the premier civil aviation training centres in Asia which imparts training to Air Navigation Service Personnel (ATM & CNS) ofAAI as well as neighboring countries. Some of the programmes conducted at CATC include specialized induction level training for newly recruited ATCO and CNS Personnel; equipment based training for working ATCOs and CNS personnel (ATSEPs) with special focus on simulator based training; and advanced Operations and Maintenance of state-of-the-art CNS-ATM systems. The Committee while taking note of the training facilities available with AAI for training ATC personnel, would like to know if the training facilities are adequate and also are at par with the global standards. The Committee recommend that the capacity of the training institutes needs to be augmented along with creation of adequate infrastructure and procurement/installation of equipment, simulators etc. to meet the projected growth of aircraft movements which is forecasted to increase by 37.4% by the year 2023-24 and by 19.16% by the year

2028-29. The Committee is of the strong opinion that efficient training to ATC would ensure better aviation safety and minimize air accidents/incidents.

Reply of the Government

1. More number of RCS airports are likely to be made operational under UDAN scheme. Also, in view of upcoming Greenfield airports, the requirement of ATCOs will increase. In order to cater requirement of trained & Licensed ATCOs at all such airports, more number of trainees will have to be accommodated. Also, bulk recruitment of ATCOs is likely in future to cater to requirements of increasing air traffic at ATC centers. Hence more infrastructure will be required at all three approved ATSTOs.
2. AAI has also obtained approval of its 8 (Eight) AELPTO & TSPs at Delhi, Mumbai, Chennai, Kolkata, Guwahati, CATC Prayagraj, HTC, Hyderabad and NIA-TAM, Gondia for in-house training and testing ATCOs in terms of Aviation English Language Proficiency/their Testing's. In view of expected increase in demand, more infrastructure will be required at all eight DGCA approved AELTOs & TSPs.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Creation of Civil Aviation Infrastructure

Recommendation (Sl. No. 9)

The Committee are glad to note that the AAI has spent about Rs. 12,000 crore in the last five years for creation of aviation infrastructure at AAI airports. The major works undertaken were construction of new airports at Pakyong and Jharsuguda, construction of new terminal buildings at 16 airports, construction of 120 new parking bays, expansion and strengthening of existing runways at 17 airports. The Committee have also been informed that airport infrastructure works planned to be undertaken includes construction/expansion of terminal buildings at 32 airports, construction of new Greenfield airports at Itanagar, Hirasar, Deoghar and Dhalbhumgarh, construction of new civil enclaves at Agra, Kanpur, Bareilly, Bihta, Adampur, Dharbhanga, Bagdogra

and Halwara, construction work of runway extension and strengthening at 18 airports; etc. The Committee thus observe that a large number of projects for creation of new and additional aviation infrastructure is presently underway. The Committee hope that all these works relating to creation of aviation infrastructure will be completed within the timeline fixed for them. The Committee also desire the Ministry and the AAI to undertake a comprehensive review of the need for creation of new and additional aviation infrastructure at various airports in the country to meet the projected growth rate of 37.4% in aircraft movements, 41% in passengers handling and 21% in cargo movements by 2023-24 and accordingly plan and execute in a time bound manner the desired infrastructure works at different airports of AAI. The Committee also desire that the AAI should also plan in advance to create the aviation infrastructure to meet the future growth up to the year 2028-29 which is projected as 19.16%, 34.66% and 26.53% for aircraft movements, passengers and cargo respectively.

Reply of the Government

Creation of aviation Infrastructure at AAI Airports includes construction of New Airports and upgradation of airports. New Airports are being created by AAI under Greenfield Airport Policy at Hirasar, Dholera and Holongi. New Airports are necessitated either because the existing Airports are saturated or no further expansion is possible, such as Hirasar Airport for existing Rajkot Airport and Dholera Airport for existing Ahmedabad Airport, or providing airports where there are no existing airport nearby such as Pakyong and Holongi.

Upgradation of existing Airports are necessitated due to demand for larger Aircraft or increasing in passenger demand forecasted. Accordingly runways are extended for operation of larger aircraft and for increase in capacity Apron are expanded, New Terminals are constructed / Existing Terminals are expanded to cater for the future passenger traffic demand.

All the creation of aviation infrastructure is based on the traffic demand forecast undertaken internally by CPMS Directorate of AAI. Minimum 7-10 years of demand forecast is undertaken for development of Terminal infrastructure. While Apron expansion is undertaken based on the requirements of airlines their routes, aircraft induction plans and night parking demands at that particular Airport.

AAI has embarked upon a plan of Capex of Rs 20000 Crore for development and upgradation of infrastructure in next 4 years by which the airports infrastructure throughout the country including those in Tier-2 and tier-3 cities will also be developed. AAI is pushing very hard to achieve the timeline fixed for creation of Aviation Infrastructure in spite of COVID situation.

The expansion and development of infrastructure facilities at the airports is a continuous process and is undertaken on the operational requirements for safety of aircraft operation and demand from airlines, depending upon availability of land and viability, as well as other facilities with reference to intended aircraft operations.

Various Infrastructure works planned and reviewed to meet Indian aviation requirement considering growth projection of Aircraft movement, passengers and cargo needs for year 2023-24 and 2028-29.

As for the infrastructure augmentation for cargo handling is concerned, AAICLAS being a 100% subsidiary of AAI, has established many air cargo facilities i.e. 26 domestic cargo handling facilities, 20 international cargo handling facilities, and plan to add 43 additional number of facilities over the period of 4 years i.e. by FY 2023-24.

Currently in the FY 2020-21, AAICLAS is having facilities with an annual cargo handling capacity of 3.57 Million MT, which will be augmented to 4.29 Million MT by FY 2023-24. AAI has carved out suitable existing & additional areas for the development of air cargo handling facilities by AAICLAS in the upcoming PPP airports also. AAICLAS intends to establish air cargo facilities in all the AAI airports in the country by 2028-29.

In order to facilitate the trade, AAICLAS has created air cargo handling facilities at Guwahati airport. In addition, it is in the process of adding new air cargo terminals at 9 airports including Agartala, Silchar, Tezpur, Dibrugarh, Dimapur, Shillong, Lilabari, Imphal&Jorhat. In addition to the above terminals, AAICLAS is also actively involved in increasing perishable cargo storage facilities (cold storage) at other Airports as well.

AAICLAS in coordination with MoCA and approval of BCAS establishing cargo handling through the existing Domestic Passenger Terminals in the lean period, where even much less volume/Airlines handled/operated. Through suitable SOP this is being facilitated in all AAI Airports by BCAS.

Development of Airports – PPP Model

Recommendation (Sl. No. 10)

As per the National Civil Aviation Policy 2016, any citizen, society, state government can propose to establish a new Greenfield airport after identifying, acquiring suitable land for the project and supplying to steering committee of Ministry of Civil Aviation for obtaining site clearance in accordance with the stipulated requirements. However, as per the information furnished, the Committee learn that private investors prefer to invest in brown field projects over Greenfield projects. The rationale behind privatization of airports under PPP model as stated by the Government is that in PPP airport infrastructure projects brings efficiency in service delivery, expertise, enterprise and professionalism apart from bringing the needed investments in the sector. As per the PPP model, the private investor is responsible for Design, Build, Finance, Operate and Transfer (DBFOT) enabling capital investment being recovered over a long period of time. However, going by the information furnished, the Committee learn that the Government has set an outlay of Rs. 25,000 crore for undertaking major infrastructure projects in the next five years. Out of the Rs. 25000 crore, about 30% i.e. Rs. 7291 crore has been allotted to 11 airports that have been identified for development under PPP model. For the airports at Ahmedabad, Lucknow, Mangalore, the Letter of Award has already been issued to the winning bidder and in case of Guwahati, Jaipur, Thiruvananthapuram, Bhubaneswar, Indore, Varanasi, Trichy and Raipur, it is under process. The Committee would like to know from the Government the arrangement between the private operators and AAI for development of airports under PPP model where the AAI has to spend Rs. 7291 crore on these airports though the responsibility to Design, Build, Finance, Operate and Transfer (DBFOT) is that of the private operators/promoters.

Reply of the Government

The operation, management and development of the recently 06 PPP airports viz. Ahmedabad, Jaipur, Lucknow, Guwahati, Mangalore and Thiruvananthapuram) is regulated under the Concession Agreement signed by AAI with the respective PPP operators i.e. Concessionaire. The Concessionaire is required to procure finance for and undertake the operations, management and development of the Airport, at its own cost and expense and perform all its obligations set out in this Agreement. Following are the CAPEX Plan in respect of these 06 PPP airports as per provisions of the Concession Agreement:

- (a) AAI will incur CAPEX for all ongoing projects up to the date of handing over the airports to the Concessionaire and if the projects are not completed by AAI by the date of handing over the airports to the Concessionaire, the remaining CAPEX will be incurred and the projects would be completed by the concessionaire. Further, the Concessionaire would reimburse AAI all the amount spent on projects up to the date of handing over.
- (b) Further Concessionaires are required to provide the Capex plan for next 07 years considering:
- The current capital work being implemented by the Authority; and
 - Proposed capital works to be implemented by the Authority as on the date of signing the Agreement (as already informed in CA under Schedule U).

Therefore, both (a) and (b) mentioned above covers the proposed CAPEX plan of AAI in the 06 PPP airports in the next five years.

MoCA regularly reviews the CAPEX performance of AAI as well as the private concessionaires to whom the Brownfield airports have been leased out and follows up to review and reconcile the CAPEX performance vis-a-vis the targets set to ensure that the targeted CAPEX is achieved.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Setting-up of Trans-shipment hub for Cargo handling

Recommendation (Sl. No. 11)

The Committee note that Trans-shipment Cargo refers to Cargo which is

unloaded from one carrier and loaded or intended to be loaded on the same or on another carrier or vehicle for carriage to its final destination. A trans-shipment hub refers to a centre where all types of trans-shipment cargo are accumulated, processed and further uplifted without much interference of Customs with primary moto to reduce the turnaround time of Aircrafts in Indian Airports and cost as well. The Committee have been apprised that the Ministry of Civil Aviation had undertaken a study to establish "Trans-shipment hubs" at major airports like Delhi, Mumbai, Chennai and Kolkata and concluded with the feasibility of establishment of trans-shipment hub at Delhi and Chennai airports only. Feasibility study were also conducted by a subsidiary of Airport Authority of India i.e. AAICLAS for establishment of trans-shipment hub and Special Economic Zone (SEZ) at Chennai International Airport which could not materialise due to shortage of space. However, a dedicated shed measuring about 1800 sqm in the air side of the integrated terminal for handling of transshipment cargo with X-ray screening & access control facility was earmarked for the purpose at Chennai Airport. At Delhi airport, DIAL operationalized a dedicated Transshipment Excellent Centre (TEC). The Committee further note that apart from these two hubs, no other Trans-shipment hub has yet been established at any Indian airport. The Committee note from the future cargo handling projections given by AAI that airports in India will be handling about 4337.44 metric tonnes of Cargo by 2023-24 and about 5488.36 metric tonnes of cargo by the year 2028-29 as compared to 3561.9 metric tonnes of cargo handled in 2018-19 and 2279.15 metric tonnes of cargo handled in 2013-14. With the likelihood of Cargo traffic set to increase so much in the decade, the Committee feel that establishment of new trans-shipment hubs and Special Economic Zones (SEZs)at airports would be a necessity. Unless more such hubs are set-up, the Committee is apprehensive about such huge cargo being handled at ease in near future as per the projections. As setting-up of trans-shipment hubs eases congestion in normal warehouse at Indian airports and encourages simplified customs procedures and more movement of trans-shipment cargo at reduced cost, the Committee desire that the (i) SEZ set-up at Chennai airport be expanded by addressing issue of shortage of space (ii) establishment of trans-shipment hub at Mumbai and Kolkata be pursued vigorously, and (iii) feasibility study be conducted for establishment of hubs in a time bound manner at other major airports that handle huge trans-shipment cargo.

Reply of the Government

While customs have been engaged in simplified procedures for the movement of Transshipment cargo, AAICLAS on its part is taking steps to establish SEZ at Chennai airport by seeking sufficient land from AAI by way of procurement of land from Air India, which is undergoing disinvestment program, opposite to Integrated Air cargo terminal at Chennai airport. AAICLAS is further engaged in Cargo Terminal Operations (CTO) by introducing RA/RA3 facilities at Chennai & Kolkata airports which is facilitating a single entity concept in air cargo handling. The RA facility will be introduced in all other major international airports so that the transshipment cargo movement in a high volume at Indian airports is facilitated.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Comments of the Committee

(Please see para 12 of Chapter I of the Report)

Management Information Systems (MIS)

Recommendation (Sl. No. 12)

The Committee observe that one of the weaknesses identified in Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis of the AAI is the limited focus on Management Information Systems (MIS). The Committee are surprised to find that being in aviation industry which is having global dimensions to its operations and despite its being a continuously profit making entity, the AAI has not focused much on MIS to the required extent. The Committee are of the opinion that non-maintenance of effective Management Information System (MIS) may adversely affect the efficiency of the organization in future. The Committee therefore recommend that AAI should strengthen their Management Information System (MIS) and also ensure that all field formations should regularly feed the requisite data in the system so as to have the updated position of their business operations at any point of time. The Committee would like to be informed about the steps taken by the AAI in this regard.

Reply of the Government

AAI uses various information systems as per the specific needs of different directorates. Some of the important systems being used are:

Implementation of ERP - Automation of HR, Finance, Material Management & Project management processes. This has improved the efficiency within the organization thus increasing the overall productivity.

E-Tendering – Adoption of electronic tendering process for faster & transparent procurement

E-Office - an initiative of GoI under national e-governance plan to enhance transparency and accountability in AAI.

NOCAS (No objection certificate application system) – An IT platform to facilitate online application and process for issuing No Objection Certificate (NOC) in respect of high-rise building / structure coming up within 20 KM radial distance from the Airport. The overall process cycle has been reduced significantly.

AIMS (Airport Information Management System): Billing system for raising Airlines/stakeholders Airport charges bills. The automation has helped in overall improvement in the billing process.

AOCC (Airports Operations Control Centre): Established at 12 Airports for efficient flight scheduling and optimized resource allocations using Common Airport Operation Database (AOODB) for all Airports.

These systems have been procured and designed as per the special requirement of the concerned directorates and have customized MIS reporting which is being used by various user directorates. The data from the various MIS systems is used to give inputs to the MoCA dashboard, which is a centralized dashboard of the Ministry of the Civil Aviation.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Passenger Services

Recommendation (Sl. No. 14.1)

The committee note that AAI has launched a project “Driving Improvements in Service and Hospitality at Airports”(DISHA) to improve various dimensions of operational excellence and customer experience in various areas such as operations, facilities, navigation, customer delight, customer grievance management, organization,

internal and external communication. The Committee also observe that in order to provide assistance to Persons with Disabilities (PWDs), senior citizens and VIPs at airports handling passenger traffic of 1million and above, 'May I Help You' counters have been established. Lost and Found online portal has also been developed in co-ordination with IT Department to ease out the passenger claiming process. The Committee also note that in order to reduce check-in time for passengers at airports, the additional number of equipments have been provided at 40 major airports. These equipments include (i) Common User Terminal Equipment(CUTE) (ii) Common User Self Service(CUSS) (iii) scanners (iv) MCR/OCR keyboards. Further, stamping of hand baggage tags have been dispensed with at 57 airports and 4 more airports are ready for trial run. The Committee also observe that passenger feedback system has been implemented at 10 airports and installation of the system at 32 airports is underway. The Committee hope that all the aforementioned facilities will be provided at all other airports in a definite timeframe. The Committee would also like to be apprised of the updated status of the progress in these customer friendly services at the airports.

Reply of the Government

In order to provide assistance to Persons with Disability (PwDs), Senior citizens and VIP's "May I Help You" Counters are being established at all AAI Airports having scheduled operations. Also, Lost & Found online portal and CUTE/CUSS facilities are being provided at AAI airports.

AAI is leaving no stone unturned in terms of capacity creation, to cope with the future traffic demand and has already embarked on a gamut of capacity building and enhancement projects not only limited to construction of new terminal buildings, expansion/modification of existing terminal buildings, construction of new green field airports but also putting to use the latest state of the art technologies to encourage automation like CUTE, CUSS, e-gates, Digiyatra, inline baggage conveyor system, body scanner etc. Better slot management is a key to decongest and enhance the capacity of the existing terminal buildings. The above technologies will help in drastically reducing the time spent at various processes at the airport, leaving passengers more time to indulge in various activities. For many passengers the time at airport has become fun time.

AAI is continuously striving to emulate best experience offered by world' best airports to move up the ladder from mere passenger satisfaction to true passenger delight.

AAI airports have excelled their peers in the time of pandemic, as evident from the high rating given by the passengers for specific questions related to safety and hygiene. AAI airports have provided all measures to cope with the COVID 19 in effective and efficient manner so as to build the confidence among the passengers simultaneously reducing the stress of travelling in difficult conditions.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Comments of the Committee

(Please see para 15 of Chapter I of the Report)

Digiyatra – Biometric Boarding System

Recommendation (Sl. No. 15)

The Committee observe that the AAI, with a view to enable passengers to have seamless experience of passing through airports, has initiated a move to introduce 'Digiyatra' - Biometric Boarding Systems (BBS) under which passengers do not have to produce ticket/ boarding pass/identity card at multiple touch points as biometric system identifies the passenger and validate ticket using facial recognition. The Committee while appreciating the initiative of AAI, hope that such a system is put in place after elaborate trial runs and after addressing the privacy concerns, if any. The Committee expect that AAI must have done a comparative study of international models followed globally in this regard and also the efficacy in time consumption of passenger from the point of entrance at the airport to the designated boarding gate for the aeroplane. The committee would like to be apprised of the updated status of the implementation of Digiyatra system at various airports in the country.

Reply of the Government

Based on the policy released by MoCA on DigiYatra in 2018, Airports authority of India has awarded work for Implementation of Biometric Boarding System (BBS) for domestic travel at 04 Airports (Kolkata, Pune, Vijayawada & Varanasi) using facial recognition system technology. DGCA has released a CAR dated 11.01.2019 stipulating the requirement of implementation of Digi Yatra by Airport operators and Airlines. Action has also been initiated by Airport Operators for implementation of Digi Yatra. A Joint Venture Company Digi Yatra Foundation has been formed by AAI along with Delhi International Airport Limited, Hyderabad International Airport Limited, Cochin International Airport Limited and Bangalore International Airport Limited for development and managing Digi Yatra for creating the central identity management platform.

The current status is as follows:

- Site Survey completed for all 04 Airports.
- Security vetting obtained from BCAS for Phase-1 implementation.
- Passive cabling work completed at Pune, Varanasi, Vijayawada & Kolkata.
- On-premise hardware supplied and Installed at all 04 Airports.
- Installation completed for Hardware for Touch points for Phase-1 at Varanasi.
- Interactions carried out with all airlines (Air India, Alliance Air, Air India Express, Air Vistara, Indigo, Go Air, Spice Jet and Trujet) and DigiYatra foundation. A common Data format for sharing passenger information has been agreed between Airlines and Airport operators.
- The development of interface between BBS and airlines (Indigo & Air Vistara) DCS is complete.
- Testing in progress at Varanasi for Day of Travel (DOT) trials.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

APP based Cab Service – need for proper signages at pick-up points

Recommendation (Sl. No. 16)

The Committee note that AAI have awarded license to APP based Cab service providers such as UBER, OLA, etc. at airports through open tendering process and separate pick-up points have been earmarked by AAI for providing Cab services to the passengers at respective airports with direction signages for the cab service providers. The Committee however observe that most of the designated pick-up points of UBER, OLA, etc. do not have appropriate identification marks for the passenger or the driver to

identify his exact location at the airport. In the absence of such signages/marks, passengers and Cabdrivers face difficulty in communicating their exact locations resulting in wastage of precious time and causing crowding and traffic jams at the UBER, OLA pick-up points. The Committee therefore desire that appropriate circles be marked indifferent colours on the ground with appropriate identification numbers so that passengers can communicate their exact locations to the drivers. The identification number can also be displayed on the pillars or side walls in the area of the pick-up points which is easily visible to the drivers to locate the passengers. Similarly, pathways can also be marked in numbers or colours for the cab drivers to communicate their exact locations. If the pick-up points are in open area, trees or ground may be marked with identification numbers for the convenience of the passengers and the drivers. The Committee further desire that for the safety and security of passengers, data base of local taxi drivers registered at airports also needs to be maintained.

Reply of the Government

The observation of the committee and suggested measures thereon have been noted for implementation. All the airports managed by AAI have been advised to implement the suggested measures so that inconvenience faced by the passengers is reduced to the minimum level.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Comments of the Committee

(Please see para 18 of Chapter I of the Report)

Sustainable Aviation Fuel (SAF) – Biofuel

Recommendation (Sl. No. 18)

The Committee observe that civil aviation is a global business operating under international rules and protocols and the airlines are also bound by the national regulators of the countries. Therefore, national authorities are important stakeholders in promoting the innovation in the biofuel industry through research and development. The

Committee note that as per the NITI Aayog 'Strategy for NEW INDIA@75' document, Aviation Turbine Fuel (ATF) is relatively expensive in India due to high taxes and lack of competition amongst providers. As it remains outside the GST network, there are also regional disparities in its price. The price of aviation fuel in India may be upto 60 percent higher than the prices in ASEAN and the Middle East countries because of high central and state taxes. Further, the fuel cost as a percentage of operating charges amounts to 45% in India as compared to the global average of 30%. India consumes around 8 million tons of aviation turbine fuel (ATF) and a 25% blend would require around 2 million tons of biofuel or around 5-6 million tons of Jatropha seeds per annum. The Committee observe that as per the ICAO Sustainable Aviation Fuel (SAF) guidelines, while the combustion of SAF emits similar quantities of CO₂ to the combustion of Conventional Air Fuel (CAF), SAF still provide an environmental benefit on a lifecycle basis. SAF will result in decreased emissions when compared with CAF. The Civil Aviation Fuel Guide which is a joint document of ICAO, UNEP and GEF highlights Brazil's longstanding experience with bio fuels in the transport sector, with all gasoline having been blended with ethanol by mandate since 1931. The Committee note that Brazil and the United States signed a memorandum of understanding in the year 2011 to cooperate on the development of renewable aviation fuels. In 2013, Sustainable Aviation Bio fuels for Brazil were formed as a result of a combined effort between the Industry and research stakeholders. The Ministry of Civil Aviation have apprised the Committee that Bio fuels have the potential to reduce carbon emissions from aviation. One of the domestic scheduled airline viz. M/s Spicejet Ltd. had taken initiative to have 'proof of concept' by using biofuel on one of its flights successfully, in consultation with Directorate General of Civil Aviation, Ministry of Civil Aviation. The Ministry stated the use of biofuels is possible, depending upon commercial viability and easy availability. The Committee while being curious of being apprised about the outcome of the experiment carried out on biofuels by M/s Spicejet Ltd., would also like the Government to frame an aviation grade biofuel policy to promote cultivation and commercial exploitation of Sustainable Aviation Fuel (SAF).

Reply of the Government

Outcome of the experiment carried out on biofuels by M/s Spicejet Ltd.

A demonstration flight was carried out in 2018 on Spicejet's Bombardier Q400

aircraft using Jatropha based biofuel produced by Indian Institute of Petroleum, Dehradun. The Aviation Turbine Fuel (ATF) was blended with biojet fuel in the ratio of 75:25 and was used in one of the engine while the other engine operated with 100% ATF. The flight took off from Dehradun and landed at Delhi, wherein engine parameters were found to be satisfactory and no abnormalities were observed.

Aviation grade biofuel policy to promote cultivation and commercial exploitation of Sustainable Aviation Fuel (SAF).

Recently, Ministry of Petroleum & Natural Gas, Govt. of India, has constituted a Committee to take ahead the Bio-ATF programme under the Chairmanship of Director (R&D), Indian Oil Corporation Ltd. Ministry of Civil Aviation (MoCA) is member of this Committee. MoCA has also collaborated with other Ministries for scaling up the production of biofuel. MoCA is also a member of the Committee constituted under the Chairmanship of Secretary, Ministry of Road Transport & Highways (RT&H) for increasing the use of alternate sustainable pollution free fuel to achieve fuel efficiency and reduction of carbon emission, as per goals of Mission 2030.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Comments of the Committee

(Please see para 21 of Chapter I of the Report)

Aviation Safety and Security Measures

Recommendation (Sl. No. 19.1)

The Committee observe that the air safety is most important element and critical area in the aviation sector. As informed to the Committee, the AAI's mission is to be the foundation of an enduring Indian aviation network providing high quality, safe and customer oriented airports and air navigation services thereby acting as a catalyst for economic growth in the areas of their operation. With regard to adherence to aviation safety norms, it was informed that India being a contracting state to Chicago Convention, 1944 adheres to International Standards and Recommended Practices of International Civil Aviation Organisation (ICAO) in achieving the highest degree of safety

in aircraft operations. Under Universal Safety Oversight Audit Programme (USOAP), the ICAO conducts regular, mandatory, systematic and harmonized safety audits of all the contracting States to ensure that the safety oversight obligations under, Chicago Convention" are fulfilled. The Committee have also been informed that a strong safety management system as per the guidelines of ICAO and DGCA is in place. Further, all the security measures/steps/actions as mandated by the Bureau of Civil Aviation Security (BCAs) are taken by all airport operators and adequate safety measures are in place at all the AAI owned international airports in the country to counter air hi-jack incidents. The CISF performs security related functions at the airports. The Committee while taking note of the various safety/security mechanisms already in place at the airports, observe that increasing threat perception in aviation sector is a global challenge which needs to be countered effectively by having a flawless security mechanism at all airports. The constant alertness and enforcement of the regulations with zero tolerance is of paramount importance to ensure the safety and security of passengers as well as airports. The Committee, therefore, desire the Government to further strengthen their security mechanism through various means and apparatus including use of latest technology based electronic equipments and computerized surveillance system so as to timely detect the suspicious elements hovering in and around the airports or trying to creep in the premises in the guise of genuine passengers so that any untoward incidents could be timely avoided.

Reply of the Government

In order to strengthen the security at the airports, AAI has taken up the following projects so as to enhance the existing security measures:

Access Control System:

Airports Authority of India has implemented Biometric Access Control project at 43 Airports. The implementation of the project will enhance the Airports security by using finger print Bio-metric for staff entry to different zones at Airports and RF ID tags for entry of vehicles in operational area of Airport.

Digiyatra

Digiyatra intends to give a seamless, hassle-free and paperless journey experience to every domestic air traveler in India. Using cutting edge Identity Management and "Face

recognition” technologies, it aims to simplify the passenger processes and enhance security at various check points in the airport right from the terminal entry gate, check-in/ bag drop, security check and boarding gates.

With DigiYatra, passengers will no longer need to show their tickets/ boarding passes and their physical Identity cards at many of the check points at the airport. This will lead to reduced waiting time in queues, faster processing times and simpler processes. DGCA has released a CAR dated 11.01.2019 stipulating the requirement of implementation of Digi Yatra by Airport operators and Airlines. Action has also been initiated by Airport Operators for implementation of Digi Yatra. A Joint Venture Company Digi Yatra Foundation has been formed by AAI along with Delhi International Airport Limited, Hyderabad International Airport Limited, Cochin International Airport Limited and Bangalore International Airport Limited for development and managing Digi Yatra for creating the central identity management platform.

Airports Authority of India is implementing Biometric Boarding System at 04 Airports using Facial recognition-based system under DigiYatra initiative of Ministry of Civil Aviation.

DigiYatra will enhance Security standards and improve the current system performance by:

- Using real-time facial Biometrics for validation.
- Using facial biometric as single token for processing Passengers at various check-points in the airport
- Validating Boarding pass or e-ticket with the airline system in real-time.

Security Systems/Equipment in AAI Airports

In continuation to enhance and improve the Surveillance CCTV systems at AAI Airports, AAI has provided/replaced approximately 2000 nos. of HD cameras in 25 airports during this year. It also includes the memory storage of 30 days video recordings, Video Analytic Software and Video Management Software. AAI provides Surveillance CCTV systems at all AAI Airports as per BCAS latest specification and requirements.

AAI has commissioned 12 sets of Multi level In-Line X-ray Baggage Screening

(ILBS) systems for screening of Registered Baggage at 12 airports. The ILBS systems are based on CT technology, Explosive Detection System, confirming to TSA / ECAC standard 3. Under Phase-2, Order for ILBS systems at 5 additional airports have been placed, work is under execution.

Latest standalone X-ray Baggage Inspection Systems, NIJ complaint Door Frame Metal Detector, Explosive Trace Detectors are provided to all AAI Airports, meeting BCAS specifications. ATRS (Automatic Tray Retrieval Systems) have been provided at 5 Airports (Chennai, Kolkata, Trivandrum, Goa, Calicut), work is under execution. Latest BDDS (Bomb Detection & Disposal Squad) systems have been provided at Hyper-Sensitive and Sensitive airports as per BCAS specifications.

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Recommendation (Sl. No. 19.3)

The Committee observe that bird strike is a major operational threat at any airport as it poses a serious risk to the passengers and may cause serious damage to the aircraft. The analysis of the data on bird strike incidents at Indian airports during the period from 2014 to 2018 indicate that bird strike incidents have increased continuously during this period as it has gone up from 679 incidents in 2014 to 1186 incidents in 2018. Further, 1167 bird strike incidents reported in the year 2019 is also an alarming figure. The Committee observe that large number of bird strikes reported year after year is a clear reflection of non-serious approach of AAI in implementation of the effective measures to counter this problem. The Committee would therefore recommend that AAI should undertake a study of the measures being taken by the airport operators globally with a view to apply the best international system to efficiently contain the bird strike incidents.

Reply of the Government

The Committee expressed concern about the bird strike incidents in the major operational airports. Measures for reduction of bird strike are in place at the airports by Airports Authority of India and this is an ongoing activity.

Regarding recommendation of the Committee to *"undertake a study of the measures being taken by the airport operators globally with a view to apply the best international system to efficiently contain the bird strike incidents"*, it is stated that AAI has already undertaken following measure in addition to existing mitigation measures:

A study by Salim Ali Centre for Ornithology and Natural History (SACON) under the Ministry of Environment & Forests, Government of India at Coimbatore, Kannur & Ahmadabad Airport. SACON has submitted the Report. AAI has also engaged SACON for similar study at 8 airports, viz. Varanasi, Surat, Indore, Bhopal, Raipur, Calicut, Patna and Agartala. Out of these, work has already started at 5 airports, viz. Surat, Indore, Bhopal, Patna and Agartala.

However, specific recommendation of the Committee to *"undertake a study of the measures being taken by the airport operators globally with a view to apply the best international system to efficiently contain the bird strike incidents"* will be considered by AAI, in addition to the effort already undertaken by AAI.

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Comments of the Committee

(Please see para 27 of Chapter I of the Report)

Single use plastic free airports

Recommendation (Sl. No. 20)

The Committee observe that in pursuance of directions issued by the Ministry of Environment, Forest and Climate Change, the AAI, in the first phase, declared 35 airports as single use plastic free airports on the basis of third party assessment carried out by QCI. Further, in Phase-II, 20 airports have been selected for declaring them as single use plastic free by 15 September, 2019. The Committee observe that ban on single use plastic at airports is a welcome step towards containing the pollutants in the airport premises. The Committee however note that so far only 45 airports have been/are being declared single use plastic free airports. Keeping in view the fact that apparently, there are no constraints in simultaneous implementation of this environment friendly measures at all airports, the Committee are unable to comprehend the decision

of the AAI to implement this measure selectively only at some airports. The Committee therefore strongly recommend that the AAI should immediately declare the remaining airports also as 'single use plastic' free airports and enforce the compliance strictly.

Reply of the Government

As per the directions issued by Ministry of Environment, Forest and Climate Change to beat plastic pollution, 85 AAI Airports namely Adampur, Agartala, Agatti, Agra, Ahmedabad, Amritsar, Aurangabad, Bagdogra, Belgaum, Bhatinda, Bhavnagar, Bhopal, Bhubaneswar, Bhub, Bikaner, Calicut, Chandigarh, Chennai, Coimbatore, Dehradun, Dibrugarh, Dimapur, Diu, Gaya, Goa, Gorakhpur, Guwahati, Gwalior, Hubli, Imphal, Indore, Jabalpur, Jaipur, Jaisalmer, Jalgaon, Jammu, Jamnagar, Jharsuguda, Jodhpur, Jorhat, Kadapah, Kandla, Kangra, Kanpur, Khajurao, Kishangarh, Kohlapur, Kolkata, Kullu, Leh, Lilabari, Lucknow, Ludhiana, Madurai, Mangalore, Mysore, Paikyong, Pant Nagar, Pathankot, Patna, Porbandar, Port Blair, Prayagraj, Puducherry, Pune, Raipur, Rajahmundry, Rajkot, Ranchi, Salem, Shillong, Shimla, Silchar, Srinagar, Surat, Tezpur, Tiruchirappalli, Tirupati, Trivandrum, Tuticorin, Udaipur, Vadodara, Varanasi, Vijayawada & Visakhapatnam have been declared "Single-Use Plastic Free Terminals" in 2019.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Comments of the Committee

(Please see para 33 of Chapter I of the Report)

Solid Waste Management System

Recommendation (Sl. No. 21)

The Committee note that AAI has taken initiative to set up Solid Waste Management Systems (SWMS) initially at six airports viz. Kolkata, Coimbatore, Thiruvananthapuram, Varanasi, Bhubaneswar and Ahmadabad. The Committee observe that in the second Phase, 28 airports having traffic of more than 1 million passengers

were shortlisted for setting up of SWMS. Surprisingly, none of the JV airports figure in the list of airports selected for the purpose in both the phases. The Committee, therefore, would like to be apprised of whether all the JV airports already have SWMS and also recommend that the solid waste management system needs to be introduced at all airports including JV airports in a time bound manner.

Reply of the Government

Solid Waste Management System is being established at all operational AAI airports having scheduled flight operation. Moreover, a status report on the availability of Solid Waste Management Systems at private/JV airports is as under:

Delhi International Airport Limited (DIAL) has already adopted Solid Waste Management Systems and is in operation at IGI Airport. To ensure efficient source segregation of waste at IGIA, two bin system for dry waste/recyclable and biodegradable/food waste has been placed across the airport including terminal buildings, airside and city side area with proper signage. In addition to this, in some of the key locations at terminals where the food and recyclables waste are being generated, 4 bin systems with separate compartments for biodegradable/food waste, paper, plastic, glass/metal have been placed. Based on good practices adopted by DIAL towards Solid Waste Management, there has been no complaints from stakeholders on waste disposal. In addition to this, DIAL is currently setting up an Integrated Solid Waste Management Centre (ISWMC) for IGIA. This facility will have an advanced Material Recovery Facility (MRF) and Waste to Biogas Plant and is expected to be operational within the next year or so.

At Rajiv Gandhi International Airport, Hyderabad, right from the day of commissioning the airport in March 2008, there is a robust solid waste management system in place. There is a dedicated process and a team of trained people is in place on 24 x7 basis for efficient collection of solid waste from various locations of the airport. The collected waste is handed over to authorised agencies and facilities for appropriate disposal.

Further, at Mumbai International Airport Ltd. (MIAL) also, the implementation of requisite measures has already strengthened its solid waste management system. The Solid Waste Management System (SWMS) has enabled MIAL to successfully & effectively

handle solid waste including Hazardous Waste (HW) generated through airport operations, stakeholders and passenger movements. MIAL has obtained an authorization to deal with the HW as per HWMTM Rules, 2016 from Maharashtra Pollution Control Board (MPCB). The generated HW disposed by hiring services of two MPCB authorized agencies in accordance with the prescribed norms/rules. The principals of 3R (Reduce, Reuse and Recycle) are practiced for solid waste management at CSMIA. The various initiatives such as, waste segregation at source, waste disposal through authorized agencies & recyclers, continuous awareness amongst stakeholders, are implemented for overall waste management.

Bangalore International Airport Limited (BIAL) is also in the process of setting up Integrated Solid waste management plant within the premises and the work has already been awarded. Approval Process from Local authorities for establishing the plant is in progress. This is expected to be functional from April 2022. Having said that, from time of commencement of Operation at BIAL (2008), the solid waste is responsibly treated at a 3rd party facility, who are approved by Karnataka State Pollution Control Board (KSPCB). BIAL also inspects the premises of the 3rd party vendor to ensure correct treatment process.

Further, a standard operating procedure (SOP) has been established at Cochin International Airport Limited (CIAL) for managing the solid waste, without deviating from the regulatory requirements. CIAL also work on reduce, reuse and recycle principle, which includes – segregation of waste at the collecting point , segregation of the waste at the earmarked segregation yard owned by the airport operator, recycle and reuse the waste as far as possible, incineration/ burial of the waste that can neither be recycled/ reused.

Kannur Airport International Airport (Pvt.) has also developed a sewage treatment plant, incinerator, biogas plant, solid waste dumping yard with segregation area and store room for the recycling/reusable material installation/ facilities. Manpower is deployed for segregation of solid waste into three categories - Biodegradable, recyclable and burnable. Incinerator is used to burn the solid waste items like, carton, paper, and other harmless solid items .Biodegradable items like food waste are crushed and used in the biogas plant. The recyclable items like plastic bottles, aluminium foil paper, plastic cover

etc. are stored at the store room. At frequent intervals, these materials are collected, processed and disposed by the authorized agency.

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Preferential treatment in landing and take off

Recommendation (Sl. No. 22)

The Committee during the evidence of the representatives of AAI held on 17 February, 2020, referring to the allegations that flights of private airlines are given preference over that of Government owned airlines 'Air India & Air India Express', in landing and take off at many airports, sought clarification from AAI on this issue. The representative of the AAI while categorically denying any such preferential treatment to any airline, clarified that only the VIP flights carrying the President, Prime Minister, Vice President and the visiting heads of States and the flights carrying sick passengers in an emergency are given preference for early landing. The Committee would however like the Ministry/AAI to furnish them a note giving airport-wise details for the last two years about the flights which though approached first for landing but were allowed delayed landings for different reasons including preferential treatment to other flights.

Reply of the Government

1. International Civil Aviation works on the premise of "non-discrimination". Indian ATCs handle three million air traffic movements comprising of overflights, landings and takeoffs every year (8200 per day x 365 = 3000000).
2. In case of a normal flow of traffic the rule followed is "FIFO" or "first in first out". The distance to run to touchdown and the time taken based on horizontal speeds of the aircraft will be the basis on which the arrival sequence is determined.
3. In case of special circumstances flights are accorded priority, and these include an aircraft which anticipates being compelled to land because of factors affecting the safe operation of the aircraft (engine failure, shortage of fuel, etc); hospital aircraft or aircraft carrying any sick or seriously injured person requiring urgent medical attention; aircraft

engaged in search and rescue operations; and VIP I (President), VIP II (Vice President), VIP III (Prime Minister) and VIP V (Foreign Heads of State/Govt.) aircraft.

4. Furthermore, modern ATC Centres are equipped with state-of-the-art ATS Automation System, which are provided with features such as Arrival Manager (AMAN) which is an automated tool which sequences aircraft and the flights are informed in advance about their sequence to land, which is not changed unless there is a situation necessitating according a priority based on the scenarios listed in 3 above.

5. The “airport-wise details for the last two years about the flights which though approached first for landing but were allowed delayed landings for different reasons including preferential treatment to other flights”, was solicited by the Committee. It has been ascertained from all ATC Centres with daily air traffic movements of 30 flights or more, and stations listed in **Annexure-A** have reported that no complaints were lodged by the airlines regarding preferential treatment. Fifteen cases of complaints have been reported by Delhi, Kolkata, Hyderabad, Bengaluru and Guwahati ATC Centres, tabulated in **Annexure-B** and they have been analyzed thoroughly and the Airline Management has been duly informed. In these cases, there have ostensibly been perception errors which have been effectively corrected through communication.

6. The mechanism of Collaborative Decision Making (CDM) is robust and allows AAI, the Air Traffic Service Provider and the Airline Operations to interact regularly and mutually sort out such issues and develop mutual trust.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Comments of the Committee

(Please see para 36 of Chapter I of the Report)

Need for strengthening of data management system

Recommendation (Sl. No. 23)

The Committee’s analysis of the data provided by them with regard to the airport network and category of airports operated by AAI reveals the mismatch in figures

submitted at different occasions. For instance, the AAI in the background note furnished to the Committee, had mentioned that it owns and maintains 136airports including 80 domestic airports, 23 international airports (3 civil enclaves)and 23 other civil enclaves. Subsequently, AAI *vide* its OM dated 09 December, 2019 mentioned that it owns 137 airports which includes 81 domestic airports, 23civil enclaves. Further, the analysis of the data on revenue of MIAL from landing and parking charges during the year 2015-16 also reveals divergence as on one occasion, the AAI had submitted the figure as Rs. 721.31 crore (landing - Rs.691.95 cr + parking Rs.29.36 cr) but on another occasion, the AAI mentioned the same as Rs. 728.16 crore for the same year. The Committee while expressing their unhappiness over the submission of divergent data to the Committee, desire AAI to submit an explanatory note on this with the information indicating the correct figures of (i) domestic airports (ii) international airports (iii) civil enclaves(iv) custom airports (v) airports having schedule operations (vi) RCS airports owned, managed and operated by AAI (vii) JV airports (viii) operational airports under PPP model (ix) airports under construction under PPP model, and also (ix)the revenue earned by MIAL from Landing and Parking charges during the last 3years. The Committee further recommend the AAI to take corrective measure immediately for strengthening their data management system to avoid such recurrence in future.

Reply of the Government

The total number of Airports with AAI is being updated continuously due to following factor-

Due to ongoing Privatisation under PPP, Leasing of Airport, New civil Terminals at Defence base, Inclusion of airport (unserved /underserved) which are being developed and New Greenfield Airports as well as change of ownerships from state Govt to AAI.

However, Updation of airport list is also under process. As per approved list, details of Airport category wise is listed below-

Point No. (i): Domestic Airports- 80 Domestic airports

Point No. (ii): International Airport- 24 international airports including 3 Civil Enclaves. However, 6 international airports out of 24 namely Lucknow, Mangalore, Ahmedabad, Jaipur, Guwahati and Thiruvananthapuram are under PPP now.

Point No. (iii): Civil Enclaves- 22 Civil Enclaves (Domestic).

Point No. (iv): Custom Airports- 10 Customs airports including 4 Customs Civil enclaves

Point No. (v): Airports having schedule operations- List of Airports having scheduled flight operation is enclosed as **Annexure-C**

Point No. (vi): RCS airports owned, managed and operated by AAI - As on date 60nos. of RCS airports have been operationalized.

Point No. (vii): JV airports – There are ten (10) Joint Venture Airports, as on date, as detailed under:

Sl. No.	JV Airports	AAI shareholding (%)
1.	Indira Gandhi International Airport New Delhi	26.00
2.	Chhatrapati Shivaji Maharaj International Airport Mumbai	26.00
3.	Kempegowda International Airport, Bengaluru	13.00
4.	Rajiv Gandhi International Airport, Hyderabad	13.00
5.	Dr. Baba Saheb International Airport, Nagpur	49.00
6.	Kannur International Airport Private Limited	7.47
7.	Dholera International Airport Limited, Dholera	51.00
8.	Dhalbhumgarh International Airport, Dhalbhumgarh	51.00
9.	Deoghar International Airport, Deoghar	51.00
10.	Shaheed Bhagat Singh International Airport, Mohali	51.00

Point no. (viii):- Operational Airports under PPP model -

Sr. No.	NAME OF PROJECT (PPP)	PPP Operator
1	Rajiv Gandhi International Airport, Hyderabad	Hyderabad International Airport Ltd.
2	IGI Airport, Delhi	Delhi International Airport Ltd.
3	Chhatrapati Shivaji Maharaj International Airport, Mumbai	Mumbai International Airport Limited
4	Kempegowda International Airport, Bangalore	Bangalore International Airport Ltd.
5	Cochin International Airport	Cochin International Airport Ltd.
6	Kannur International Airport, Kerala	Kannur International Airport Limited

7	Mangaluru Airport	Mangalore Adani International Airport Limited
8	Ahmedabad Airport	Ahmedabad Adani International Airport Limited
9	Lucknow Airport	Lucknow Adani International Airport Limited
10	Jaipur Airport	Jaipur Adani International Airport Limited(<i>Yet to be handed over</i>)
11	Guwahati Airport	Guwahati Adani International Airport Limited(<i>Yet to be handed over</i>)
12	Thiruvananthapuram Airport	Thiruvananthapuram Adani International Airport Limited(<i>Yet to be handed over</i>)

Point No. (ix):- Airports under construction under PPP model –

(a) Brownfield airports proposed under PPP: AAI Board has recommended for leasing out 13 airports for Operation, Management and Development under PPP which includes 6 viable airports namely Amritsar, Varanasi, Bhubaneswar, Indore, Raipur and Trichy and 7 airports with low traffic potential. Amendment in AERA Act was required for tariff determination for a group of airports. The Parliament has passed the AERA(Amendment) Bill, 2021 during the recently held Monsoon session.

(b) Greenfield airports under construction under PPP: (i)Mopa (Goa), (ii) Jewar (Uttar Pradesh), (iii) Navi Mumbai (Maharashtra) and (iv) Bhogapuram (Andhra Pradesh) (v) Dholera (Gujarat)

Point No. (x):- The revenue earned by MIAL from Landing and Parking charges during the last 3 years – The requisite details provided by MIAL vide email dated 21.02.2021 are as under:

Particulars	Financial Year (Rs. in Crores)			
	2016-17	2017-18	2018-19	2019-20
Landing & Parking Charges	997.12	1410.97	1469.70	1338.86

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Delay in runway expansion project at Udaipur airport

Recommendation (Sl. No. 24)

The Committee note that permission for installing conveyor belt at Udaipur airport was issued way back in 1998. The conveyor belt, however, is stated to have become an

obstacle in expansion of the runway in both the directions by total 460 meters. As the matter has been pending for quite some time despite the vigorous efforts, the Committee suggest that the matter now needs to be escalated to the higher levels to avoid further delay in completing expansion of the runway project and to prevent probable further cost escalation. Latest status on the project may be informed to the Committee at the earliest.

Reply of the Government

The matter has been taken up with the concerned organization Udaipur Cement Works Limited (UCWL) in the meeting with Collector Udaipur on various occasions latest being on 10 Feb 2021 during the ACM.

As informed in the meeting by UCWL, they have conducted survey with AAI empanelled agency and are going to submit the report soon and apply for fresh NOC. UCWL has been already informed in writing to reduce the height of the obstacles by the office of Udaipur Airport as per the prior NOC that was granted earlier and also apply for fresh NOC.

The report of the survey conducted by UCWL is awaited to analyse how many obstacles from their premises have been removed/reduced to permissible height and how many more are remaining.

Also UCWL has been informed regarding their NOC which has expired and that they require to take fresh NOC and get the structures/obstacles removed /reduced to permissible height as per the NOC given prior and also reduce further if required as per new NOC. UCWL shall update on the same after receiving the survey report.

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Recommendation (Sl. No. 25.1)

Regional Connectivity Scheme (RCS) – UDAN

The Committee learn that the Ministry of Civil Aviation launched the Regional Connectivity Scheme RCS-UDAN (Ude Desh ka Aam Nagrik) on 21 October 2016 with the primary objective of facilitating / stimulating regional air connectivity by making it

affordable. The RCS is a demand driven scheme and supported by Central Government, State Government and Airport Operator. Development of regional air connectivity routes is proposed to be left to the market forces so that airlines undertake assessment of demand and nature of supply required on particular routes and lead the process under RCS. The Committee further learn that about 100 airports, heliports, water dromes have been identified for revival/ development under RCS UDAN and to be made operational by the year 2024. As per the provision in the scheme, RCS airports would be operationalized within two years from the date of issue of 'Letter of Intent'. The Committee are however perturbed to note that only 9 airports could be made operational out of the 19 RCS airports that were scheduled to be operationalised by 2019-20. As per the information furnished, 25 airports are to be operationalised during 2020-21, another 20 airports by 2021-22, next 16 airports by 2022-23 and the final lot of 20 airports by 2023-24. The Committee also find that the original estimated cost of development of these airports was Rs.2468.17 Crore which was revised to Rs. 2956.76 crore with an increase of about Rs. 488.59 crore. The Committee appreciate that RCS-UDAN Scheme has a noble intent to realise the dream of common man to have affordable air travel but with the given pace of development of the RCS airports, the Committee are constrained to express their apprehension whether all the 100 airports would be made operational by the scheduled time *i.e* 2023-24. The Committee therefore recommend the Ministry to gear up its machinery for timely completion of all the pending works including works relating to infrastructure development so that the target of operationalisation of 100 airports under RCS-UDAN by 2023-24 could be successfully achieved.

Reply of the Government

Out of 100 airports to be developed, a total of 35 airports are to be developed by 2020-21. Against these, 32 airports have been completed so far, for operationalization. Among these 20 airports are in operation. Covid -pandemic had adverse impact on the development of airports in year FY 2020-21.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Comments of the Committee

(Please see para 39 of Chapter I of the Report)

Regional Connectivity Scheme (RCS) – UDAN

Recommendation (Sl. No. 25.2)

The Committee's analysis of the data on profitability of airports having RCS flight operations for the three years that is from 2016-17 to 2018-19, reveals that AAI's expenditure was many times higher than that of revenues earned through these airports and not even a single airport having RCS flights have become profitable so far. This probably, the Committee believe, is the reason why AAI has shown this as a 'threat' in its SWOT analysis. The Committee while taking note of the losses at RCS airports, are of the view that being a torch bearer in Indian civil aviation sector, AAI plays a very important role in developing, managing and expanding the aviation infrastructure in the country, which may not immediately yield revenues at desired level but this initiative over a period of time will definitely act as a catalyst in the economic development of these regions. The Committee also believe that these airports will eventually become profitable when economy and tourism picks up. The Committee would therefore desire that the momentum of developing RCS airports should be continued vigorously to make the RCS Scheme successful so that the dream of common man to fly is materialized.

Reply of the Government

The observation of the Committee and suggested measures thereon have been noted for implementation.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Recommendation (Sl. No. 26.1)

Joint Ventures - DIAL and MIAL

The Committee observe that the Cabinet approved in September, 2003 the proposal of the Ministry that restructuring of Delhi and Mumbai airports may be undertaken through JV routes by formation of two separate companies between the AAI and selected JV partner. Consequently, the AAI signed the Operations, Management and Development Agreement (OMDA) with DIAL and MIAL. The Committee have been

informed that the agreement signed with both DIAL and MIAL are similar and hence the features of OMDA are also similar for both DIAL and MIAL. As per the agreement, the DIAL have to pay to AAI an annual fee@45.99% of the projected revenue while the MIAL have to pay 38.70% of the projected revenue for each year. The Committee's analysis of the data submitted to them indicate that the revenue share of AAI in the gross revenue earned by DIAL has initially registered increasing trend i.e. Rs.3225.62 crore in the year2014-15, Rs.3741.41 crore in 2015-16 and Rs.4280.86 crore in 2016-17 but thereafter it reflected the declining trend as it was Rs.2306.38 crore in 2017-18and Rs.1835.33 crore in 2018-19. The Committee however notice that the revenue share of the AAI out of the gross revenue earned by MIAL has shown consistently increasing trend as it was Rs.931.25 crore in 2014-15, Rs.1066.06 crore in 2015-16, Rs.1187.70 crore in 2016-17, Rs.1330.61 crore in 2017-18 and Rs.1437.69 crore in2018-19. The Committee would therefore like to know the reasons for the declining trend of revenue share from DIAL and the steps taken to address the issues responsible for such decline in revenue.

Reply of the Government

The revenue audit of DIAL & MIAL is being carried out by Joint venture cell from 2005- 07 regularly through the independent Revenue Auditors appointed as per the process enunciated in OMDA. As AAI has not conducted any audit inspection other than the one described above during the last seven years, no details of any findings/ action taken thereon are available with AAI for furnishing to the Committee. However, as per the suggestion of the Committee, inspection/ audit of books, other material of DIAL & MIAL at various intervals of AAI's choice will be taken up from F.Y. 2021-22 onwards.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Comments of the Committee

(Please see para 44 of Chapter I of the Report)

Recommendation (Sl. No. 26.2)

Joint Ventures - DIAL and MIAL

The Committee further observe that as per OMDA, AAI is empowered to inspect the books, records, and other material kept by or on behalf of DIAL and MIAL in order to check or audit any information including calculation of revenue. The Committee however observe that MoCA/AAI have not furnished any information as to whether AAI has carried out any inspection/audit of DIAL and MIAL in addition to audit by independent auditors. The findings of audit/inspection conducted by AAI, if any, during the last seven years and the action taken thereon be furnished to the Committee. Further, the Committee also suggest that inspection/audit of the account books, other material of DIAL and MIAL be conducted to ensure that there are no leakages in their revenues. The audit/ inspection should have an element of surprise and be conducted at various intervals of AAI's choice.

Reply of the Government

The revenue audit of DIAL & MIAL is being carried out by Joint venture cell from 2005- 07 regularly through the independent Revenue Auditors appointed as per the process enunciated in OMDA. As AAI has not conducted any audit inspection other than the one described above during the last seven years, no details of any findings/ action taken thereon are available with AAI for furnishing to the Committee. However, as per the suggestion of the Committee, inspection/ audit of books, other material of DIAL & MIAL at various intervals of AAI's choice will be taken up from F.Y. 2021-22 onwards.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Comments of the Committee

(Please see para 44 of Chapter I of the Report)

Constitution of Airport Advisory Committee (AAC)

Recommendation (SI. No. 27.1 and 27.2)

The Committee note that to widen the representation amongst various stakeholders, AAI has constituted Airport Advisory Committees (AACs) at various airports in the country to advise the development of passenger facilities at the airports.

As per the policy, MP of the area of the airport is the ex-officio Chairperson of AAC and the MLA is the alternate Chairperson (in the absence of Chairperson) of the Committee. The Committee, however note that out of the 87 Airports having Schedule Flight Operations, AACs have been formed at only 70 Airports. AAI has not furnished any specific reasons for not constituting AACs at 17 airports for many years despite the MoCA's directions to do so. The Committee observe that AAI furnished details of AAC meetings held at 41 airports only implying that the meetings could not be held at the remaining 46 airports. AAI has not furnished specific reasons for not holding the AAC meetings at these airports. With regard to the frequency of AAC meetings, the Committee note that as per MoCA's guidelines meetings should be conducted once in six months. Committee is dismayed to find that only one meeting was held at many airports viz. Raipur, Lucknow, Mangalore, Madurai, Tuticorin, Jabalpur, Jalgaon, Kolhapur, Bhuj, Guwahati, Shillong and Tezpur airports during the last 3 years. AAI, however informed that these are conducted as per the availability of Chairman and other members. In view of the afore mentioned, the Committee take a serious note of the lapse/ failure on the part of AAI in not (a) constituting AAC at 17 airports having scheduled flight operations; (b) not holding any meetings of AACs at 46 airports; and (c) holding meetings only once during the last three years at the above mentioned airports as against once in six months as stipulated by MoCA and recommend that immediate steps should be taken to (i) constitute AACs at 17 airports; (ii) call for meetings of AAC and to ensure meetings do take place at the stipulated intervals at all the 87 airports having scheduled flight operations; (iii) inform the public representatives concerned about provision of AAC; and (iv) make accountable the concerned Directors of the airports for the afore mentioned actions at (i) to (iii) above.

The Committee are also of the view in those States where there is only one airport but more than one MP represent such States, all the MPs of that State may be invited to the meetings of AAC. The Committee further desire the AAI to furnish the feedback on the functioning of airports from the local MPs as agreed to by the representative of AAI during the meeting held on 18.09.2019.

Reply of the Government

Airport Advisory Committees (AAC) are formed as per Guidelines issued by MoCA vide letter dated 14.10.2019.

Further, Airport Directors have been instructed to inform the public representatives about provision of AAC and coordinate with the Chairman, AAC (Hon'ble MP of the area of airport) of respective airports for nomination of members for the reconstitution of AAC and to conduct meetings as per schedule.

Further, Airport Directors have been instructed to take feedback on the functioning of airports from the local MPs.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Comments of the Committee

(Please see para 50 of Chapter I of the Report)

Protocol Services/Courtesy Treatment to MPs and Dignitaries

Recommendation (Sl. No. 29)

The Committee observe that the protocol services are provided to Hon'ble Members of Parliament at Airports as per the guidelines issued by the Ministry of Civil Aviation. The Ministry of Civil Aviation's Order dated 10 October 2007 provides for nomination of 'Protocol Officer' at each airport who would be responsible for extension of protocol/courtesy/support to the MPs. The Airport Director of respective Airport is responsible for extending these facilities. The contact numbers and email IDs of Airport Directors are made available on AAI's website. Further, the Committee note that the Ministry *vide* letter dated 2nd January, 2020 issued instructions to (i) all airport operators including AAI; (ii) airline operators including Air India; and, (iii) Bureau of Civil Aviation Security (BCAS) directing them to extend protocol / courtesy/ support to Members of Parliament (MPs) at airports. With a view to have effective implementation of these guidelines and to make sure that MPs do not face any difficulty in availing these facilities, the Committee desire that (i) name and telephone number of the Airport Director, the officer responsible for providing these facilities, be displayed on boards at

prominent places at the airport premises so that, in case of need, the Officer could be contacted by the MP; (ii) exclusive AAI help desk may be opened for MPs at the airport to have easy approach for assistance/ service; (iii) an app may be developed for the use of MP through which may send his/her travel plans in advance for availing the services at the airports and (iv) the list of all the airport Directors along with their contact numbers, email ids and mobile numbers may be compiled and circulated to all MPs for their use.

Reply of the Government

MoCA vide letter dated 20.01.2020 issued instructions for extending Protocol/courtesy/support to Hon'ble Member of Parliaments at airports. In this regard it is informed that :

- a. Airport Director of respective airport is responsible for extending protocol to the Hon'ble MPS.
- b. Contact details of Airport Directors have been made available on AAI website (www.aai.aero).
- c. Also, the updated contact details of Airport Directors of AAI airports is made available to information centre at Sansad Bhawan on 22.09.2020.
- d. Airport Managers at AAI airports are available during operational hours to provide protocol/courtesy/support to Hon'ble MPs. Also, "May I Help You" Counters are being established at all AAI Airports having scheduled operations for providing facilities to the dignitaries.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Comments of the Committee

(Please see para 50 of the Chapter I of the Report)

Krishi Udaan Scheme

Recommendation (SI. No. 30)

The Committee observe that with a view to assist farmers in transporting agricultural products to improve their 'value realisation', Krishi Udaan Scheme has been launched by the Government. The Scheme is intended to give farmers better access to both domestic and international markets and will be specially beneficial to farmers belonging to North East and Tribal areas. For this purpose, 16 Centre for Perishable

Cargo (CPC)/Cold Storage facilities have been created across the country for storage and processing of perishable cargo such as agriculture produce, flora-products, fruits, etc. The expansion of the facilities and infrastructure in other airports specially in the North Eastern region is in process. It is also operating 25 Domestic Air Cargo Terminals across the country as on February 2020 and is expected to create the facility at another 26 airports by 2024. The Committee is happy to note that Government has announced a scheme that would help the produce of farmers to have access to domestic and international markets fetching better prices and which will realise the Government's initiative for doubling the income of farmers by the year 2022. Although the Committee is convinced that the Scheme would reduce delivery time and fetch better prices on agriculture produce, the Committee observe that these laudable objectives will be achieved only when sufficient number of Centre for Perishable Cargo(CPC)/Cold Storage Facilities are established in a mission mode and simultaneous other facilities and required infrastructure is created in a time bound manner so as to farmers from all parts of the country and particularly from North East and Tribal Areas starts getting intended benefit of the Scheme. As has been estimated, the airports would be handling 4337.44 metric tonnes of cargo by the year 2023-24 and about 5488.36 metric tonnes of cargo by the year 2028-29. The Committee hope that Cargo on account of Krishi Udaan Scheme will further enhance the cargo handling business of AAI and expect that the trans-shipment hubs proposed to be created would also help in achieving the Mission of the Krishi Udaan Scheme. The Committee would like to be apprised about the concrete steps taken by the AAI in this regard and also progress made in the scheme so far.

Reply of the Government

MoCA has initiated "Krishi Udaan" scheme, under which various agricultural products such as Coriander, Banana, Banana Leaves, Dry Fruits, Apples, Plums, Shrimps, Meet, Flowers, Paneer, Pineapple, Curry Leaves, green vegetables, Custard Apple, Drumstick, Cucumber, Cluster Beans, Tea Samples, Tropical Fish, Betel Leaves, etc. with special focus to North Eastern Region where 1500+ Metric Tons and a total of 1.28Lakh Metric Tons pan India were handled in Krishi Udan scheme from period March 2020 to February 2021.

AAICLAS is geared up to handle perishable across the country through its already established Cold Storage facilities at 17 Airports (Cold storage facilities added in

Amritsar, Madurai, Bagdogra, Chennai, Varanasi & Indore), and additionally planned to establish mobile cold storage facilities at Agartala, Dibrugarh, Lilabari, Silcharetc. in the FY 2021-22.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Research & Development (R&D) Activities by AAI

Recommendation (Sl. No. 31)

The Committee observe that in order to develop a long term partnership for technical support in establishing R&D facilities to address aviation infrastructure and air traffic capabilities, AAI entered into a MoU with MITRE Corporation, USA. AAI established an R&D tech centre at Begumpet Airport, Hyderabad on 6th September 2013. The AAI Board accorded approval for (i) AAI corporate R&D Policy (ii) First version of R&D manual and R&D plan for ANS (iii) Setting up of world class Civil Aviation Research Organisation (CARO) at Begumpet Airport, catering for ANS and Airport/ Engineering research (iv) Allocation of 27 acres of land for housing CARO at Begumpet Airport, Hyderabad (v) From 2018 onwards, Rs.1200 crore spent over 12 years for establishing R&D infrastructure (buildings, labs, procurement of tools, skill development and knowledge & technology transfer). The Committee are happy to note that crucial decisions have been taken by AAI for setting up of world class Civil Aviation Research Organisation (CARO) at Hyderabad for air navigation service and airport/engineering research and taking other steps for R&D in AAI. The Committee are, however, more concerned to know the outcome of these crucial decisions taken on R&D activities of AAI and also as to how these steps have facilitated in professionally managing navigation and other airport services at various airports. The Committee would therefore like to be apprised of the progress on this count along with the subject-wise and year-wise budgetary allocations made and actual expenditure incurred since the FY 2013-14.

Reply of the Government

R&D Center, over the years, continued contributing in solving different problem statements raised by different units of ANS Dte, conducting simulation studies using

tools like TAAM, TARGET, etc., developing Qualitative Requirements for ATM projects, coordinating with Academia and Industry for collaboration.

The budgetary allocations made and actual expenditure incurred since the FY 2013-14 is as follows:

S.No	Year	Expenditure (Rs. In Cr.) through CNS(Planning)	Expenditure (Rs. In Cr.) by R&D Center	Expenditure (Rs. In Cr.) by Engineering	Total expenditure (Rs. In Cr.) for R&D Projects
1	2014-15	9.19	160,000	-	9.21
1	2015-16	6.96	-	-	6.96
2	2016-17	5.5	-	-	5.5
3	2017-18	0	-	-	0
4	2018-19	14.52	-	30.00	44.52
5	2019-20	8.27	0.1923	9.004	17.4663
6	2020-21	-	2.215	42.675	44.890

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Comments of the Committee

(Please see para 56 of the Chapter I of the Report)

Need for change of the code name of Gaya Airport

Recommendation (SI no. 32)

The Committee were apprised about a request received by the Ministry of Civil Aviation regarding change of code name of Gaya airport from 'GAY' to another code name which was sent to Air India that being a member airline of IATA to make a request for unique 3 letter code to identify the airport. However, IATA stated that as per resolution 763, the location codes are considered permanent and cannot be changed without strong justification primarily concerning air safety. The Committee have their apprehension that Gaya being a holy city, locals might be finding it offensive or embarrassing on their city being recognized in the international community with the code name 'GAY'. The Committee too find it inappropriate and unsuitable and therefore recommend the Government and Air India to complete all the requisite consultations and formalities in a time bound manner to change the code of Gaya airport from 'GAY' to any other suitable code, for example like "YAG" or some other appropriate code. The

Committee would like to know the concrete steps taken in this regard by the Government and Air India.

Reply of the Government

The matter was referred to IATA by Air India for change of IATA code for Gaya airport. In this regard, IATA has stated that as per Resolution 763, the location codes are considered permanent and a strong justification primarily concerning air safety needs to be given. Gaya airport IATA code "GAY" has been in use since operationalization of Gaya airstrip. Hence, without a justifiable reason primarily concerning air safety, IATA has expressed its inability to change the IATA code of Gaya airport.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Comments of the Committee

(Please see para 59 of the Chapter I of the Report)

Audit Issues

Recommendation (Sl. no. 33)

The Committee observe that as per information given in its background note furnished to the Committee, the final settlement is pending as on 21.08.2019 in respect 3 audit para of C&AG Report No.3 of 2011-12 (Commercial), 1 audit para of C&AG Report No.8 of 2012-13(Commercial), 1 audit para of C&AG Report No.13 of 2013 (Commercial), 2audit para of C&AG Report No. 21 of 2015 (Commercial), 2 audit para of C&AG Report No.15 of 2016 (Commercial), 1 audit para of C&AG Report No.9 of 2017 (Commercial), and 3 audit para of C&AG Report No.11 of 2018(Commercial). The Committee observe that while replies given to majority of the audit paras are pending with Audit, the final reply in respect of some of the paras is however yet to submitted by the AAI/Ministry. The Committee thus observe that final settlement of audit paras is long overdue as audit paraeven for the year 2011-12 is yet to be finally settled. The Committee therefore strongly recommend that all the pending audit paras need to be finally settled in consultation with the Audit at the earliest.

Reply of the Government

The observation of the Committee on C&AG's Paras have been noted for early settlement.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

CHAPTER III

OBSERVATIONS/RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF GOVERNMENT'S REPLIES

Physical Performance

Recommendation (Sl. No. 2.1)

The Committee note that presently there are 137 airports in the country (23 International Airports, 81 Domestic Airport, 10 Custom Airports and 23 Civil Enclaves). Till the year 2014, AAI owned and maintained 125 airports in the country. The Committee further note that the aircraft movements which were 16,03,020 during 2014-15 rose to 26,05,960 during 2018-19 but declined to 25,87,050 during 2019-20. Similarly, the passengers handled at AAI airports during 2014-15 was 190.13 million which rose to 344.70 million in 2018-19 but declined to 341.05 million during 2019-20. Similarly, AAI airports that handled 25,27,560 ton of cargo in 2014-15, handled 35,60,020 tons of cargo during 2018-19 but there was a steep decline of 6.6% in cargo handling during 2019-20 which was only 33,28,290 ton. The Committee's analysis of the data further reveal that while growth in the passenger segment has been projected by 41% and 34.66% by the year 2023-24 and 2028-29 respectively, the growth rate in the cargo for the same period has however been projected as 21% and 26.53%. The Committee thus observe that cargo business is not expected to grow with the same pace as that of the passenger segment in the coming years. As informed to the Committee, one of the major reasons attributed to the hampered growth of air cargo logistics industry is the logistic costs which in India comprise about 13-14% of GDP as compared to 7-8% in the developed countries. The Committee desire the Government to conduct a study to find out the various factors responsible for high logistic costs and accordingly to introduce measures to gradually reduce it to boost the cargo business in aviation sector. The Committee is also of the opinion this issue needs to be referred to C&AG for seeking their suggestions about the measures to be taken for reducing the logistic costs of freights so as to profitably run the cargo business in bigger volume in the competitive market scenario.

Reply of the Government

AAI presently manages 136 airports. Road tax, toll tax & fuel cost for the surface

transport and ATF cost are the main factors relating to the higher cost of air freight, levied by airlines.

The CAG audits are not covered for Private and International airlines. Hence, seeking suggestions from CAG may not yield any positive results. However, it is suggested that the Ministry of Commerce & Logistics Divisions may be involved in obtaining suggestions to reduce the logistics cost.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Recommendation (Sl. No. 3.3)

The Committee also observe that as many as 40 airports operated by AAI witnessed nil traffic in terms of aircraft movements and passenger handling for period of five months from April to August, 2019. Further, the air traffic data submitted to the Committee shows that there are many airports where traffic in terms of aircraft movement and the number of passengers handled is in single digit. The Committee believe that such a low/ nil traffic at large number of airports will definitely have adverse impact on the profitability of AAI in long run. The Committee therefore recommend that a study needs to be conducted to find out the precise reasons for low/nil traffic on a large number of airports for many months in a year and accordingly take all necessary measures to improve the traffic volume at these airports. The State/Local tourism agencies may also be associated to promote passenger movements from these airports.

Reply of the Government

AAI require support from State Governments for positioning India as global hub by taking up the following steps:

- (i) Signing of MoU for the Development and Expansion of Airports Greenfield / Brown field / RCS and putting all out efforts to promote potential of Air Traffic / Cargo.
- (ii) Extending concession/ discount on taxes over the products for sale within the premise of Airport.
- (iii) Providing land free of cost for upgradation of airports, developing MRO,

logistic & warehouse for Cargo.

(iv) Extending subsidy on ATF for promoting air traffic.

(v) Good connectivity from Airport to key commercial/heritage/ Archeological places for hassle free movement of visitors/ tourist.

(vi) Global Branding of local skills, handicrafts, products and local places of interest pertaining to culture, heritage, historical and Archeological importance.

(vii) Global Branding of existing zoological parks, if any, gardens, forest, safari etc.

(viii) Providing safe, secured and comfortable accommodations for office and residence to the officers of AAI at a Greenfield / RCS Airport sites.

(ix) Support for making city side Development more prolific by developing passenger friendly amenities such as Budget Hotel, Convention centre, F&B, Amusement parks, Multiplexes etc.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Growth Projections

Recommendation (Sl. No. 4)

The Committee observe that the Indian aviation sector has grown 69.59%, 104.06% and 36.01% in terms of aircraft movements, passengers handled and cargo movement respectively during the period of five years from 2013-14 to 2018-19. As per the AAI estimation, the trend is expected to continue further with the projected growth rate of 37.4%, 41% and 21.8% respectively in the above areas during the next five years thereafter i.e. from 2018-19 to 2023-24. The growth for five years beyond the year 2023-24 that is upto the year 2028-29 is forecasted as 19.16%, 34.66% and 26.53% in terms of the aircraft movements, passengers handled and cargo movements respectively. The Committee are glad to note that with a view to achieve the aforementioned growth projections, the Government has taken various initiatives such as formulating the policy framework such as National Civil Aviation Policy, fine tuning the PPP models to bring in necessary investment in the sector, launching new scheme like RCS-UDAN to expand air network to tier II and tier III cities/towns, etc. The

Committee hope that in addition to the initiatives already taken by the Government at policy formulation level, further necessary steps for effective and timely implementation of these initiatives will be taken in right earnest to achieve the ambitious targets of projected growth in the aviation sector and also to manage the enhanced requirements in areas of aircraft movements, passengers and cargo. The Committee also desire that the AAI needs to prepare a business model with a view to chalk out a well-defined road map for the expansion of their business operations and thereby increasing their earnings in future.

Reply of the Government

Amendment to AAI Act, 1994 is under examination based on the advice received from Ministry of Law and Justice in August, 2021.

The Amendment in AAI Act, if approved is expected to give enhanced power and true autonomy to AAI to achieve the following:

- (a) To enhance the non-aeronautical revenues and increase land use of City side of AAI Airports in line with the National Civil Aviation Policy 2016.
- (b) Hon'ble Finance Minister in the Budget Speech of 2017-18 have also mentioned that: "Airports Authority of India Act will be amended to enable effective monetization of land assets. The resources, so raised, will be utilized for airport upgradation".
- (c) In the current scenario when the aviation sector hit hard by the Pandemic, AAI will be able to exploit the opportunity of earning more revenue once the requisite flexibility is available to the Authority in managing its land assets in the best Business interest.
- d) The AAI Act needs to be amended to allow commercial usage of land with Airports by liberalizing end-use restrictions for existing and future Airports as per the following details:
 - i) The new Greenfield airports developed by Private companies or by the State Governments under PPP mode have the freedom to commercially exploit the airport land subject to relevant local laws. However, at AAI Airports, Statute under AAI Act restricts such commercial exploitation or creation of facilities, which are not mainly related to the airport passengers. As such AAI Airport passengers are being deprived of world class facilities and AAI is also losing out on the opportunity to earn revenue.
 - ii) AAI Act provides for planning, development, construction and maintenance of Institutions / Training centers, workshops, Hotels, restaurants and rest rooms, warehouses, cargo complex catering to the needs of passengers and air traffic services. However, there are certain restrictions which limits the use of making full potential of the city side land.

- iii) Amendment to the AAI Act would facilitate unlocking the economic/ commercial potential of land on city side and liberalize the end use restrictions on AAI land.
- iv) AAI has embarked upon a plan of Capex of Rs 20000 Crore for development and upgradation of infrastructure in next 4 years by which the airports infrastructure throughout the country including those in Tier-2 and tier-3 cities will also be developed.
- f) AAI has invited tenders through e-portal on 27th November, 2020 for leasing of Land for Establishing Flying Training Organizations (FTOs) on Design, Build, Operate, Maintain and Transfer Basis (DBOMT) at Belagavi, Jalgaon, Kalaburgi, Khajuraho, Lilabari and Salem Airports to encourage indigenous FTO facilities to save foreign currency.
- g) Secretary, MoCA vide letter dated 22nd December, 2020 requested Chairman, AAI to get the entire land of all the airports surveyed and evaluated in order to identify and assess the requirement of AAI land for future expansion so that remaining land may be kept vacant for commercial development and projects so as to enhance the non-aeronautical revenue of AAI. Accordingly, AAI is in the process of conducting survey and evaluating the entire land of all Airports to maximize utilization of vacant land and to promote commercial activities for generating revenue for AAI.
- h) As for the air cargo growth at AAI airports, AAICLAS is identifying more opportunities to establish air cargo handling facilities including connectivity between Tier-1 cities with Tier-II & Tier-III cities by bonded trucking operations for handling international air cargo.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Recommendation (Sl. No. 13)

Reorientation of the Functioning Of AAI

The Committee observe that the AAI enjoys monopoly in Airport Communication, Navigation and Surveillance (CNS) services but the Authority has, however, lost its monopolistic position in managing and operating airports because of the shift to Public Private Partnership (PPP) models for managing the airports. The process which started with the management of airports at Delhi and Mumbai on PPP Model with coming into existence of DIAL and MIAL, will further bring private operators into play due to the decision of the government to develop other airports namely Jaipur, Lucknow, Ahmedabad, Thiruvananthapuram, Mangalore, Guwahati, Trichy, Varanasi, Bhubaneshwar, Amritsar, Indore and Raipur on PPP model. The Committee thus feel that there is a need for the AAI to strengthen itself for emerging competition from private

operators and to make their business operations stronger to effectively perform in the competitive markets in the aviation management sector. The Committee therefore recommend that AAI should reorient its functioning with the application of the best international practices and sound business principles with a view to profitably operate in the gradual unfolding competitive market scenario and also to enter global markets in managing and operating airports by utilizing its professional expertise and vast experiences. The Committee feel that to achieve this goal, an enabling policy framework and legislative support will also be needed and therefore they expect the Ministry to take initiatives in this regard.

Reply of the Government

AAI is developing Greenfield airports at Hollongi, Hirasar, Dholera. Two Greenfield airports namely Pakyong and Kalaburgihas already been operationalized. Under the flagship scheme of Regional Connectivity Scheme (RCS)-Ude Desh ka Aam Naagrik (UDAN) for which AAI is the implementing agency, 60 Airports have been operationalized in the country. AAI is also in the process of signing MoUs with State Government for development of Greenfield Airports through formation of Joint Venture Company (JVC). AAI has also undertaken some of the assignments of preparing Detailed Project Report of overseas Airport Projects and completed the reports successfully for Palaly Airport Sri Lanka, Kalay Airport in Myanmar, Hanimaadhoo International Airport in Maldives. Some of the International assignments are in hands like Gan Airport in Maldives.

AAI is also preparing Techno Economic Feasibility report of various Green field & Brown field Airports of various state Govt. Recently AAI has completed the preparation of Detailed Project Report (DPR) for the proposed International Aviation Hub at Hisar Airport and also PMC of the Hisar Airport Project is assigned to AAI. Thus by utilizing the ample resources and skill possessed by AAI, an effort is being made to earn revenue by undertaking the assignment of DPRs, Techno Economic Feasibility studies, Consultancy services, Obstacle Limitation Survey (OLS), Project Management Consultancy (PMC) and O&Ms of various Airports in house as well as overseas.

AAI is the sole authority in the country to provide the Communication Navigation

and Surveillance-Air Traffic Management (CNS-ATM) services in all the airports in the country for Civil Aviation as this is a sovereign duty of AAI and for Non AAI airports, AAI signs CNS-ATM Agreement with the Airport Operators to offer the service in lieu of cost which adds up to the revenue of AAI as a perennial source of revenue. AAI is continuously strengthening and modernizing its infrastructure to augment its service to the satisfaction of its clients.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Air Service Quality (ASQ) and Customer Satisfaction Survey (CSS)

Recommendation (Sl. No. 17)

The Committee observe that various initiatives taken by AAI and other airport operators for the last few years to improve passenger services, have resulted in their getting higher Airport Service Quality (ASQ) ratings. For instance ASQ rating of AAI airports a 4.26 in 2014 as against the world average of 4.09 has gone up to 4.64 in 2018 against the world average of 4.21. Similarly, the Customer Satisfaction Survey (CSS) rating which stood at 4.19 in 2014 has improved to 4.33 in 2018. The Committee further observe from the information furnished to them that though many ASQ annual awards such as best airports/best regional airports are won by JV airports in terms of Million Passengers Per Annum (MPPA) at Delhi, Mumbai, Bengaluru, Hyderabad; AAI operated airports at Lucknow, Jaipur, Srinagar, Kolkata, Pune, Ahmadabad, Chennai, Indore also won ASQ awards in different other categories. The Committee, while appreciating the AAI and other airports operators for improving performance and achieving rankings better than the world average, suggest that the airport operators should not rest on these laurels and keep on trying to improve their services further so as to rank themselves with the best airports in the world. The Committee therefore recommend that the concrete steps be taken by all stakeholders to achieve the global excellence within a definite time period especially in view of the huge growth that civil aviation sector is forecasted to witness in the coming years.

Reply of the Government

Customer Satisfaction is an important parameter to measure the experience of the passengers while they travel through an airport and goes a long way in ensuring that a business keeps its edge over its competitors. AAI airports have excelled in customer satisfaction as measured by ASQ ratings and awards won by AAI airports in the past, but the airports cannot be contented with the past laurels. AAI airports must strive to provide still better customer experience to passengers to remain ahead of the pack.

The need of the hour to keep the passengers happy and satisfied is to provide immersive experience with best in class feeling which is second to none. Since an airport caters to the different strata of travellers both social as well economic, it should be able to provide services to all the travellers across these strata.

Thus, the airport should have bevy of services to satisfy the needs of different social and financial clientele. Also with the advent of newer technologies, the airports are becoming a vibrant place. AAI is leaving no stone unturned in terms of capacity creation, to cope with the future traffic demand and has already embarked on a gamut of capacity building and enhancement projects not only limited to construction of new terminal buildings, expansion/modification of existing terminal buildings, construction of new green field airports but also putting to use the latest state of the art technologies to encourage automation like CUTE, CUSS, e-gates, Digiyatra, inline baggage conveyor system, body scanner etc. Better slot management is a key to decongest and enhance the capacity of the existing terminal buildings. The above technologies will help in drastically reducing the time spent at various processes at the airport, leaving passengers more time to indulge in various activities. For many passengers the time at airport has become fun time.

AAI is continuously striving to emulate best experience offered by world' best airports to move up the ladder from mere passenger satisfaction to true passenger delight.

AAI airports have excelled their peers in the time of pandemic, as evident from the high rating given by the passengers for specific questions related to safety and hygiene. AAI airports have provided all measures to cope with the COVID 19 in effective and efficient manner so as to build the confidence among the passengers simultaneously reducing the stress of travelling in difficult conditions.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

CHAPTER IV

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAD NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Recommendation (Sl. No. 19.2)

The Committee observe that the Aircraft Accident Investigation Bureau(AAIB) was set up in July, 2012 as an independent investigative body under the Ministry of Civil Aviation with the mandate to institute and investigate all the accidents and serious incidents with all up weight of more than 2250 Kgs. The power to investigate incident and serious incidents with all up weight of less than 2250 Kgs. was bestowed on DGCA under the provisions of the Aircraft (Investigation of Accidents and Incidents) Rules, 2012. The Committee however do not find any rationale for division of investigative powers between the two agencies i.e. AAIB and DGCA simply based on the weight of the aircrafts. The Committee are also apprehensive about the independent functioning of AAIB if it remains under the administrative control of the same Ministry about whose negligence/lapses it is mandated to critically investigate and report. The Committee would therefore like to be apprised of the exact nature of the functioning of these two agencies and also about their status with regard to the autonomy and independence in their functioning.

Reply of the Government

India is signatory to convention of International Civil Aviation Organization (ICAO) which is a specialized agency of the United Nations Organisation (UNO). Annex 13 to the ICAO Convention on the subject "Aircraft Accident and Incident Investigation" requires a State to have independent accident investigation authority to ensure investigation of all aircraft accidents and serious incidents involving aircraft of a maximum mass of over 2250 kgs or a turbojet-powered aeroplane. Further, Annex 19 to the ICAO Convention on the subject "Safety Management" recognizes investigation of occurrences as an important source of identification of hazard and management of safety. Further, as per the Rules 2017, AAIB has been tasked with the investigation of aircraft accidents and incidents of serious nature and making recommendations on the basis of findings of the investigations only. The recommendations are then forwarded to the

concerned regulatory authorities only. The recommendations are then forwarded to the concerned regulatory authorities, stakeholders, etc., for taking appropriate action for prevention of similar occurrence in the future. Since both DGCA and AAIB have been delegated powers under the Aircraft (Investigation of Accidents and Incidents) Rules 2017 to respectively constitute an inquiry, investigate the occurrence and accept the report of investigation done by them, they are independent in investigation function.

DGCA being Safety Regulator for the Indian Aviation Sector, has been tasked with the overall management and supervision of the entire gamut of activities like registration, licensing and surveillance of aerodrome, aeroplanes, operators, flight training , crew and other equipment and regulations thereof. Both DGCA and AAIB are attached offices of this Ministry and advise this Ministry in various specialized fields for a robust, efficient and smooth working of the sector. Also DGCA has been tasked with Cooperation with International agencies like ICAO, regional civil aviation bodies (EC, COSCAP-SA) and with different countries (bi-laterals agreements). Both DGCA and AAIB have been delegated powers for smooth day to day functioning.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Comments of the Committee

(Please see para 24 of the Chapter I of the Report)

Recommendation (Sl. No. 19.4)

The Committee note that International Civil Aviation Organization (ICAO) requires the contracting states to establish and implement an effective state oversight system taking into account eight Critical Elements (CEs)- Legislation, Organisation, Licensing, Operations, Airworthiness, Accident Investigation, Air Navigation Services and Aerodromes which are essentially safety defense tools and are required for Effective Implementation (EI) of safety related policies and associated procedures. Further, Effective Implementation (EI) of CE's or lack of it is an indication of States' capability of the safety oversight. The Committee's analysis of the data furnished to them shows that though current EI score at 70.8% is slightly (1%) above the world average of 69.76%, yet in respect CE's such as Organisation (61.54 %) and Licensing (25.26%), India trails by wide margin behind the world average of 71.14% and 73.55% respectively. The

Committee are concerned to note that India which is one of the major civil aviation markets after US and China, is lagging far behind in EI of two CEs – Organisation and Licensing. The Committee thus observe that AAI has not been able to keep pace with world average standards in EI of these two CEs. The Committee are therefore apprehensive that lagging behind in EI of said CEs may deter foreign investment in civil aviation sector denting the sector’s expected growth. The Committee, therefore, urge the Government to take suitable steps not only to reach world averages but also to be on par with the best in the world in respect of all the eight Critical Elements in general and the aforementioned two CEs in particular.

Reply of the Government

Licensing covers – Pilots, Flight Engineers, Ground Personnel, Air Traffic Controllers and Aerodrome.

With regard to Licensing/Certification of Aerodrome, as per **ICAO Annex 14** Para 1.4.1, “States shall certify aerodromes used for international operations in accordance with the specifications contained in this Annex as well as other relevant ICAO specifications through an appropriate regulatory framework”.

All AAI airports used for international operations is Licensed by DGCA in accordance with DGCA CAR Section 4, Series B and Series F Part 1. Therefore, our EI is 100%. In addition to this all AAI domestic airports from where schedule air transport services are taking place are also Licensed by DGCA. However, Defence airports from where scheduled air transport services are taking place are not yet licensed. DGCA has exempted Defence airports from Certification till 30th June 2021 from where scheduled air transport services is taking place. (Copy of the notification is enclosed).

Poor % of EI in India in the Critical Element (CE) ‘Licensing’ may be attributed to other Licensing areas.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Comments of the Committee

(Please see para 30 of the Chapter I of the Report)

Recommendation (Sl. No. 28)

The Committee learn from the response of the Ministry that AAC is not required to be formed as per Operation, Maintenance and Development Agreement (OMDA) or State Support Agreement (SSA) at Delhi and Mumbai airports. The rationale given by them is that the OMDA/ SSA in respect of Delhi International Airport Limited (DIAL) and Mumbai International Airport Limited (MIAL) already have provision for checks and balances at the airports. The Committee, however do not agree with the rationale put forth by the Ministry as the provision of checks and balances also exists at all the other airports and yet the provision of AAC has been made at these airports by the Ministry of Civil Aviation. Since the Delhi and Mumbai airports are privately managed airports under OMDA/SSA, with huge traffic flow, the Committee are of the view that setting-up of AAC at Delhi and Mumbai would be even more desirable and purposeful. The Elected MPs/MLAs who are directly in contact with the public will bring in more transparency and offer valuable suggestions for improvements in passenger facilities at these airports. The Committee are of the view that management of the Airport given to private operator should not be a reason for not constitution of AAC at these airports and rather private managed airports should invariably have public representatives on their Advisory Committees to make the services of the airports public oriented. In case OMDA and SSA of DIAL and MIAL does not provide for constitution of Advisory Committees by associating the elected public representatives, the Committee recommend that the same be amended at the earliest to make an enabling provision for constitution of the similar AACs with MPs/MLAs as its Chairperson/alternate Chairperson at these JV Airports as exists at other AAI managed airports. The Committee further recommend the Ministry to ensure that the Agreements to be executed in future for management of the airports by the private operators should necessarily have a suitable clause providing for compulsory formation of Advisory Committees at these airports with due representation of local MPs/MLAs.

Reply of the Government

AAI executed OMDA and other Project Documents with Delhi International Airport Pvt. Ltd. (DIAL) and Mumbai International Airport Pvt. Ltd (MIAL) and has granted exclusive right and authority during the Term to undertake the functions of operation, mainten-

ance, development, design, construction, upgradation, modernization, finance and management of IGI Airport and to perform Aeronautical, Non-Aeronautical and Essential services at the Airport as per the provisions of OMDA. Under the provisions of OMDA and State Support Agreement, OMDA Implementation Oversight Committee (OIOC), Joint Committee, Joint Coordination Committee and Airport Coordination Committee are envisaged to be constitute for IGI Airport, Delhi and CSIA, Mumbai airports :-

(a) OMDA Implementation Oversight Committee (OIOC) as required under Article 8.5.9 of OMDA. OIOC is the 'single point of contact' for all matters concerning OMDA. The OIOC is responsible for joint review of emerging issues and concerns and keeping an oversight of the development of the Airport.

(b) Joint Committee (JC) as required for Transition period under Article 5.2(iv) of OMDA, responsible for the overall supervision of the Airport operations.

(c) Joint Co-ordination Committee (JCC) as required under clause 5.1 of State Support Agreement. JCC is formed for smooth and efficient rendering of GOI services.

(d) Airport Coordination Committee (ACC) as per clause 5.2 of SSA. ACC is formed for smooth and efficient operations of the Airport and to facilitate interactions and coordination between the JVC and GOI in relation to all policy related matters of the Airport.

(e) Visit by Parliamentary Committees: Even the parliamentary committees (Department-related Parliamentary Standing Committee on Transport, Tourism and Culture) have visited IGI Airport, Delhi and provided inputs and feedbacks for improvement keeping the public utility perspective in mind.

DIAL & MIAL airports have already a robust passenger feedback system in place and passenger's inputs are evaluated and implemented for providing better passenger experience at airport.

Hyderabad International Airport Pvt. Ltd and Bangaluru International Airport Pvt. Ltd already have representation from the state govt. and AAI on the Board, as per the Shareholder's agreement. Hence, due public oversight is already present. There is no need to have the Advisory Committee with representation from MLAs/MPs.

Cochin International Airport is a Public Private Partnership (PPP) Airport under the control of Government of Kerala. Hon'ble Chief Minister of Kerala is the chairman of the Board of Directors of CIAL and the Chief Secretary and two other Ministers are also

included in the Board of Directors of CIAL. All mandatory decisions and issues are discussed and decided by the Board of Directors only. So the representation of people's representatives is very much available in the management control of CIAL.

[Ministry of Civil Aviation, O.M. No. H-11020/2/2021-AAI Dated 24th September 2021]

Comments of the Committee

(Please see para 53 of the Chapter I of the Report)

CHAPTER V

OBSERVATIONS/RECOMMENDATIONS TO WHICH THE GOVERNMENT HAS FURNISHED INTERIM REPLIES

-NIL-

**New Delhi;
24 January, 2022
4 Magha, 1943 (S)**

**SANTOSH KUMAR GANGWAR
Chairperson
Committee on Public Undertakings**

Complaints received about preferential treatment to flights in arrival sequence

S.No.	Name of Airport	Status Report
1.	Mumbai	NIL
2.	Chennai	NIL
3.	Cochin	NIL
4.	Jaipur	NIL
5.	Patna	NIL
6.	Bhubaneswar	NIL
7.	Nagpur	NIL
8.	Varanasi	NIL
9.	Indore	NIL
10.	Coimbatore	NIL
11.	Ranchi	NIL
12.	Raipur	NIL
13.	Bhopal	NIL
14.	Surat	NIL
15.	Amritsar	NIL
16.	Mangalore	NIL
17.	Trivandrum	NIL
18.	Vijaywada	NIL
19.	Trichy	NIL
20.	Agartala	NIL
21.	Imphal	NIL

ANNEXURE-II

S. No.	Date of Occurrence	Information received from	Brief Description as received from the airline	Investigation carried out and its outcome	Date of disposing the complaint and communication to airlines
IGI Airport, Delhi					
1	29.10.2019	AIR INDIA	Change of sequence with respect to QTR3MC	QTR3MC was following a different track and converged with aic824 on a common waypoint. qtr3mc was vertically above aic824 but ahead horizontally. qtr3mc got descend below aic824 upon getting radar separation and was always ahead of AIC824. Outcome: No sequence change	19.11.2020
2	02.12.2019	AIR INDIA	Change of sequence at holding point	AIC161 requested for full length departure while other departures were waiting behind. Outcome: For least average delay sequence has been revised	13.01.2020
3	16.12.2019	AIR INDIA	Sequence change for departure	There are 4 ground controllers working on 4 different frequencies to manage the traffic in ground. in the present instances AIC636 was working on a different frequency and by the time it was changed over to SMC(S) the controller had already given taxing instructions to the IGO aircraft. the apprehension is misplaced and	07.01.2021

				<p>unsubstantiated. it is sometimes possible that any decision taken by the controller may sometimes appear to be inappropriate based on the limited situational awareness in the cockpit with respect to traffic operating in some other sector.</p> <p>Outcome: For least average delay sequence has been revised.</p>	
4	05.01.2020	AIR INDIA	Sequence change for departure	<p>Aircraft was behind the IGO2977</p> <p>Outcome: There was no delay to the AIC380.</p>	30.01.2020
5	11.01.2020	AIR INDIA OPERATION	Change in push back sequence	<p>Heavy traffic density with lots of rt congestion at ground frequency and due to the complicated layout of apron 34, its not possible to accommodate more than 2-3 aircraft at a time thus leading to inherent delays if more than one aircraft requests push back from same block. as congestion built up all aircraft in apron 34 were further delayed by 15-25 minutes including vti683 and aic637.</p> <p>Outcome: There was no sequence change VTI683 requested pushback before AIC637.</p>	24.01.2020
6	26.02.2020	AIR INDIA OPERATION	Change in arrival sequence	<p>IGO154 was one minute ahead of AIC548</p> <p>Outcome: There was no sequence change &ASR raise to DGCA for using</p>	REPLY AWAITED FROM AIR INDIA

				derogatory remarks by air India pilot	
7	01.02.2020	ATC LOG BOOK	Baseless allegation for favouring private airlines	Air India delayed pushback by 3 minutes. Outcome: ASR raise to air India for false allegation.	REPLY AWAITED AND CASE PENDING WITH AIR INDIA
8	04.02.2021	AIR INDIA OPERATION	Change of sequence at holding point	Sequence of AIC915 was behind GOW133. Outcome: There was no sequence change at holding point.	12.02.2021
Kolkata Airport					
1	31.12.2020	Air India	AI730 was asked by the Approach controller to expedite descend, while the aircraft 6E446 was advised No. 2. Later 6E 446 was made No. 1 and AI 730 was given a diverging heading to give priority to the Indigo flight	The Indigo flight (6E 446) was ahead of Air India flight (AI 730) on the same route and was at a level above AI 730. When radar separation was achieved, 6E 446 was given descend through AI 730. To get the landing spacing, the AI 730 was given a diverging heading as well. Thus, it was observed that no preferential treatment was indulged.	25.01.2021
Shamshabad Airport					
1	05.12.2019	CAPT YK ROHILLA AIR INDIA	AIC542, VOHS-VOTP was holding at A9 short of Runway 09R at VOHS. Three minutes later Spice Q400 (SEJ1061) was given instruction to hold at A9 short of 09R. Spice requested A10 which was approved by ATC. Later both the aircraft monitoring tower on 118.45. Shamshabad tower changed the sequence without any reason and gave q400 departure ahead of AIC542.	On investigation, it was found that the tower controller was at fault. Controller in his explanation conveyed that he received improper briefing from the relieving officer during watch take over. Controller was issued memo and counselling from GM (ATM) in this regard.	Communication was sent on 28.01.2020 through mail.

2	10.01.2020	CAPT S KIRAN COMMANDER AIR INDIA (HYD)	AI 526 and 6E 187 were at 32000 ft and 38000 ft respectively at KM at same time (FLIGHT RADAR SCREENSHOT attached) to land in VOHS via same arrival STAR. For my surprise your staff on duty controlling both aircrafts has made all efforts in the interests well known to him to make 6E 187 land before AI 526 which is against the policy (preference for lower aircraft) by vectoring then from north, giving heading and we (AI526) were asked to extend our downwind leg on the southern side which resulted in burning extra fuel and ruin our OTP and contributing to extra carbon footprint.	On investigation, it was found that ACC (S)controller decided the arrival sequence as per the established and published procedures. There was no partiality in deciding the sequence. The same was communicated to Capt. S Kiran via email.	Communication was sent on 28.01.2020 through mail.
Bengaluru Airport					
1	26.03.2021	PIC- Roopa, AIC608	On 26.03.2021 time 1207 UTC AIC608 VOBL-VABB Reg-VTCIH was taxiing for H10 and IAD1334 VOBL-VOGO Reg – VTKOC taxiing for H8. Both reached respective holding points at the same time and IAD1334 was instructed to line up RWY09R via H8 and take off, over which AIC608 started arguing on RT.	-----	-----
Guwahati Airport					
1	25.11.2019	Partha S Chakravorty, Airport Manager, Air India, Guwahati.	This has reference to flight AI 889 dated 25 Nov 2019, whose arrival and departure timings are as follows: Arrival, Chocks in: ON 1152 IN 1159 Departure, Chocks out: OUT 1233 OFF 1253	a) At 0652Z, one aircraft was given pushback at position X2. b) At 0654Z, another aircraft from bay no. 09 asked for pushback, obviously she couldn'tbe given pushback as X2 was already occupied	Communication was sent on 24.12.2019 through email.

			<p>The Aircraft, VT PPJ was parked in Bay no. 4.</p> <p>The aerobridge was removed at 1232 hours.</p> <p>It was noted that pushback was not commencing and ATC was contacted, to be conveyed that we may ask the Commander of the flight since the information was already conveyed to the Commander.</p> <p>In another few minutes, ATC was contacted once again, when it was observed that the aircraft, parked at Bay no. 3, and whose aerobridge was retracted after about 05 minutes of VT PPJ was allowed to pushback prior to VT PPJ.</p> <p>It was conveyed by A TC that all conversation with Aircraft was recorded and should any doubts arise, the records maintained at ATC may kindly be examined.</p> <p>This is to question the validity of clearance granted by ATC to an aircraft, when the process is yet to be completed.</p> <p>The data, as to retracting of Aerobridge is available and may be taken into consideration.</p> <p>The operating Commander was spoken to while he returned with the aircraft from IMF, as AI 890. He confirmed the ATC's action in the past, when he was not granted clearance, even when his Cargo door was open. He also concurred with the observation that clearance to the aircraft at Bay 3 should not have been forthcoming if the Aerobridge</p>	<p>Sequence no. 1 for push back.</p> <p>c) At 0655Z (1225 Hrs) AIC 889 from stand number 04, contacted SMC and requested for level coordination and informed SMC that she will be ready in another 5 minutes. As AIC889 never asked for any clearance, so there is no issue of granting ATC Clearance to AIC889.</p> <p>d) At 0659z, the aircraft from bay no. 05 asked for pushback. It was asked to wait as the a/c from bay no.09 awaiting for pushback at X2.</p> <p>e) At 0701Z, AIC889 from bay no. 04 asked for pushback. So, at that time AIC889 becomes no. 3 in departure sequence.</p> <p>f) At that time TWY F had to be kept clear to accommodate arrival in bay no. 02 via TWY'F'. At 0708Z, the a/c in bay no. 05 was given pushback on position 'X1' and at 0710Z, AIC889 was given pushback to position 'Y1'.</p> <p>g) In spite of lot of Ground congestion during peak traffic period, the traffic on ground was managed dynamically because of which AIC889 could depart at 0722 Z immediately after the a/c from bay no. 05 which departed at 0719Z.</p>	
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			was yet to be moved.	h) The aircraft from bay no. 03 as mentioned in the mail departed at 0739Z.	
2	23.11.2019	Partha S Chakravorty, Airport Manager, Air India, Guwahati.	<p>This is also to point out to an observation made by the operating Commander of flight AI 891 of 23 Nov 2019, who was not given the priority to land, and instead was asked to go around.</p> <p>The Commander had noted a Vistara flight was allowed to take off from Guwahati during the period.</p> <p>The matter has been escalated to us, requesting us to take up the matter with ATC, Guwahati, to be resolved.</p>	<p>a) In approach scenario AIC780, CC-GT was number 01 in landing sequence ahead of AIC891, DP-GT by 10 NM, which was not sufficient even for landing interval.</p> <p>b) APP generated another 06 NM spacing to accommodate the Departure.</p> <p>c) At 1244Z, when AIC891 was asked to turn on heading 050 for spacing due departure, AIC891 enquired the controller whether it was a VIP Departure.</p> <p>d) AIC891 was never made to GO AROUND as mentioned in the mail. The phrase GO AROUND has been misused in the mail.</p> <p>e) To generate 16 NM overall spacing with appropriate speed control there was no significant delay to AIC891.</p>	Communication was sent on 24.12.2019 through email.
3	04.03.2020	SPS Narli, Associate Director - Air Traffic Management (Flight Operations Support) Inter Globe Aviation Limited	<p>Date of Flight :04 MAR 2020</p> <p>Flight No.: IG0316</p> <p>DEP AD: VEGT</p> <p>DEST AD: VOBL</p> <p>STD: 12:00UTC</p> <p>STA: 15:15UTC</p>	<p>With reference to the issues raised by Associate Director (ATM), Indigo Airlines, following facts have been found after going through the audio/video transcript analysis: -</p> <p>IG0316, GT-BL, EOBT 1200Z dated 4th March,</p>	Communication was sent on 17.03.2020 through email.

			<p>At Guwahati, aircraft was ready for pushback at 11:45 UTC. Upon requesting pushback clearance from ATC, push back was denied as per SOBT procedures. Upon requesting again due to headwinds as our flying time and block time was same, pushback was given but start up and taxi clearance was given only at 12:00 UTC.</p> <p>Now, due to prevailing traffic at airport (one arrival aircraft) backtrack and take off was delayed even further</p> <p>resulting in airborne time 12:07 UTC.</p> <p>Despite of aircraft running ahead of schedule for almost full day, aircraft rotation was delayed due to Guwahati</p> <p>ATC.</p>	<p>2020.</p> <ol style="list-style-type: none"> 1. At 1150 Z, IG0316 contacted SMC for push back and start up. 2. It was just 1-minute delay due traffic on Ground. So, at 1151Z, IG0316 was given push back from bay <p>no. 04 at position X1.</p> <ol style="list-style-type: none"> 3. IG0316 asked for taxi at 1157 Z. It was number 02 in departure sequence. 4. When IG0316 was reaching HP TWY "F", no. 01 departure was already back tracking RWY 02. That aircraft got airborne at 1201 Z. 5. Immediately after that IG0316 was instructed to backtrack and line up RWY 02. Accordingly, IG0316 got airborne at 1205 Z. So, it has been revealed that <ol style="list-style-type: none"> 1. As mentioned in the trialling mail, IG0316 didn't contact SMC at 1145 Z. 2. Straightway IG0316 was given pushback /start-up at 1151 Z and taxi was given at 1157 z when it asked for taxi. It is incorrect that start-up and taxi was given at 1200 Z. 3. IG0316 got airborne at 1205 Z. It is incorrect that IG0316 got airborne at 1207 Z. 4. Most importantly there 	
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				<p>was no conversation between IG0316 and TWR/SMC on the issue of SOBT.</p> <p>However, the SOP to address early scheduled domestic departure from LGBI Airport to capacityconstrained Airport is being followed at Guwahati. Considering the average time of 10 minutes(from pushback in Apron I to airborne), it is endeavoured that the departures from Apron I (which are subjected to SOBT /CTOT and asked for early pushback/start-up) are adjusted to depart in such a way it gets airborne by SOBT /CTOT criteria.</p>	
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LIST OF AIRPORTS HAVING SCHEDULE FLIGHT OPERATIONS AS ON 16-02-2021					
S.No.	AIRPORT	Remarks	S.No.	AIRPORT	Remarks
1	ADAMPUR		56	MADURAI	
2	AHMEDABAD		57	MANGALORE	
3	AMRITSAR		58	MYSORE	
4	AGRA		59	PAKYONG	
5	AGATTI		60	PANTNAGAR	
6	AGARTALA		61	PATNA	
7	ALLAHABAD		62	PATHANKOT	
8	AURANGABAD		63	PORTBLAIR	
9	BELGAUM		64	PORBANDAR	
10	BHUBANESHWAR		65	PUNE	
11	VADODARA		66	RAJ KOT	
12	BHUJ		67	RAJAHMUNDRY	
13	BHOPAL		68	RAIPUR	
14	BHAVNAGAR		69	RANCHI	
15	BIKANER		70	SALEM	
16	BAGDOGRA		71	SHILLONG	
17	CALICUT		72	SILCHAR	
18	CHENNAI		73	SURAT	
19	COIMBATORE		74	SRINAGAR	
20	CUDDAPAH		75	TEZPUR	
21	DEHRADUN	8.11.2020	76	TUTICORIN	
22	DARBHANGA		77	TIRUPATHI	
23	DHARAMSHALA (Gaggal, Kangra)		78	TRIVANDRUM	
24	DIBRUGARH		79	TIRUCHIRAPALLI	
25	DIMAPUR		80	UDAIPUR	
26	DIU		81	VIJAYWADA	
27	GAYA		82	VARANASI	
28	GUWAHATI		83	VIZAG	
29	GOA		84	CHANDIGARH	AAI JVC AIRPORT
30	GORAKHPUR		85	DELHI	AAI JVC AIRPORT
31	GWALIOR		86	MUMBAI	AAI JVC AIRPORT
32	HINDON		87	NAGPUR	AAI JVC AIRPORT
33	HUBLI				
34	INDORE		Other JVC / Private/Defence/State Govt. Airports		
35	IMPHAL		88	HYDERABAD	JV Airport
36	JABALPUR		89	BANGALORE	JV Airport
37	JALGAON		90	COCHIN	JV Airport
38	JAIPUR		91	AIZWAL	State Govt.
39	JAISALMER		92	KANNUR	JV Airport
40	JAMMU		93	DURGAPUR	JV Airport
41	JAMNAGAR		94	NANDED*	State Govt.
42	JHARSUGUDA		95	VIDYANAGAR*	Private
43	JODHPUR		96	NASIK*	Defence
44	JORHAT		97	PASSIGHAT*	State Govt.
45	KALABURGI (GULBARGA)		98	BIDAR*	DEFENCE /PRIVATE
46	KANDLA		99	JAGDALPUR	State Govt.
47	KANPUR (CHAKERI)		100	SHIRDI	State Govt.
48	KISHANGARH				
49	KOLKATA				
50	KOLHAPUR				
51	KULLLJ				
52	LEH				
53	LILABARI				
54	LUCKNOW				
55	LUDHIANA				

MINUTES OF THE NINETEENTH SITTING OF THE COMMITTEE ON PUBLIC
UNDERTAKINGS (2021-2022)

The Committee sat on Tuesday, the 21st December, 2021 from 1500 hrs. to 1515 hrs. in Room No '147', 3rd Floor, Parliament House, New Delhi.

PRESENT

Shri Santosh Kumar Gangwar - Chairperson

MEMBERS

Lok Sabha

2. Shri Lavu Sri Krishna Devarayalu
3. Dr. Heena Vijaykumar Gavit
4. Shri Chandra Prakash Joshi
5. Smt. Kanimozhi Karunanidhi
6. Shri Janardan Mishra
7. Shri Arvind Kumar Sharma
8. Shri Sushil Kumar Singh
9. Shri Ramdas Chandrabhanji Tadas

Rajya Sabha

10. Shri K.C. Ramamurthy
11. Shri M. Shanmugam

SECRETARIAT

1. Shri R.C. Tiwari - Additional Secretary
2. Shri G.C. Prasad - Additional Director

2. At the outset, the Hon'ble Chairperson welcomed the Members to the sitting of the Committee convened for consideration and adoption of the following four draft Action Taken Reports:-

- (i) Action Taken by the Government on the Observations/Recommendations of the Committee contained in the First Report of the Committee on Public

Undertakings (17th Lok Sabha) on Airports Authority of India.

- (ii) Action Taken by the Government on the Observations/Recommendations of the Committee contained in the Second Report of the Committee on Public Undertakings (17th Lok Sabha) on Central Coalfields Limited (CCL).
- (iii) Action Taken by the Government on the Observations/Recommendations of the Committee contained in the Third Report of the Committee on Public Undertakings (17th Lok Sabha) on Food Corporation of India.
- (iv) Action Taken by the Government on the Observations/Recommendations of the Committee contained in the Eighth Report of the Committee on (17th Lok Sabha) on National Thermal Power Corporation (NTPC) Limited.

3. The Committee then considered and adopted the aforesaid reports one by one without any modifications. The Committee then authorized the Chairperson to finalize the aforesaid Draft Reports on the basis of factual verification by Ministries/Departments concerned and present the same to Parliament.

The Committee then adjourned.

APPENDIX II

(Vide para 4 of the Introduction)

Analysis of the Action Taken by Government on the Observations/ Recommendations contained in the First Report of the Committee on Public Undertakings on Airports Authority of India (AAI)].

I	Total number of recommendations	43
II	Observations/Recommendations that have been accepted by the Government [Sl. Nos. 1.1, 2.2, 3.1, 3.2, 5.1, 5.2, 6, 7, 8, 9,10, 11, 12, 14.1, 15, 16, 18, 19.1, 19.3, 20, 21, 22, 23, 24, 25.1, 25.2, 26.1, 26.2, 27.1, 27.2, 29, 30, 31, 32 and 33] Percentage to total:	35 81.39%
III	Observations/Recommendation which the Committee do not desire to pursue in view of Government's replies [SI Nos. 2.1, 3.3, 4,13 and17] Percentage to total:	05 11.63%
IV	Observation/Recommendation in respect of which replies of the Government had not been accepted by the Committee [SI Nos. 19.2,19.4 and 28] Percentage to total:	03 6.98%
V	Observations/Recommendations in respect of which Government have furnished interim replies Percentage to total:	Nil Nil