

Minutes of the meeting of the Consultative Committee of Members of Parliament for the Ministry of Civil Aviation held on 29th December, 2014 at 11.00 AM under the Chairmanship of Hon'ble Minister of Civil Aviation in the Committee Room "Main", Parliament House Annexe, New Delhi.

Shri Ashok Gajapathi Raju Pusapati, Hon'ble Minister of Civil Aviation -**Chairman**
Dr. Mahesh Sharma, Hon'ble Minister of State in the Ministry of Civil Aviation

Members of Lok Sabha

1. Shri A.P. Jithender Reddy
2. Shri Chandrakant Raghunath Patil
3. Shri E. Ahamed
4. Shri Jitendra Chaudhury
5. Shri Rayapati Sambasiva Rao
6. Shri Thupstan Chhewang

Members of Rajya Sabha

7. Shri Paul Manoj Pandian
8. Shri Praful Patel
9. Shri Sukhdev Singh Dhindsa

The list of officers of the Ministry of Civil Aviation and its organisations who attended the meeting is **annexed**.

1. The Chairman welcomed the Members and thanked them for attending the meeting. He introduced the officers of M/o Civil Aviation and its Organizations to Members of the Committee.

2. Initiating the proceedings of the meeting, the Chairman made introductory remarks on Draft Civil Aviation Policy and various other issues and sought the comments/suggestions of the Members on improvement of Civil Aviation Sector. Thereafter, a Presentation on overall functioning of the Ministry of Civil Aviation was made by Shri G. Asok Kumar, Joint Secretary before the Committee.

3. Thereafter the members were requested by the Chairman to express their views and suggestions.

3.1. Shri Thupstan Chhewang

He has informed that during peak season from Ladakh to Delhi air fare in economic class is charged Rs 26,000 for one way. He informed that this issue was also raised during the meeting held on 22nd July, 2013 by secretary (CA) on Ladakh issues. In addition many other issues were also discussed in that meeting and few decisions were also taken but unfortunately no decision has been implemented by now. He also gave following suggestions:-

3.1.1 AI should operate daily flights to Delhi-Leh-Delhi round the year and maintain the schedule integrity.

3.1.2. It has come to notice that IAF is agreed to hand over land to AAI at Leh. This may be expedited and Airport be expanded in consultation with IAF (Ministry of Defence).

3.1.3 Laddakh is very popular tourist destination for domestic and international tourist. As road connectivity is very poor and the tourist prefer to travel by air to save valuable time. But due to lack of proper by air services people face problems. Increase in air connectivity will boost the tourism at Laddakh.

3.1.4 Go Air's flights has been rescheduled via Srinagar. Local people travels mostly during winter season. Direct flights of GO Air should be restored. Indigo & Jet Airways may also be directed to have regular flights.

3.1.5. There is shortage of proper trained/ experienced pilots to fly over 12,000ft, it should be ensured that proper trained pilots are there with private operators.

3.1.6. The tenure of officers posted at Leh should be increased and experienced officers must be posted there and it should be ensured that they serve there for longer period.

3.1.7. A provision has been made for NE region where concessional fares are available. The same provision should be made in Laddakh. The difference in fare in N.E. Region is being paid by NE council. Similarly Ministry of Home Affairs be requested to consider provide VGH as Govt. of J&K do not have funds to meet the difference in fare.

3.1.8. Provision of concessional air tickets may be made for Laddakh people because it is not accessible by other means of transport during winters.

3.1.9. Cargo flights should be started at-least once in a week, it will be helpful, as Jhaskar remains cut off with other parts around 6 months during winter.

3.1.10. Helicopter service should be started at-least for the period from December to March.

3.1.11. No airline operates from Kargil airport, this may be look into.

3.2 Shri A.P. Jithender Reddy

Shri Reddy mentioned that

3.2.1 The next meeting of Consultative Committee should be held at some other good place like Kerala, Goa etc. so that the Committee can concentrate only at civil aviation matters. The meeting has been called after a long time, there should be regular meetings in future so that valuable suggestions can be shared regularly.

3.2.2 In Telangana, some smaller airports may be constructed particularly in Warrangal and Karimnagar areas. He mentioned that as Government is framing a policy for smaller aircrafts with 40 seater capacity, Telangana may be included in the said policy.

3.2.3 Steps to be taken for strengthening MRO policy under "Make In India Program".

3.2.4 The work at international airport at Tirupati be expedited.

3.2.5 Flight for Jaisalmer has been stopped. AI flight should be started keeping in view 4,000 people are living there and it is also a tourist place.

3.2.6. On availability of seats, seat of MPs were upgraded but this has to be discontinued. It may be re-looked.

3.2.7 At many instances, it has been seen that seats in flight remained unfilled, but fares does not come down. It may also be look into.

3.3. **Shri Jitendra Chaudhury**

Shri Chaudhury suggested that

3.3.1. For better participation, he suggested that copy of Civil Aviation policy should have been provided in advance.

3.3.2. In the presentation it has been shown that Air India's passengers are increasing. India is a country with 1.25 billion population and these are only 60 million passengers in a year. Thus, it has been seen it is only small portion of people. Hon'ble MP desired to know the population, likely air services may be worked out.

3.3.3. Policy should be formulated in such a way that on hand it should support National Carrier and on the other hand more and more people should travel by Air India.

3.3.4 In Tripura, up to few months ago around 20 flights were operated every day and almost all the flights were full. But, Air India reduced its operations and its flights are irregular. Due to which the people have fed up with it. Moreover, the schedule do not provide connecting flights to Bangalore, Chennai and even for Delhi, from Agartala to Kolkata. Similarly to reach Delhi, one has to wait Kolkata airport for a period of six hours.

3.3.5. Govt should focus on the areas which do not have connectivity such as Aizawal, Imphal, Itanagar, Kohima etc. instead of providing flights to Guhawati, which is well connected.

3.3.6. Govt should also monitor prices, sometimes prices increase by six times. Some monitoring mechanism should be there.

3.3.7. Each and every state capital of India should be connected by AI flight in a phase manner.

3.3.8. In CSIF, behaviour of CISF personnel is not proper. The CISF personnel should be trained in such a manner so that no inconvenience is caused to public.

3.3.9. MPs should be provided with some extended protocol services at all airports.

3.4. **Shri E. Ahamed**

Shri Ahamed mentioned that

3.4.1. One more aircraft must be given to Calicut airport. To travel from Calicut one has to go to Chennai or Bengaluru or Mumbai to catch a flight to Delhi. One additional flight may be started from Calicut to Delhi.

3.4.2. In most of the countries the DGCA has a major role in fixing the air fares in consultation with other airlines. Different airlines are charging different fares for same destination. In peak season, fares increase many folds which should be regulated. Ministry of Civil Aviation should work out a solution.

3.4.3. Even in a same flight for same facility, airlines are charging different fares this should be looked into.

3.4.4. DGCA should introduce a system of utmost transparency in fixing fares it should be beneficial to customers as well as the airlines to meet their rising cost also.

3.4.5. This system of fare is adversely affecting the tourism inside India. He requested the Chairman to give direction to DGCA to establish most transparent system to fix air fares by all airlines in consultation with them.

3.4.6. Calicut airport is in profit and 4th one in revenue earning but it is lacking necessary facilities. A radar or an ADSS surveillance system may be set up in Calicut to ensure safety because all flights are going to Gulf countries. Saudi Arabia flights are always full even though Saudi Arabia have equal no. of flights. AI has been granted rights to operate more aircraft from Calicut to Jeddah and Calicut to Riyadh. Thus, these rights should be utilised.

3.4.7. Saudi Arabia is providing employment to large number of Indians among Gulf countries resulted in generation revenue but no additional flights are being provided to Saudi Arabia.

3.4.8. He requested that National Civil Aviation Policy may be discussed separately and a full day be allotted for its discussion.

3.5. **Shri Sukhdev Singh Dhindsa**

Shri Dhindsa mentioned that

3.5.1. Shri Dhindsa raised the issue of change of name of Chandigarh International Airport as Saheed Bhagat Singh Airport.

3.5.2. He requested that Amritsar-Delhi-London flight be re-routed as Delhi-Amritsar-London.

3.5.3. He mentioned that land has been provided at Bhatinda for construction of airport and building has been constructed but the airport has yet not been

inaugurated and operations have not been started from Bhatinda. The flights may be started as early as possible.

3.5.4. The proposal of Greenfield airport at Machiwada (Ludhiana) may be expedited.

3.5.5. International flights must be started from Chandigarh airport.

3.5.6. Air India is again adopted old practice of getting delayed and irregularities in operations and due to this people prefer other airlines to travel. At least message for delayed in flights should be conveyed to the passengers.

3.6. **Shri Chandrakant Raghunath Patil:**

Shri Patil mentioned that

3.6.1. Shri Patil mentioned that no important issue has been included in draft Civil Aviation policy.

3.6.2. The first priority should be accorded to build the credibility. He suggested that a lesson be learned from private airlines they are always adhere time. He further suggested that new people be engaged on contract basis, it may be beneficial to AI.

3.6.3. Generally, Air India flights remain unfilled, on the other hand other airlines flights are full. Accordingly, Air India should reschedule there flights. He suggested that flight may be introduced on Surat-Delhi route in evening and in case there is shortage in fleet they may take aircraft on lease.

3.6.4. He further mentioned that parking charges of aircraft are more than parking charges of a car at Surat airport. This should be looked into.

3.6.5. It is projected during the presentation that passengers share of Air India has increased this is due to closer of the private airlines not due to efforts of AI.

3.6.6. Recently, a buffalo hit an aircraft at Surat airport. This issue should be look into and responsibility be fixed. Transfer of an officer is not a punishment. FIR should be lodged at police station for such lapse.

3.6.7. To fix the fares, a policy should be formulated.

3.6.8. He requested for providing additional flight at Surat and he promised to under right 50% seats. In case of shortage of aircraft, Air India may take aircraft on lease.

3.7. **Shri Praful Patel**

Shri Patel mentioned that

3.7.1. Shri Praful Patel appreciated the concern of Government to provide connectivity in unserved areas. He also endorse the stand of Government that

strengthening of infrastructures and airlines will contribute in growth of aviation sector.

3.7.2. The Government has to change its mind-set that Air India alone can provide flight to entire country. It has limited resources.

3.7.3. Route dispersal guidelines (RDG) are unique in India; these required to be strengthened.

3.7.4. As per RDG, Airlines are mandated to file ASKM in a particular format every week and any deviation may lead to cancellation of AOP.

3.7.5. He mentioned that due to RDG connectivity has increased in N.E. Region and Leh.

3.7.6. He mentioned that in absence of RDG, many places will remained unserved for example Agati and Lakshadweep no airline are ready to fly there. Government has to decide which place is required to be connected first. Thus, any decision on RDG should be taken after detailed study.

3.7.7. Many airlines particularly new entrants are recommending for abolition of 5/20 rule but it should be done after analysis of its pros-cons. He mentioned that decision of 5/20 and RDG was taken after deliberation and on the recommendations of Naresh Chandra Committee. Accordingly, any modification should be done after taking a holistic view on it.

3.7.8. The decision of merger of Air India was correct. There are three separate companies which were formed, AI for ground handling, AI for engineering and AI as a core airline, the reasons for breaking-up are as follows:-

- Air India has the finest MRO facilities in the world
- The idea of breaking-up the company for MRO was that AI should be able to do third party business
- They should work like Lufhtansa technique or Singapore to be able to do third party work
- AI can service all the 400 aircrafts of India on commercial basis.
- Ground handling, AI has the exact ability they have tie ups and they can certainly do ground handling which is a very big business.
- That is the reason to reduce the per capita no. of people working per an aircraft on Air India the main company

3.7.8. The biggest problem for AI was that the last aircraft was brought in 1989 in the Govt. of Rajiv Gandhi and till 2004 not a single aircrafts was ordered in 15 years that is the main reason for its decline. On induction of new fleets, interest due on it, depreciation will come in first year but in the coming year the cost of interest and depreciation been amortised and therefore operating profits will increased and that is why AI is making cash profit but they are not able to earn enough to service the debt they are carrying and that is the reason government is giving equity infusion. Its capital has gone up.