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**'AIRPORTS AUTHORITY OF INDIA (AAI)'**

**MINISTRY OF CIVIL AVIATION**

**COMMITTEE ON PUBLIC UNDERTAKINGS  
(2020-21)**

**FIRST REPORT**

**(SEVENTEENTH LOK SABHA)**



**LOK SABHA SERCRTARIAT  
NEW DELHI**

**FIRST REPORT**  
**COMMITTEE ON PUBLIC UNDERTAKINGS**  
**(2020-21)**

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**AIRPORTS AUTHORITY OF INDIA**

**MINISTRY OF CIVIL AVIATION**

*Presented to Lok Sabha on 29.01.2021*  
*Laid in Rajya Sabha on 29.01.2021*



**LOK SABHA SECRETARIAT**  
**NEW DELHI**

*January, 2021/ Magha, 1942 (Saka )*

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**COMPOSITION OF COMMITTEE ON PUBLIC UNDERTAKINGS  
(2020-21)**

**Smt. Meenakashi Lekhi - Chairperson**

**Members**

*Lok Sabha*

2. Dr. Heena Vijaykumar Gavit
3. Shri Chandra Prakash Joshi
4. Smt. K. Kanimozhi
5. Shri Raghu Ramakrishna Raju Kanumuru
6. Smt. Poonamben Hematbhai Maadam
7. Shri Arjunlal Meena
8. Shri Janardan Mishra
9. Shri Kinjarapu Ram Mohan Naidu
10. Prof. Saugata Roy
11. Dr. Arvind Kumar Sharma
12. Shri Ravneet Singh
13. Shri Sushil Kumar Singh
14. Shri Uday Pratap Singh
15. Shri Ramdas Chandrabhanji Tadas

*Rajya Sabha*

16. Shri Prasanna Acharya
17. Shri Birendra Prasad Baishya
18. Shri Anil Desai
19. Shri Joginipally Santosh Kumar
20. Shri Om Prakash Mathur
21. Shri Surendra Singh Nagar
22. Shri M. Shanmugam

**SECRETARIAT**

Shri R.C. Tiwari	-	Joint Secretary
Shri Srinivasulu Gunda	-	Director
Shri G.C. Prasad	-	Additional Director
Shri Dhruv	-	Executive Officer

**COMPOSITION OF THE COMMITTEE ON PUBLIC UNDERTAKINGS  
(2019-2020)**

**Smt. Meenakashi Lekhi** - **Chairperson**

**Members**

*Lok Sabha*

2. Kunwar Danish Ali
3. Dr. Heena Vijaykumar Gavit
4. Shri Chandra Prakash Joshi
5. Smt. K. Kanimozhi
6. Shri Raghu Ramakrishna Raju Kanumuru
7. Smt. Poonamben Hematbhai Maadam
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15. Shri Ramdas Chandrabhanji Tadas

*Rajya Sabha*

16. Shri Prasanna Acharya
17. Dr. Anil Jain
18. Mohd. Ali Khan
19. Shri Om Prakash Mathur
20. Shri Mahesh Poddar
21. Shri A.K. Selvaraj
22. Shri Surendra Singh Nagar

## INTRODUCTION

I, the Chairperson, Committee on Public Undertakings (2020-21) having been authorized by the Committee to submit the Report on their behalf, present this First Report on 'Airports Authority of India'.

2. The Committee on Public Undertakings (2019-20) had selected the said subject for detailed examination. As the examination of the subject remained inconclusive during the terms of the Committee on Public Undertakings (2019-20), the present Committee (2020-21) decided to carry forward the subject so as to complete the unfinished task.

3. The Committee (2019-20) was initially briefed about the subject by the representatives of the Airports Authority of India on 5<sup>th</sup> September, 2019. Thereafter, the Committee on Public Undertakings (2019-20) took evidence of the representatives of Airports Authority of India on 17<sup>th</sup> February, 2020 and also took oral evidence of the representatives of Ministry of Civil Aviation on 2<sup>nd</sup> March, 2020.

4. The Committee (2020-21) considered and adopted the draft Report at their sitting held on 7 January, 2021.

5. The Committee wish to express their thanks to the representatives of Airports Authority of India and Ministry of Civil Aviation for tendering evidence before them and furnishing the requisite information to them in connection with examination of the subject.

6. The Committee also wish to express their sincere thanks to the predecessor Committee for their valuable contribution in examination of the subject.

7. For facility of reference and convenience, the Observations and Recommendations of the Committee have been printed in bold letters in Part-II of the Report.

**New Delhi:**  
**7 January, 2021**  
**17 Pausha, 1942 (S)**

**MEENAKASHI LEKHI**  
**Chairperson**  
**Committee on Public Undertakings**



## ACRONYMS

AAI	Airports Authority of India
AAICLASCL	AAI Cargo Logistics & Allied Services Company Ltd.
ACI	Airports Council International
ANS	Air Navigation Services
ARFF	Airport Rescue and Fire Fighting
ASEAN	Association of Southeast Asian Nations
ASQ	Airport Service Quality
ATF	Aviation Turbine Fuel
ATM	Air Traffic Management
ATRS	Automated Tray Retrieval System
BIAL	Bangalore International Airport Pvt. Ltd
CAF	Conventional Air Fuel
CATC	Civil Aviation Training College
CCC	Central Command and control Center
CHIAL	Chandigarh International Airport Ltd.
CNS	Communication Navigation Surveillance
CSR	Corporate Social Responsibility
DGCA	Director General of Civil Aviation
DIAL	Delhi International Airport Limited
DIACL	Dholera International Airport Company Ltd.
FICCI	The Federation of Indian Chambers of Commerce and Industry
FTC	Fire Training Centre
FSTC	Fire Service Training Center

GAGAN	GPS-Aided Geo-Augmented Navigation system
GDP	Ground Delay Program
HIAL	Hyderabad International Airport Pvt. Ltd.
ICAO	International Civil Aviation Organization
ISRO	Indian Space Research organization
ISMS	Information Security Management Systems
KIAL	Kannur International Airport Ltd.
LCC	Low-Cost Carriers
MESS	Mechanised Environment Support Services
MIAL	Mumbai Internattional Airport Limited
MoEF&CC	Ministry of Environment, Forest and Climate Change
NDMA	National Disaster Management Authority
NFTIPL	National Flying Training Institute
OMDA	Operation, Management and Development Agreement
PPP	Public Private Partnership
RGNAU	Rajiv GandhiNational Aviation University
SAF	Sustainable Aviation Fuel
SBAS	Satellite-Based Augmentation System
SLPC	Secondary ladder point check
SSA	State Support Agreement
UDAN	Ude Desh Ka Aam Nagrik
UNEP	United Nations Environment Programme
USOAP	Universal Safety Oversight Audit Programme

**PART I**  
**CHAPTER I**  
**INTRODUCTION**

**A. Brief History of Indian Aviation**

1.1 The history of Civil Aviation in India dates back to the time when Henry Piquet took a small step on 18th February, 1911 and flew his Humber bi-plane carrying mail six miles from Allahabad to Naini junction, thereby introducing the concept of air travel in India. This also paved the way for development of airports and commencement of scheduled air operations.

1.2 In 1924, construction of airfields began at Dum Dum (Kolkata), Bamrauli (Prayagraj) and Gilbert Hill (Mumbai). By 1927, a separate Department of Civil Aviation was set up to look after civil aviation matters. J.R.D Tata was awarded the first pilot licence by the Aero Club of India. Between 1933 and 1934, a number of airlines in India like the Indian Trans Continental Airways, Madras Air Taxi Services and the Indian National Airways commenced operations.

1.3 In 1972, the International Airports Authority of India (IAAI) came into being by an Act of the Parliament. In 1995, the Airports Authority of India (AAI) came into existence. India liberalized its aviation policies in the 90s due to which air travel flourished further. With the advent of low cost airlines in 2003, there came another huge push to air travel with Indian flyers taking to skies more frequently. The first steps towards modernization of Indian airports was taken with the modernization of Delhi, Mumbai and 35 non-metro airports to accommodate the increase in air traffic and by providing travelling public with facilities at par with the best in the world.

**B. Airports Authority of India (AAI)**

1.4 The Airports Authority of India (AAI) is an unlisted Statutory Corporation constituted under the Act of Parliament i.e. Airports Authority of India (AAI), 1994 ("the Act") and is 100% owned by the Government of India. It is the leading Airport operator and sole air navigation service provider in India. It owns and maintains 137 Airports including 24 international Airports (3 civil Enclaves), 10 custom Airports (4 Civil Enclaves), 81 (Domestic Airports) and 23 other Civil Enclaves.

**(I) Main Functions of AAI**

- (i) Control and Management of the Indian air space (excluding special user airspace) extending beyond the territorial limits of the country as accepted by ICAO.
- (ii) Provision of Communication, Navigational and Surveillance Aids.
- (iii) Expansion and strengthening of operational areas viz. Runways, Aprons, Taxiways, etc. and provision of ground based landing and movement control aids for aircrafts & vehicular traffic in operational area.

- (iv) Design, development, operation and maintenance of passenger terminals.
- (v) Development and management of cargo terminals at international and domestic airports.
- (vi) Provision of passenger facilities and information systems in the passenger terminals.

**(II) Mission**

AAI's Mission is:-

To be the foundation of an enduring Indian aviation network, providing high quality, safe, and customer-oriented airport and air navigation services, thereby acting as a catalyst for economic growth in the areas they serve.

**(III) Vision**

AAI's vision till 2026 is to:

- Be the pre-eminent Air navigation Service provider with Global Recognition.
- Adopt state of art technology to drive safe navigation in the Indian airspace.
- Maintain highest standards of excellence in providing modern, sustainable and robust airport infrastructure.

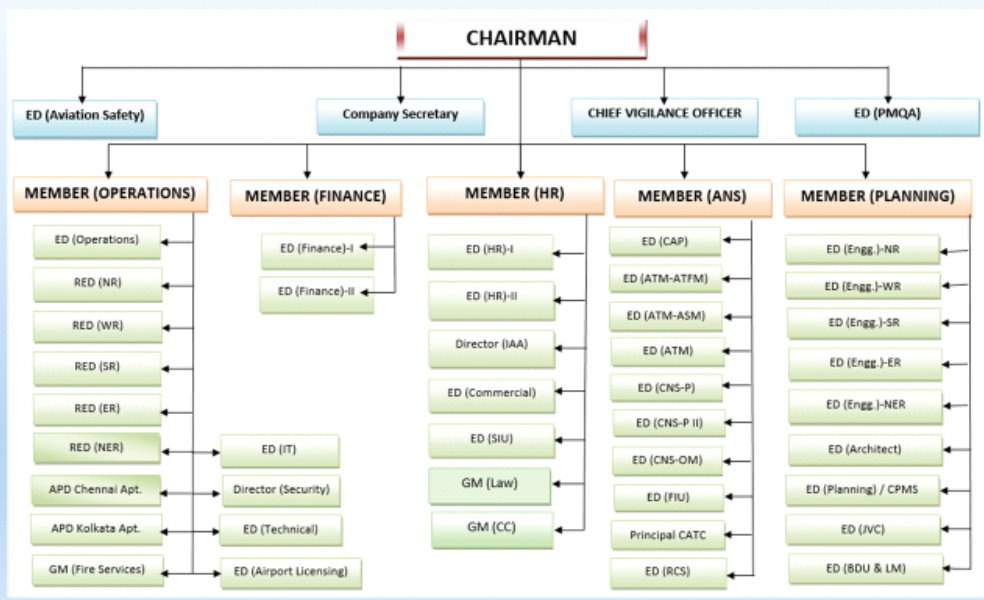
**C. Board of Directors**

1.5 As per Section 3 of AAI Act 1994, there shall be not less than 8 Board Members and not more than 14 Board Members. The sanctioned strength of the Board is 6 Functional Member (including Chairman), 3 Government Nominee Members and 4 Non-official (Independent) Part-time Member. Presently, there are no vacancies on the Board of AAI.

**D. Organisation Structure**

1.6 The Organisation Structure of AAI is as under:-

# Organization Structure



## E. Agencies Operating At Airports

1.7 The various agencies operating at AAI airports are:

- “Govt. agencies which are functioning in the airport premise at international Airports are: Customs, immigration, CISF, Air India, Health & quarantine department etc. Private Airlines and their ground handling agencies are also functioning in the airport premises. These agencies do not function directly under the control of AAI.
- Customs (Ministry of Finance) performs custom related functions, Immigration (Ministry of Home Affairs) performs immigration related functions, CISF (Ministry of Home Affairs) performs security related functions, Air India (Ministry of Civil Aviation) provides aircrafts and Health & quarantine department (Ministry of Health) provides health related functions at airport premises. Role and functions of these agencies are decided by respective ministries.
- AAI coordinates their activities as per needs of international transportation of passengers and goods.
- Cleaning contractors, AAI appointed ground handling agencies –Indothai& Bhadra and commercial concessionaires are also located in the airport premises and function under the control of AAI.”

**F. Memorandum of Understanding (MoU)**

1.8 AAI has informed the Committee that it has been awarded '**Excellent**' rating on MoU parameters (a performance contract between the PSE and the administrative ministry) by Department of Public Enterprises, Government of India consistently for three years i.e. 2015-16, 2016-17 and 2017-18. During 2013-14 and 2014-15 AAI was awarded, '**Very Good**' rating on MoU parameters.

## CHAPTER II

### PHYSICAL PERFORMANCE OF AAI

#### A. Airports managed by AAI

2.1 In a written response to a query on the details of the category-wise airports, AAI vide its OM No. H - 11033/24/2019 –P&C /239-241 dated 09 December, 2019, furnished the following data:

“International Airports: 23, Custom Airport:10, Domestic Airport: 81, **Civil Enclaves:23**”

2.2 AAI in response to a query as to the number of airports under them till 2014, number of new airports that have come up till date and the airports under construction etc., AAI furnished the following information:

“AAI owned and maintained 125 airports comprising 68 operational airports, **26 civil enclaves i.e. Civil Air Terminal at Defence controlled airport** where AAI handled civil flight operations and 31 Non-Operational Airports till 2013-14. Now AAI owns and maintained **137 airports**.”

2.3 The list of Airports and their status is given at Annexure 1.

2.4 The AAI in a written reply sent to the Committee vide OM No. H11020/1/2019-AAI-MoCA-Part dated 23 July, 2020 while informing that airports have been categorized into International-23 airports, Custom airports -10 airports, Domestic Airports-81 airports, Civil Enclave-23(**total 137 airports**) have submitted as follows :-

“Recently, the Kushinagar airport has been declared as International airport taking the number of International airports to 24. The criteria adopted for categorization of airports is as under:

**Domestic Airports:** Airports which are opened to public use for domestic flights are known as Domestic Airports.

**Civil Enclave:** Airports located at Defence Airbase used for Civil Flight Operations are known as Civil Enclave. These Civil Enclave comprises of only terminal building, apron, car parking etc. Runway and operational area facilities & maintenance and provision of air traffic services comes under concerned Defence Authorities.

**International airports:** Airports which are used for International Flights also and are provided with facilities like Customs, Immigration, Public health. Agricultural quarantine and similar facilities/procedures required for International Flight Operations and are exclusively declared as such by the Government of India/MoCA are known as International Airports.

**Custom Airport:** A custom airport is defined as an Airport having commercial flights having custom officers only be in attendance for handling schedule international services and is notified by the appropriate customs authority of the country. Custom Airport can also be used for the unloading of imported goods and the loading of export goods or any class of such goods as decided by the custom Authority.

Declaration of any airport as International airport falls within the purview of the Government of India/Ministry of Civil Aviation.”

**B. Volume of Air Traffic at Airports**

2.5 The Committee has collected the following information from the Airports Authority of India (AAI) website <https://www.aai.aero/en/business-opportunities/aai-traffic-news> :

CATEGORY	APRIL-MARCH					
	(in bracket – the percentage change over previous year)					
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Aircraft Movements (in ‘000)</b>						
International	345.36	375.33 (8.7)	400.42 (6.8)	437.93 (9.4)	452.64 (3.4)	431.85 (-4.6)
Domestic	1257.66	1418.28 (12.8)	1648.67 (16.1)	1886.62 (14.4)	2153.32 (14.1)	2155.20 (0.1)
<b>Total</b>	<b>1603.02</b>	<b>1793.61 (11.9)</b>	<b>2049.09 (14.1)</b>	<b>2324.55 (13.4)</b>	<b>2605.96 (12.1)</b>	<b>2587.05 (-0.7)</b>
<b>General Aviation</b>	<b>256.48</b>	<b>286.36 (11.7)</b>	<b>301.63 (5.2)</b>	<b>282.54 (-6.3)</b>	<b>273.10 (-3.3)</b>	<b>263.34 (-3.6)</b>
<b>Passengers (in million)</b>						



International	50.80	54.72 (7.7)	59.29 (8.5)	65.47 (10.4)	69.48 (6.1)	66.54 (-4.2)
Domestic	139.33	168.89 (21.2)	205.68 (21.5)	243.28 (18.3)	275.22 (13.1)	274.51 (-0.3)
<b>Total</b>	<b>190.13</b>	<b>223.61 (17.6)</b>	<b>264.97 (18.3)</b>	<b>308.75 (16.5)</b>	<b>344.70 (11.6)</b>	<b>341.05 (-1.1)</b>
<b>Freight (in 000 ton)</b>						
International	1542.54	1658.35 (7.5)	1855.06 (11.9)	2143.97 (15.6)	2200.03 (2.6)	2003.12 (-9.0)
Domestic	985.02	1045.92 (6.2)	1123.18 (7.3)	1213.06 (8.0)	1359.99 (12.1)	1325.17 (-2.7)
<b>Total</b>	<b>2527.56</b>	<b>2704.27 (7.0)</b>	<b>2978.24 (10.1)</b>	<b>3357.03 (12.7)</b>	<b>3560.02 (6.0)</b>	<b>3328.29 (-6.6)</b>

### C. Future Growth in Air-traffic

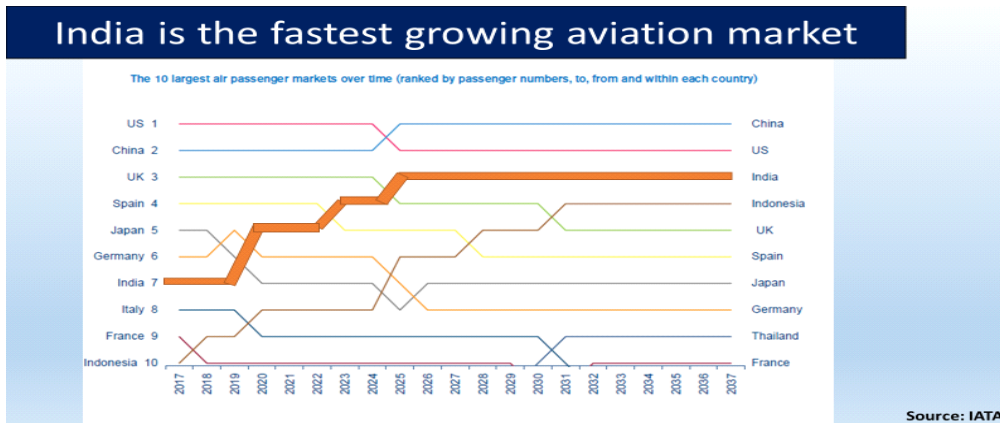
2.6 As per background note furnished by AAI, the Indian aviation market is on high growth path. The number of global departures as per IATA during calendar year 2018 had been projected at around 4.3 billion with a growth of 6% over the previous year. India today handles the third largest domestic traffic after USA and China. It is expected to become the third largest market (domestic plus international) by 2022 and will gradually reduce the gap with the top two nations over the next decade. Some of the key reasons behind the rapid growth of the Indian aviation sector include:

- “Steady growth in the Indian economy.
- Domestic open-skies, which allows new airlines to freely enter the market subject to stipulated norms
- Emergence of competitive Low-Cost Carriers (LCC) in India
- Development and operation of leading airports at Delhi, Mumbai, Hyderabad, Bengaluru and Cochin through the Public Private Partnership (PPP) and many more are on the anvil.
- Formulation of the industry-friendly National Civil Aviation Policy 2016 (NCAP 2016)
- Opening up of regional airports in India's hinterland through UDAN ('UdeDesh ka AamNagrik').”

2.7 As per the replies submitted by the AAI to the Committee, there has been a 69.59% increase in aircraft movements, 104.06% increase in passengers and 56.28 % increase in cargo during the period from 2013-14 to 2018-19. When asked if the AAI expects this trend to continue in the next 5-10 years and if so, what steps are being taken to ensure its better growth in future, AAI submitted that it is expected that all Indian airports taken together will handle traffic in next 5 years and 10 years as follows:-

Future forecast				
Item/ nature	2013-14	2018-19 %age increase over 2013-14)	2023-24 (%age increase over 2018-19)	2028-29(%age increase over 2023-24)
Aircraft movements (in thousands)	1536.61	2605.96 (69.59)	3579.84 (37.4)	4265.91 (19.16)
Passengers (in millions)	168.92	344.7 (104.06)	485.94 (41)	654.02 (34.66)
Cargo (in metric tonnes)	2279.15	3561.9 (36.01)	4337.44 (21.8)	5488.36 (26.53)

2.8 AAI have stated that as par IATA, it is amongst the 10 largest passenger air markets in the world as per the projections given below:-



2.9 With regard to average number of Aircraft movements and average number of passengers at various Airports (other than International Airports), AAI furnished the data which may be seen at **Annexure-2**.

2.10 In a written reply to a query as to whether it has planned to meet the future demand, AAI submitted that given the humongous size of Indian market and significant increase in demand, AAI has planned and undertaken the following steps:

- “Around 1 lakh crore (approximate USD 14.5 Billion) of investment are expected to be pumped into aviation sector in the next 5 years. Out of this investment, AAI plans to invest Rs.25,000 crore in the next five year for development/upgradation/modernization of various airports and air navigation infrastructure.
- Government has accorded ‘in-principle’ approval for construction of 20 green field airports, out of which four airports Durgapur, Shirdi, Kannur and Pakyong have already been commissioned.
- Government has formulated a Greenfield Airport Policy for establishing new airports in the country through PPP mode.
- To augment the capacities of terminal buildings, work is in progress for construction of new terminal building and expansion of the existing terminal buildings at various AAI airports.
- 583 additional parking bays are planned at various airports in next five years for the night parking of new aircrafts being purchased by airline operators.
- To support and sustain this enormous growth, AAI issuing state-of-the-art technology at par with the developed countries such as DIGIYATRA, Smart Security Lane with Automated Tray Retrieval System (ATRS), INLINE Baggage System, Self-Bag Drop and Check-in, body scanners to ease of passenger movement and boost security.
- To reduce the check-in time of passengers at the airport additional number of equipment such as CUTE and CUSS Kiosk, Scanners etc. have been provided at 40 major airports of AAI.”

#### **D. Cargo Growth**

2.11 As per Airports Council International (ACI), combined cargo handled by all Indian airports is less than that handled by Hong Kong, Memphis and Shanghai airports individually in the year 2017. Logistics costs in India comprise about 13-14% of GDP as compared to 7-8% in developed countries which has also hampered the growth of air cargo logistics industry.

2.12 On the issue of Trans-shipment hub, AAI in one of the written replies furnished to the Committee further added that:-

“Trans-shipment Hub is defined as the centre where all types of trans-shipment cargo are accumulated, processed and further uplifted without much interference of Customs with the primary moto to reduce the turnaround time of Aircrafts in Indian Airports and cost as well. Here, the term Trans-shipment Cargo means 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.”

2.13 When asked about the status of trans-shipment hubs at Delhi, Mumbai and Chennai, AAI in their written replies submitted that:

“Initially, Ministry of Civil Aviation had undertaken a study to establish "Transshipment Hub" at major Airports like Delhi, Mumbai, Chennai and Kolkata and further concluded with the feasibility of establishment of transshipment hub at only Delhi and Chennai Airports. Recently Delhi International Airport Limited (DIAL) has operationalized a dedicated Transshipment Excellent Centre (TEC). However, full-fledged transshipment cargo hub is not yet established in Indian Airports. AAICLAS has also conducted various feasibility study for establishment of transshipment hub and Special Economic Zone at Chennai International Airport. However, due to acute shortage

of space in the Airport, the same could not be materialized so far. However, AAICLAS has earmarked one dedicated shed admeasuring 1800 sqm in the air side of integrated cargo terminal for handling of all such transshipment cargo with X-ray screening & access control facility. The transshipment hub concept will ease out the congestion in the normal warehouse at Indian Airports and will encourage simplified Customs procedures and more movement of transshipment cargo at reduced transaction cost.”

## **E. Creation of Civil Aviation Infrastructure**

2.14 With regard to the infrastructure created over the last five years, AAI submitted the details as under:

“AAI has spent round Rs.12000 Crores in last 5 years for development of Civil AviationInfrastructure at AAI airports.

- **New Terminal Buildings completed (16 nos. - Rs. 3000 Cr.):** Chandigarh (Mohali), Tirupati, Khajuraho, Vadodara, Vijayawada, Goa, Jammu, Belagavi, Hubli, Kishangarh, Gorakhpur, Jharsuguda, Pakyong, Prayagraj, Calicut, Hindon.
- **New/ Greenfield Airports - Completed: - (Rs. 725 Cr.):**Pakyong, Jharsuguda
- **New parking bays completed - (120 nos. - Rs. 480 Cr.)** Total available as on date - 730 nos.

**Runway Extension and strengthening works completed (17 nos. - Rs. 1200 Cr.):** Vadodara, Chennai (along with Cal-III B ILS), Jaipur (along with Cal-III B ILS), Ahmedabad, Lucknow, Calicut, Kolkata (along with Cal III B ILS), Trivandrum, Amritsar (along with Cal-III B ILS), Tezu, Surat, Rajahmundry, Raipur, Hubli, Belagavi, Guwahati, Varanasi.

2.15 AAI submitted the following additional information on the airport infrastructure works completed / undertaken / planned undertaken during the last five years:

- 85 MPPA capacity added in last five years (2014 capacity 82 MPPA, passenger capacity 167 MPPA).
- New Terminal Buildings/Expansion of existing terminal buildings in progress/planning stage (32 nos. - Planned Capacity 132 MPPA - 20700 Cr.): Port Blair, Agartala, Guwahati, Chennai, Lucknow, Dehradun, Leh, Patna, Pune, Indore, Ahmedabad. Vijayawada. Imphal. Srinagar. Jaipur. Goa. Surat. Bhubaneswar. Udaipur. Jodhpur, Mangaluru, Visakhapatnam, Jamnagar, Madurai, Trichy, Rajahmundry, Tuticorin, Varanasi, Coimbatore, Jabalpur, Trivandrum, Kolhapur.
- New Greenfield Airports - in progress (4 nos, - Planned Capacity 3 MPPA - 2551 Cr.): Itanagar (Hollongi), Hirasar (Rajkot), Deoghar, Dhalbhumgarh.
- New Civil Enclaves - work in progress/Planning Stage (airports operated by MoD) - (08 nos. Planned Capacity 9.50 MPPA- 2957 Cr.):Agra, Kanpur, Bareilly, Bihta, Adampur, Darbhanga, Bagdogra, Halwara.
- New parking bays completed.- 110 nos. - 440 Cr. (total available as on date - 720 nos.)
- New parking bays under construction: - (280 nos. - 1120 Cr.)
- Runway Extension and strengthening/resurfacing - works in progress /Planning stage (18 nos. - 3453 Cr.):Raipur, Dibrugarh, Jammu, Diu, Kadapa, Vijayawada, Tirupati, Tuticorin, Madurai, Mysore, Puducherry, Agatti, Khajuraho, Dimapur, Rupsi, Kolkata, Imphal, Guwahati.
- Parallel Taxi Track (PTT) - in progress /Planning stage (11 nos, - 1306 Cr.):

- Bhubaneshwar, Mangalore, Chennai, Jaipur, Goa, Surat, Tuticorin, Madurai, Trichy, Guwahati, Lucknow.”

**F. Runway Expansion project at Udaipur Airport**

2.16 AAI, in response to a query on completion or otherwise of runway expansion project at Udaipur Airport submitted as follows:

“The runway at Udaipur Airport is fit for operations and functional with operating runway length of 2,281 meters. The operationalization of extended portion runway in both the directions (total 460 meters) is under examination at CHQ, New Delhi to fulfill the DGCA CAR-OLS criterion.”

2.17 In response to a query as to (i) why and how the permission for installing a conveyor belt at the airport was given and (ii) is it in any way proving to be a road block in completing the runway expansion project, AAI submitted that:

“The permission for conveyor belt was issued on September 16<sup>th</sup>, 1998. The height of the conveyor belt was not an issue at that time. However, in view of the traffic growth we need to increase the length of the runway. As such the belt has become an obstacle in the development of infrastructure at the airport. Vigorous efforts are being made for its resolution.”

**Chapter III**  
**FINANCIAL PERFORMANCE**

**A. Revenue from Aeronautical and Non-Aeronautical Services and Other Sources**

3.1 The revenue earned by the AAI from different sources for the period from 2014-15 to 2018-19 is given as under:-

**(a) Aeronautical Services :**

**(i) Airport Navigation Services:**

(Rs. in Crores)

<b>Particulars</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>
Route Navigation Facility Charges (RNFC)	2029.84	2212.00	2540.84	3002.18	3177.66
Terminal Navigational Landing Charges (TNLC)	325.71	366.68	428.32	488.61	518.62
Other CNS/ATM Service Revenue	-	2.40	3.73	4.56	5.90
<b>Total</b>	<b>2355.55</b>	<b>2581.08</b>	<b>2972.89</b>	<b>3495.34</b>	<b>3702.18</b>

**(ii) Airport Services :**

<b>Particulars</b>	<b>FY 2014-15</b>	<b>FY2015-16</b>	<b>FY2016-17</b>	<b>FY2017-18</b>	<b>FY2018-19</b>
Landing, Parking & Housing (LPH)	663.25	764.23	890.02	1068.39	
Passenger Service Fees:					
➤ Facilitation	200.53	233.86	280.36	290.53	231.42
➤ Security	520.54	610.10	736.54	866.89	1007.65
User Development Fees:					
➤ International PAX	415.12	483.54	531.83	634.08	486.94
➤ Domestic PAX	351.45	459.61	602.90	893.74	361.91
Oil Throughput Revenue	138.09	148.28	189.88	216.08	
Ground Handling	107.56	123.16	163.82	176.61	
Extension of Service Hours	6.39	7.06	5.94	14.06	
Royalty on CUTE Charges	47.05	61.06	82.70	97.38	
<b>Total</b>	<b>2449.98</b>	<b>2890.90</b>	<b>3483.98</b>	<b>4257.77</b>	<b>4491.59</b>

**(b) Non-Aeronautical Airport Services**

(Rs. in Crores)

Particulars	FY 2014-15	FY2015-16	FY2016-17	FY2017-18	FY2018-19
Rent & Services	464.27	623.15	663.46	641.34	702.89
Trading Concessions	393.16	447.69	488.38	637.22	936.87
Car Parking	63.14	83.92	95.52	110.18	119.58
Porterage	3.05	3.09	2.62	0.40	0.38
Admission Fees/Commercial Passes	23.13	17.17	20.12	29.16	32.43
Restrooms	1.89	1.86	2.70	2.79	2.93
NOC-Height Clearance	12.56	13.3	9.10	18.60	19.86
Consultancy Services	0.63	0.42	0.31	0.52	11.71
Miscellaneous Non-Aeronautical Airport Services	19.61	12.21	22.75	10.80	16.4
<b>Total</b>	<b>981.44</b>	<b>1202.81</b>	<b>1304.97</b>	<b>1451.01</b>	<b>1842.85</b>

**(c) Other Sources :**

(Rs. in Crores)

Particulars	FY 2014-15	FY2015-16	FY2016-17	FY2017-18	FY2018-19
(i) Cargo Revenue	146.49	201.18	261.95	---	---
(ii) Airport Lease Revenue	2907.49	2379.26	3836.75	3102.67	3050.07
(iii) Other Income	394.03	589.30	680.47	670.27	1046.27
<b>Grand Total[Total Revenue from all sources i.e.(a) + (b) +(c) above]</b>	<b>9284.98</b>	<b>10824.50</b>	<b>12542.01</b>	<b>12976.96</b>	<b>14132.98</b>

**B. Profit and Loss Account**

3.2 AAI has informed that it has been, consistently a profit making organization. A statement of profit and loss for the period offive years from 2014-15 to 2018-19 is given below:-

Particulars	FY 2014-15	FY2015-16	FY2016-17	FY2017-18	FY2018-19
<b>Income</b>					
(i) Airport Navigational Services	2355.55	2581.08	2972.89	3495.34	3702.18

(ii) Airport Services	2449.98	2890.90	3483.98	4257.77	4491.69
(iii) Non-Aeronautical Airport Services	981.44	1202.81	1304.97	1451.01	1842.85
(iv) Cargo Revenue	196.49	201.15	261.95	0.00	0.00
(v) Airport Lease Revenue	2907.49	3379.26	3836.75	3102.57	3050.07
(vi) Other Income	394.03	569.30	681.47	670.27	1046.27
<b>(vii) Total Revenue (i+ii+iii+iv+v+vi)</b>	<b>9284.98</b>	<b>10824.50</b>	<b>12542.01</b>	<b>12976.96</b>	<b>14132.98</b>
<b>viii) Expenses</b>					
Employee Benefits Expenses	2802.11	2700.08	2789.08	3647.33	5158.98
Operating Expenses	1033.13	1157.04	1509.85	1597.71	1662.68
Administrative and Other Expenses	426.88	930.98	1272.02	798.37	823.68
Finance Costs	157.31	171.40	98.37	44.15	6.50
Depreciation and Amortization	1408.73	1401.45	1432.79	1461.45	1684.89
Security Expenses	655.41	766.22	882.28	1011.01	1232.24
<b>x) Total Expenses</b>	<b>6493.51</b>	<b>7127.15</b>	<b>7984.40</b>	<b>8560.02</b>	<b>10448.97</b>
<b>xi) Profit before exceptional and extraordinary items and tax (vii-viii)</b>	<b>2791.41</b>	<b>3697.35</b>	<b>4557.61</b>	<b>4416.94</b>	<b>3683.99</b>
xii) Exceptional items	0.00	0.00	0.00	0.00	0.00
<b>xiii) Profit before tax (xi-xii)</b>	<b>2791.41</b>	<b>3697.35</b>	<b>4557.61</b>	<b>4416.94</b>	<b>3683.99</b>
xiv) Tax expenses :					
(1) Current Tax	1247.44	1541.28	1888.28	1885.81	1756.03
(2) Deterred Tax	(415.20)	(381.11)	(446.60)	(270.51)	(373.48)
<b>xv) Profit/Loss for the period (xiii-xiv)</b>	<b>1959.22</b>	<b>2537.36</b>	<b>3116.93</b>	<b>2801.64</b>	<b>2271.44</b>
<b>Balance carried to Balance Sheet</b>	<b>1959.22</b>	<b>2537.36</b>	<b>3116.93</b>	<b>2801.64</b>	<b>2271.44</b>

3.3 AAI's revenues can be broadly categorized into Aeronautical, Non-aeronautical, Cargo, Airport lease revenues and others from Allied services such as Consultancy projects. Airport Economic Regulatory Authority (AERA) Act, 2008 defines 'Aeronautical and Non-Aeronautical' revenue, as per the definition Aeronautical services means any service provided for:

- "Navigation, surveillance and supportive communication thereto for air traffic management;
- Landing, housing or parking of an aircraft or any other ground facility offered in connection with aircraft operations at an airport;



- Ground safety services at an airport;
- Ground handling services relating to aircraft, passengers and cargo at an airport;
- Cargo facility at an airport;
- Supplying fuel to the aircraft at an airport; and
- Stake-holder at an airport, for which the charges, in the opinion of the Central Government for the reasons to be recorded in writing, may be determined by the Authority; [Section 2(a)]
- The revenue from the above services are considered as 'Aeronautical' revenue. Whereas revenue from services, other than the covered under above definition are generally considered as 'Non- Aeronautical' revenue."

3.4 Elaborating further on non-aeronautical revenue, MoCA in a written reply as follows:

- "Non-Aeronautical Revenue relates to the Revenue accruing to an Airport Operator which is incidental to operation of an Airport. It includes Revenue resulting from award of contracts for allotment of land & space in an Airport Terminal/Airside/Cityside. The components of Non-Aeronautical Revenue include revenue from (i) Rent & Services, (ii) Trading Concessions, (iii) Car Parking, (iv) Portage, (v) Admission Fees/Commercial Passes, (vi) Restrooms, (vii) NOC-Height Clearance, (viii) Consultancy Services & (ix) Miscellaneous Non-Aeronautical Airport Services."

3.5 With a view to maximize the non aeronautical revenues by providing world class shopping experience and service / facilities at AAI airports. Elaborating further on the steps taken to increase non aeronautical revenues, AAI, in the background note submitted *inter alia* as under:

1. "Besides planning of commercial activities, framing of policies and procedures, transparent and competitive selection of bidders to develop, manage and operate commercial concessions viz. Duty free outlets, F&B outlets, general retail services, Advertisements, Foreign exchange, / banking/ATM counters, ground transportation including vehicle parking management and miscellaneous service concession / license at airports.
2. Besides fixed license fee, revenue share model is also being adopted
3. New policy formulated for duty free shops, advertisement, F&B and Retail shops at airports
4. Master concessionaire approach adopted in F&B, retail, Advertisement, and duty free shops
5. Introduction of app based cab facility"

3.6 The data on revenue growth from 2013-14 to 2017-18 from main commercial activities is as follows:

Item	Revenue (Rs. In crore)		CAGR
	2013-14	2017-18	
Rent & Services	329.76	641.34	18.10
Trading concessions	373.73	637.22	14.30

Car parking	54.56	110.18	19.20
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3.7 Data on segment wise revenue and expenditure from 2016-17 to 2018-19 is as follows:

(Rs. in cores)

Particulars	FY 2016-2017	FY 2017-2018	FY 2018-2019
<b>REVENUE:</b>			
(i) Airport Navigational Services	2972.89	3495.34	3702.18
(ii) Airport Services			
(iii) Non-Aeronautical Airport Services	3483.98	4257.77	4491.59
(iv) Cargo Revenue	1304.97	1451.01	1842.85
(v) Airport Lease Revenue	261.95	0.00	0.00
(vi) Other Income			
<b>Total Revenue</b>	3836.75	3102.57	3050.07
	681.47	670.27	1046.27
	<b>12542.01</b>	<b>12976.96</b>	<b>14132.96</b>
<b>EXPENDITURE</b>			
(i) Employee Benefits Expenses	2789.08	3647.33	5158.98
(ii) Operating Expenses			
(iii) Administrative and other Expenses	1509.85	1597.71	1662.68
(iv) Finance Costs	1272.02	798.37	823.68
(v) Depreciation and Amortization	98.37	44.15	6.50
(vi) Security Expenses			
<b>Total Expenditure</b>	1432.79	1461.45	1564.89
	882.28	1011.01	1232.24
	<b>7984.40</b>	<b>8560.02</b>	<b>10448.97</b>
<b>Profit Before Tax</b>	<b>4557.61</b>	<b>4416.94</b>	<b>3683.99</b>

3.8 In response to a query as to why AAI profits have come down despite increase in revenue every year, a representative of AAI appearing before the Committee on 17.02.2020 submitted as under:

“Sir, in 2017-18 our employees benefit expenses were Rs. 3,647.33 crore and it went up to Rs.5,158.98 crore in 2018-19. So, there is an increase of approximately Rs.1,500 crore while profits have gone down by only Rs.800 crore. So, the provision that was made for employees’ benefit, the details of which my Finance people will tell you, led to the decline in profits”

3.9 Responding to a query as to whether any superannuation benefits scheme is under implementation in AAI and if so, its status and the additional burden if any due to implementation and the scheme, AAI furnished the following reply:

“Employees Defined Contribution Pension Scheme has been implemented in with effect from 01.01.2007 as per DPE guidelines on the subject for all employees of AAI including ATCs. The corpus fund of approximately Rs. '1100 Crores has been created by Finance Department of AAI. No separate Employees Defined Contribution Pension Scheme has been implemented for ATC.”

3.10 Elaborating further a representative of AAI added as under:

“As per the DP guidelines, all the employees are entitled for 30 per cent superannuation benefits. One of the schemes, the Defined Pension Contribution Scheme, was to be implemented from 1st January, 2007. It was approved by our Board in 2014 and by the Ministry of Civil Aviation in 2018. Last year, in 2018-19, we provided around Rs.818 crore towards this scheme and because of that there is the material impact on profitability. Besides that, because of the signing of the Wage Agreement, we end up in paying Rs.116 crore towards wage revision to our employees for which year-to-year provision was already made but some differential provision was made and we provided Rs.116 crore in the year 2017-18 because of which there has been an increase in the expenditure vis-à-vis last year. Another, Rs.224 crore was provided for our CAD pension. Some of our employees had come from the Central Government and they opted for the Central Government pension because of which there has been an extra liability on the Airports Authority of India, which is turning out to be around Rs.224 crore. As per the accounting standards, we are supposed to provide the actual valuation in the books of account. That has also ended up in another Rs.483 crore on account of actual valuation. So, primarily there are three major elements; actual valuation liability in respect of employees, Defined Pension Contribution Scheme (Rs.818 crore), increase in the wage revision (Rs.116 crore), and the CAD pension (Rs.224crore). These are the major components of Rs.1500 crore increase which has taken place in the cost.”

### **C. JOINT VENTURES - DIAL and MIAL**

3.11 In September, 2003, Cabinet approved the proposal of MoCA that restructuring of Delhi and Mumbai airports may be undertaken through JV route by formation of two separate companies between AAI and selected JV partner. The EGoM in February, 2005 approved all the key principles of the Request For Proposal (RFP) document along with the draft transaction documents i.e. Operation, Management and Development Agreement (OMDA), State Support Agreement (SSA), Share Holders Agreement (SHA), Lease Deed Agreement, Communication, Navigation, Surveillance and Air Traffic Management (CNS-ATM) Agreement and State Government Support Agreement.

3.12 DIAL is a Joint Venture, form as a consortium between GMR group (54%), AAI(26%), and FRAPORT AG and Eraman Malaysia (10%) each. In a written reply to a query as to the revenue share from DIAL and MIAL, the AAI submitted as follows:

“As per provisions of OMDA, DIAL shall pay to AAI an Annual Fee (AF) @45.99% of the projected revenue for each year respectively. AF shall be payable in twelve (12) monthly equally installments, payable on the 1<sup>st</sup> day of each calendar month. DIAL shall make payment to AAI in advance on or prior to the 7<sup>th</sup> day of each month. The revenue sharing model is identical in case of MIAL except rate of annual fee, which is 38.70% of projected revenue for each other.”

3.13 AAI has signed ‘Operation, Management and Development Agreement (OMDA) with DIAL and MIAL. Furnishing the basic features of OMDA, AAI in a written reply submitted to the Committee stated inter-alia as under :

“The agreement signed with both DIAL and MIAL are similar and hence, the features of OMDA are similar for both DIAL and MIAL. As per Clause 2.1.2 of OMDA, DIAL and MIAL have exclusive right to:

- (i) develop, finance, design, construct, modernize, operate, maintain, use and regulate the use by third parties of the Airport;
- (ii) enjoy complete and uninterrupted possession and control of the Airport Site and Existing Assets for the purpose of providing Aeronautical Services and Non-Aeronautical Services;
- (iii) determine, demand, collect, retain and appropriate charges from the users of the Airport in accordance with Article 12 hereto; and
- (iv) Contract and/or sub-contract with third parties to undertake functions on behalf of the JVC, and sub-lease and/or license the Demised Premises in accordance with Article 8.5.7.”

As per OMDA, DIAL and MIAL will provide the following facilities and services:

- (i) Aeronautical Services;
- (ii) non-Aeronautical Services;
- (iii) Essential Services;
- (iv) VIP Lounge;
- (v) Indian Defence Forces and Military Activities; and
- (vi) Slots

As per Clause 2.2.3 of OMDA, DIAL and MIAL shall perform services and activities constituting aeronautical services, non-aeronautical services (but excluding reserved activities) and essential services

“**Reserved Activities**” shall mean customs, immigration, security at the Airport in respect of Aeronautical Assets and related services only (and specifically excluding areas removed from the vicinity of Aeronautical Assets), Health, meteorology, plant and animal quarantine and CNS/ATM Services and other statutory or sovereign functions, as per Applicable Law.

“**Essential Services**” shall be provided free of charge to passengers:

- (i) Toilets;
- (ii) Trolleys;
- (iii) Passenger Baggage Handling; and

(iv) Drinking water.

### **VIP Lounge**

The JVC shall provide and maintain at all times at the Airport (free of charge and cost) a Government VIP Lounge for the use and comfort of designated guests and personnel of GOI and the AAI as per the list of personnel eligible to use such facilities as provided by the GOI/AAI from time to time. The JVC shall in addition provide and maintain at the Airport (free of charge and cost), a ceremonial lounge adhering to existing principles of protocols and courtesies.

### **Indian Defence Forces and Military Activities**

The JVC hereby undertakes and agrees that the Indian Defence Forces shall, at all times have the right to use the Airport and all facilities at the Airport, free of charge without any restriction or constraint of any nature whatsoever.

### **Slots**

The JVC is responsible for the management and allocation of aircraft landing and timetable slots at the Airport, for both domestic and international traffic, JVC shall allocate slots at the Airport in consultation with airlines, in accordance with IATA Slot Allocation Guidelines as issued and updated from time to time in a fair, reasonable and equitable manner.”

3.14 In a written reply to a query as to whether there is any provision for audit of account of Joint Venture, AAI in a written reply submitted as under:

“Further as per OMDA, an Independent Auditor shall be appointed for verification/reconciliation of applicable revenue. The applicable revenue, as certified by an Independent Auditor, shall be used for working out Annual Fee.

Further, AAI and its representatives has the right to inspect at any reasonable time the books, records and other material kept by or on behalf of DIAL and MIAL in order to check or audit any information (including the calculation of Revenue) supplied to the AAI under this Agreement. DIAL and MIAL shall make available to the AAI and its representatives such information and grant such access or procure the grant of such access (including to or from third parties) as they shall reasonably require in connection therewith.”

3.15 The data on segment wise gross revenue earned by DIAL and the revenue share of AAI for five years from 2014-2015 to 2018-19 as furnished by AAI is as follows:

Head	2014-15	AAI share	2015-16	AAI share	2016-17	AAI share	2017-18	AAI share	2018-19	AAI share
Landing & parking	853.58	390.78	939.83	430.16	1045.54	478.54	722.27	330.58	593.25	271.53
PSF	-		-		-		-		-	
User Development fee	1953.86	894.28	2313.41	1058.84	2717.71	1243.89	789.38	361.29	138.05	63.18
Cute Counter charges	11.30	5.17	12.49	5.71	14.43	6.6	17.06	7.8	12.92	5.91
Baggage X-ray	-		-		-		-		-	
Fuel farm	132.18	60.49	141.85	64.92	153.86	70.42	176.77	80.9	168.86	77.28
<b>Aero Income (A)</b>	2950.92	1350.63	3407.58	1559.38	3931.53	1799.46	1705.48	780.59	987.80	452.11
Duty free	263.82	120.37	310.05	141.9	330.72	151.37	365.25	167.17	449.89	205.91
Retail	73.11	33.46	86.20	39.45	97.84	44.78	125.45	57.41	160.85	73.62
Advertisement	104.17	47.67	119.13	54.52	140.76	64.42	169.34	77.5	161.10	73.73
Food & Beverages	74.50	34.09	87.48	40.03	112.16	51.33	132.85	60.8	151.19	69.19
Cargo	157.36	72.02	159.76	73.12	163.04	74.62	199.26	91.2	234.26	107.22
Ground Handling	85.06	38.93	108.70	49.75	111.95	51.23	116.54	53.34	125.74	57.55
Parking	10.23	4.68	16.05	7.34	19.02	8.7	25.74	11.78	30.94	14.16
Land & Space-Rentals	195.75	89.59	269.83	123.5	305.70	139.59	342.27	156.65	371.36	169.97

Others	182.35	83.46	202.74	92.79	209.55	95.91	269.56	123.37	347.37	158.99
<b>Total</b>	<b>7048.19</b>	<b>3225.62</b>	<b>8175.10</b>	<b>3741.41</b>	<b>9353.81</b>	<b>4280.86</b>	<b>5157.22</b>	<b>2360.38</b>	<b>4008.29</b>	<b>1835.33</b>

3.16 The data on segment wise gross revenue earned by MIAL and the revenue share of AAI for five years from 2014-15 to 2018-19 as furnished by AAI is as follows:

(Rs. in Crores)

Particulars	FY 2014-15		FY 2015-16		FY 2016-17		FY 2017-18		FY 2018-19	
	Revenue earned	Annual Fee Paid	Revenue earned	Annual Fee Paid	Revenue earned	Annual Fee Paid	Revenue earned	Annual Fee Paid	Revenue earned	Annual Fee Paid
Landing Charges	648.17	250.84	691.95	267.78	940.09	363.81	1,335.24	516.74	1,391.30	538.43
Parking Charges	28.66	11.09	29.36	11.36	47.85	18.52	63.75	24.67	65.53	25.36
Aerobridge charges	42.10	16.29	45.92	17.77	71.67	27.74	87.14	33.72	89.56	34.66
Unauthorised overstay charges	5.92	2.29	6.85	2.65	9.18	3.55	11.98	4.64	12.87	4.98
User Development Fees	547.25	211.79	629.77	243.72	442.26	171.15	119.58	46.28	160.42	62.08
<u>Concessions:</u>										
Duty Free	171.02	66.19	229.14	88.68	246.12	95.25	256.98	99.45	321.53	124.43
Pranaam	-	-	3.68	1.42	5.56	2.15	7.75	3.00	12.04	4.66
Others	458.99	177.63	530.37	205.25	667.88	258.47	762.21	294.98	902.52	349.28
Oil Throughput	103.78	40.16	106.65	41.27	127.53	49.36	167.02	64.64	174.19	67.41
Into Plane Revenue	0.32	0.12	1.53	0.59	1.60	0.62	1.85	0.72	2.34	0.91
Rent & Services	118.57	45.89	144.92	56.08	160.65	62.17	169.56	65.62	219.71	85.03
Others - Non Aero	20.03	7.75	27.41	10.61	24.08	9.32	62.06	24.02	22.38	8.66

Cargo	231.46	89.58	254.82	98.61	279.19	108.05	337.51	130.62	285.80	110.60
Other income	29.74	11.51	51.94	20.10	47.87	18.53	52.25	20.22	41.60	16.10
Real Estate Revenue	0.32	0.12	2.09	0.81	2.30	0.89	3.40	1.32	13.53	5.24
Profit on sale of capital assets	-	-	16.14	-	-	-	-	-	-	-
Interest on delayed payment from Air India		-	-	-	23.50	-	59.67	-	50.10	-
Notional Income as per Ind AS	-	-	34.31	-	52.93	-	47.27	-	82.00	-
Less: Bad debts adjustment		-	-	(0.67)	-	(1.87)	-	-	-	(0.14)
<b>Total</b>	<b>2,406.32</b>	<b>931.25</b>	<b>2,806.85</b>	<b>1,066.06</b>	<b>3,150.26</b>	<b>1,187.70</b>	<b>3,545.22</b>	<b>1,330.61</b>	<b>3,847.42</b>	<b>1,437.69</b>

3.17 The Ministry in response to a subsequent query on the segment wise revenues of DIAL and MIAL under various heads of Aeronautical and Non-Aeronautical services furnished the following data:

(Rs. in Crores)

Sl. No.	Particulars	2014-2015		2015-16		2016-17		2017-2018		2018-2019	
		DELH I	MUMB AI	DELH I	MUMB AI	DELH I	MUMB AI	DELH I	MUMB AI	DELH I	MUMB AI
<b>AERONAUTICAL REVENUE</b>											
1	Landing and Parking Charges	853.58	682.75	939.83	728.16	1045.54	997.12	722.27	1410.97	593.25	1469.70
2	Passenger Service Fee	-	-	-	-	-	-	-	-	61.56	-
3	Use Development Fee	1953.86	547.25	2313.41	629.77	2717.71	442.26	789.38	119.58	138.05	160.42



4	Cute Counter Charges	11.30	-	12.49	-	14.43	-	17.06	-	12.92	-
5	Baggage X-Ray Charges	-	-	-	-	-	-	-	-	13.15	-
6	Fuel Farm/Oil Throughput Charges/Into Plane Revenue	132.18	104.10	141.85	108.18	153.86	129.13	176.77	168.87	168.86	176.53
7	Aerobridges Charges	-	42.10	-	45.92	-	71.67	-	87.14	-	89.56
8	Cargo	157.36	231.46	159.76	254.83	163.04	279.19	199.26	337.51	234.26	285.80
<b>Total –A</b>		<b>3108.28</b>	<b>1607.66</b>	<b>3567.34</b>	<b>1766.86</b>	<b>4094.58</b>	<b>1919.37</b>	<b>1904.74</b>	<b>2124.07</b>	<b>1222.05</b>	<b>2182.01</b>

#### NON-AERONAUTICAL REVENUE

9	Concessions-Duty Free/Pranaam	263.82	171.02	310.05	232.82	330.72	251.68	365.25	264.73	449.89	333.57
10	Concessions-Others/Retail/ Advertisement/ Food & Beverages/ Ground Handling/ Parking	347.07	458.99	417.56	530.37	481.73	667.88	569.92	762.21	629.82	902.52
11	Land & Space –Rentals/Rent & Services	195.75	118.57	269.83	144.92	305.70	160.65	342.27	169.56	371.36	219.71
12	Commercial Property Development/Real Estate Revenue	98.24	0.32	94.11	2.09	95.20	2.30	100.54	3.40	100.12	13.53
13	Other Income	266.77	49.77	357.09	129.80	411.39	148.38	554.21	221.25	941.31	196.08

<b>Total -B</b>	<b>1171.65</b>	<b>798.67</b>	<b>1448.64</b>	<b>1040.00</b>	<b>1624.74</b>	<b>1230.89</b>	<b>1932.19</b>	<b>1421.15</b>	<b>2492.50</b>	<b>1665.41</b>
<b>Gross Revenue</b>	<b>4279.93</b>	<b>2406.33</b>	<b>5015.98</b>	<b>2806.86</b>	<b>5719.32</b>	<b>3150.26</b>	<b>3836.93</b>	<b>3545.22</b>	<b>3714.55</b>	<b>3847.42</b>

3.18 As there was lower share of non-aeronautical revenue and with a view to increase the same, AAI is planning to take the following steps:

“(a) AAI has already published the tenders for the Development of Star hotels at Bhubaneswar Airport, Kolkata Airport and Amritsar Airport on Design, Build Finance, Operate and Transfer basis (DBFOT).

(b) AAI has also taken up the Multi-Level Car Parks integrated with commercials at Chennai, Pune, Kozhikode, Amritsar, Bhubaneswar, Coimbatore, Dehradun, Trichy, Vijayawada and Indore Airports.

(c) AAI has also taken up the project of providing Land on License to Retail Petrol Outlets at Bhubaneswar, Kolkata, Varanasi and Amritsar Airports.

(d) Besides, introduction of (i) revenue sharing with Minimum Monthly Guaranteed License Fee model, (ii) F&B and general Retail contracts, (iii) Master Concession concept in F&B and retail, (iv) e-POS in Duty free shop, (v) master concession concept in F&B and General Retail.”

3.19 In a subsequent reply, AAI further added as follows:

“Commercial facilities are being upgraded by AAI from time to time with the objectives of increasing ‘Non-Aeronautical’ revenue. The recently taken major initiatives are:

- AAI has introduced Duty Free Shops contract on a mixed model of Minimum Monthly Guarantee or Percentage Revenue Share whichever is higher.
- AAI has also recently introduced the concept of Master Concessionaire at 14 Airports including Chennai and Kolkata for Food & Beverage and General Retail Outlets.
- AAI has also upgraded the facility of Executive Lounge, Smoking Lounge, Wellness Centre/SPA and Massage Chair at airports for better passenger facilitation and enhancement of airport experience.”

3.20 AAI has stated that it has made revenue sharing agreements for seven years for duty free shop contracts. In response to a query as to AAI’s total revenue earned through their duty free shops at each of the 23 international airports, the revenue is being shared with AAI as per the contractual norms at each of these 23 airports during the last three years, AAI in a reply it has submitted as under:

Sl.No.	Airport	Total	earned	Whether	Whether any
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		Revenue/Revenue share of AAI during the last 03 financial years in US\$ (approximately)	Revenue is received as per agreements made by AAI	litigation is pending related to revenue sharing
1.	Kolkata	151 lakhs	Yes	No
2.	Chennai	280 lakhs		
3.	Lucknow	4.04 lakhs		
4.	Amritsar	33.24 lakhs		
5.	Jaipur	7.16 lakhs		
6.	Ahmedabad	13.27 lakhs		
7.	Goa	38.60 lakhs		
8.	Mangalore	12.92 lakhs		
9.	Calicut	70.83 lakhs		
10.	Trichy	42.73 lakhs		
11.	Trivandrum	54.84 lakhs		
12.	Pune	10.83 lakhs		
13.	Madurai	8.33 lakhs		
14.	Coimbatore	7.63 lakhs		
15.	Vizag	2.99 lakhs		

3.21 In written response to a query as to why information relating to accounts and performance of Joint ventures and subsidiaries is not included in the Annual report of AAI, stated as follows:

“(i) AAI is not a company registered under the Companies Act and is a statutory Body created under AAI Act,1994.

(ii) It is informed that the annual report and annual statement of accounts are compiled as per the rules framed under AAI (Annual Statement of Accounts) rules, 2014. Para 4 (2) of the Rules provides for the matters to be contained in the Annual report as stipulated in form –III of the rules...

(iii) The rules do not stipulate enclosure of financials of JVs in the Annual report of AAI. However, AAI is annexing the Annual reports of its subsidiary companies M/s. Chandigarh

International airport (wherein AAI has 51% stake) and M/s. AAI cargo logistics and allied Services company Ltd.(where in AAI has 100 stake) in its Annual Report”

3.22 In a written reply to a query as to the reasons for declining Aeronautical and Non-Aeronautical revenue such as landing and parking user development fee, the cute counter charges, package etc. MoCA in a written reply submitted as follows:

“In compliance of order by Hon’ble Supreme Court of India, the tariff order issued by AERA for 2<sup>nd</sup> control period from 01.04.2014 to 31.03.2019 in respect of IGI Airport, New Delhi, was implemented with effect from 07.07.2017. Accordingly, following charges were reduced:

- a. Landing Charges
- b. Parking and Housing Charges
- c. User Development Fee”

**D. Measures taken to improve the Functions and Profitability**

3.23 As per the Annual Report AAI has taken the following measures for improving its functions and profitability:-

- Information Security Management Systems (ISMS) policy, Information Technology (IT) procurement systems and services policy, cyber security framework, procedures under IT Apex Policy, policy on engaging technology start-up firms, night parking policy, and engaging Mechanised Environment Support Services (MESS) on Quality & Cost Based Selection (QCBS) for up-keep of airports are some of the key initiatives undertaken in the last one year besides taking forward the Ministry's initiatives like Digi-Yatra Policy for seamless passenger processing through terminals from entry point to the boarding gates, Ground Handling Regulations-2017, Regional Connectivity Scheme, etc. Air-Sewa version 1.0, which is a portal and mobile application providing information to passengers about the current status of flights, airport information and services, grievance redressal and reporting, was implemented and development of version 2.0 is in progress.
- The security infrastructure at airports is continuously upgraded in compliance with the norms as per the Standards and Recommended Practices (SARPS) laid down in Annex-17 of International Civil Aviation Organization (ICAO), which is the mother document for aviation security. Keeping in mind the different threat perceptions and inputs by different government agencies, proactive steps are regularly taken at AAI. Responding aggressively to the growth challenges through technological advancements in civil aviation, Airports Authority of India (AAI) is setting up a world-class Civil Aviation Research Organization (CARO) at Begumpet Airport, Hyderabad which will cater to ANS and Airport/ Engineering research.

- AAI has also established Airport Operations Control Centre (AOCC), which will be a nerve centre for all airport operations, with associated Airport Operations Data Base (AODB) at top 10 airports with main data centre at Chennai for monitoring all the operations and collaborative decision with participation of all stakeholders. Further, the installation of AOCC is being carried out at two more major airports of AAI at Goa and Lucknow.
- The most important contribution of AAI towards optimising airport operations resulting in saving billions of dollars and the ecology by sharply reducing aircraft fuel burn is the installation of sophisticated Air Traffic Flow Management (ATFM). The ATFM is a country-wide system to manage flow of air traffic with the implementation of phase-I in six metro airports, in conjunction with Flow Management Positions (FMP) established at 22 other airports. The phase-II will be rolled for other capacity constrained airports after completion of phase-I.
- Also, AAI is procuring additional passenger processing systems comprising 160 Common User Terminal Equipment (CUTE), 200 Common User Self Service (CUSS) kiosks, 1,000 scanners for check-in-counters, etc., and corresponding Counter Information Display Systems (CIDS) are to be installed shortly to ease the congestion in terminal buildings at the same time enabling efficient and secure passenger processing. Modernisation of airports and adding more airports is one of the key agenda of AAI. AAI is working tirelessly towards making its airport facilities world class by constantly upgrading the infrastructure and undertaking new initiatives to meet the future requirements.

**CHAPTER - IV**  
**ORGANIZATIONAL MATTERS**

**A. Granting of Navratna Status to AAI**

4.1 AAI is an unlisted Statutory Corporation constituted under an Act of Parliament i.e. Airports Authority of India Act, 1994 and is 100% owned by the Government of India. It is presently a Miniratna Category-I Corporation. When asked whether the present arrangement under the 'Miniratna Category-I' dispensation provides sufficient autonomy and financial powers to the Corporation in carrying on its business or any improvement needed, the AAI in a written note submitted as under:-

- "(i) AAI is a 'Mini Ratna Category-I' CPSE. The autonomy and financial powers to the Organisation in carrying on its Business flows from the Airports Authority of India Act, 1994 and the delegated powers by virtue of being a 'Mini Ratna Category-I' Organisation as per DPE Guidelines.
- (ii) For realizing its potential in the highly competitive environment of Civil Aviation, AAI needs wider autonomy in taking financial decisions, entering into strategic partnerships via Joint Ventures with Indian and Foreign Companies operating at Global Level and increase in the JV Investment Ceiling since Airport Business is highly capital intensive.
- (iii) Grant of Navratna status to AAI will provide Operational Capacity to meet emerging challenges.
- (iv) Taking the above into account, the Board of AAI has vide Resolution by circulation on 08.05.2017 has resolved that the proposal for grant of Navratna Status to AAI be forwarded to the Department of Public Enterprises through Ministry of Civil Aviation.
- (v) As approved by AAI Board, AAI vide letter No. AAI/F&A/Comp/2017-18/266 dated 18th May, 2017 has forwarded the detailed proposal of seeking grant of Navratna Status to AAI to MoCA for its recommendations and for forwarding to DPE for further consideration and approval.
- (vi) Further details/clarifications sought by MoCA was provided by AAI vide Letter No.AAI/CHQ/F&A/COMP/Navratna/2017-18 dated 08.08.2017.
- (vii) DPE vide OM F.No.26(1)/2011-GM dated 05.10.2017 has sought further details/clarification on AAI's proposal. AAI vide Letter No. AAI/CHQ/F&A/Comp/Navratna/2017-18, dated 14.11.2017 addressed to MoCA has provided point wise replies on the issues referred by DPE for perusal and forwarding to DPE for further consideration.
- (viii) Department of Public Enterprises vide OM F. No.26(1)/2011-Gm dated 30th January, 2018 has informed the following.

"This Department is of the view that since AAI is governed by AAI Act, further empowerment would require amendment in the AAI Act. Further, for empowerment through Ratna Scheme of DPE, AAI may require to become a Company under the Companies Act, 2013".

- (ix) MoCA vide OM dated 16.04.2018 provided further clarification/justification in response to DPE's OM dated 30.01.2018 referred to above and requested DPE to favourably consider the proposal for grant of Navratna status to AAI.
  
- (x) In response, DPE vide OM dated 01.06.2018 submitted its view to wait for the outcome of action taken on recommendations which emerged from the CPSE Conclave held on 09.04.2018 related to Corporatization of statutory bodies such as AAI in order to facilitate improvement in their performance and enabling such statutory bodies to leverage their net worth for expansion and growth."

4.2 AAI in a written response of a query as to whether AAI has sufficient autonomy and financial powers to carry out its business effectively and efficiently, stated inter alia as under:

- (a) "AAI is presently designated as Mini-Ratna (Category-I) & Schedule 'A' Central Public Sector Enterprise by the Department of Public Enterprise.
- (b) AAI as a Mini-Ratna, Category-I Organization has powers with its Board for capital expenditure up to Rs. 500 Crore.
- (c) With the fast changes in aviation scenario in India, a major restructuring in the aviation set up has taken place over the last few years. AAI at this stage has various challenges and has to look for different opportunities, not only in the country but at the International level also, to maintain growth.
- (d) AAI has to use its vast potential in the knowledge base for taking assignment in development of airports in the country and abroad, provide management consultancy in various fields of management of airport operations and cargo services, extend its services in satellite navigation to neighbouring countries, take up calibration assignment to maximize its return on the capabilities existing in AAI.
- (e) The Asia Pacific region is expected to emerge as the largest aviation market by 2032. To meet the growth projections in aviation traffic, airport development has to keep pace with the growth of the economy. In the National Civil Aviation Policy 2016 of GOI also, attention has been given to Regional connectivity that is development and operations of airports in Tier II and III cities with the objective that airports generate 40% - 50% of their revenues from non-aeronautical services. Various reports are the indicators that the next generation of aviation growth in India will be triggered by regional airports which are around 450 spread across the country. AAI envisages development of Greenfield airport/Brownfield Airports in tune with the expected market conditions. It also envisages formation of SPV/JVCs for State Government/Local Authorities etc for Greenfield airports/Heliports. For realizing its potential in the highly competitive environment like civil aviation, AAI Board needs wider autonomy in taking financial decisions, entering into joint ventures with Indian & foreign companies, operating at the global level. Besides AAI also intends to establish its presence outside the country.
- (f) To have competitive advantage and capacity to meet the emerging challenges in a capital-intensive technology driven industry, AAI Board needs enhancement of its powers."

4.3 In response to AAI's request for upgrading its status to Navratna, as mentioned above, DPE has conveyed that before considering the request for its up-gradation, AAI should become a company under the Companies Act, 2013. In response to a query as to whether such a stipulation was there in DPE guidelines when it was granted Mini Ratna status, AAI in a written reply submitted as under:

(ii) AAI is already discharging efficiently the dual role of as airport operator as well as that of Air navigation service provider (which is a Sovereign function)

(iii) AAI ....was granted Mini ranta category I status in March 2009 by the DPE....”

4.4 As per Para 5.8.2 of the Public Enterprises Survey 2018-19 brought out by the Department of Public Enterprises (DPE), the Government of India introduced the Navratna scheme in July 1997 to identify and delegate enhanced powers to CPSEs having comparative advantage and the potential to become global players. As per the criteria laid down by the Government, Miniratna Category-I and Schedule 'A' CPSEs, which have obtained 'Excellent' or 'Very Good' rating under the Memorandum of Understanding (MoU) system in three of the last five years, and have a composite score of 60 or above in six selected performance parameters are eligible to be considered for grant of Navratna status.

4.5 In the light of AAI's request for granting Navratna status and the DPE's response to the effect that AAI needs to become 'Company' under the Companies Act, 2013 before considering its request as per the extant policy for granting Navratna status, AAI was requested to furnish its view as to whether AAI would be able to function more efficiently if it becomes a Company under the Companies Act, 2013, AAI submitted as under :

- (a) "Department of Public Enterprises while processing the proposal of AAI to accord it Navratna Status has made the following remarks: "DPE is of the view that since AAI is governed by AAI Act, further empowerment would require amendment in the AAI Act. Further, for empowerment through Ratna Scheme of DPE, AAI may require to become a Company under the Companies Act, 2013.
- (b) For this remark, AAI has clarified to DPE that Empowerment of AAI by amendment of AAI Act on corporatization will be as per Government of India's decision.
- (c) AAI is regularly signing the MoU with MoCA over the years as per DPE Guidelines. Periodical reporting to MoCA/DPE on the parameters of MoU are done by AAI. DPE evaluates the MoU Parameters *w.r.t.* actual performance for the year and awards score considering AAI as a CPSE.
- (d) AAI is also following the Guidelines on Capital Restructuring of Central Public Sector Enterprises (CPSEs) being issued by Ministry of Finance, Department of investment and Public Asset Management from time to time and Dividend is paid to Govt. of India as per stipulated Guidelines.
- (e) For the Financial year 2016-17, & 2017-18 AAI has paid 100% PAT amounting to Rs. 3115.93 Crore and Rs. 2801.64 Crore as Dividend (including Dividend Distribution Tax) for the respective year as per the directives of DIPAM conveyed vide Minutes of the Meeting of the Committee Management of Government Investment in CPSEs (CMGIC).
- (f) AAI is already A Mini Ratna Category-I CPSE in its present organizational entity as an 'Authority' and without being registered as a Company and has requested for grant of Navratna Status to enable it to meet the growing aviation infrastructure needs of the Country as it is playing the dual role of Airport Operator by managing 137 Airports (As per AAI Annual



Report 2018-19) and Air Navigation Service Provider managing the designated Indian Air Space of Land and oceanic airspace for all Airports including Green field. Joint venture, State Government and Private Airports.

(g) Considering the above, AAI with its present organization entity as an 'Authority' will be able to function more efficiently after getting the status of 'Navratna'."

4.6 MoCA while supporting the demand of AAI for grant of Navratna status, stated as under:

"With a view to better equip AAI to meet the ever-growing challenges of aviation sector, the proposal to upgrade status of AAI from Mini-Ratna to Nav-Ratna was referred to the Department of Public Enterprises, which advised to take up the issue of coporatisation of AAI before upgradation of the status".

4.7 When asked about the views on granting of Navratna status to AAI, the Chairman, AAI during the course of evidence held on on 17 February 2020 deposing before the Committee submitted as under: -

"It is a fact that we enjoy Miniratna status right now and we have been trying for the last several years to gain the Navratna status. We are trying through our Ministry and the Department of Public Enterprises to go through that process. As things stand today, though it has taken time, we are headed in that direction in the sense that we have got instructions from the Department of Public Enterprises to start the process of examining whether we can be corporatized and also to start the issue of buyback of shares. We are undergoing that way. I think we are on the path where we are trying to function as a company under the Companies Act as per the guidelines of DPE. Once that happens, I think we will be taking a step to move towards Navratna status. "

**B. Human Resource Management**

4.8 With regard to the sanctioned and actual strength of the man-power in the organisation, theAAI submitted the following data:

<b>Employee Category</b>	<b>Sanctioned Strength</b>	<b>Actual Strength</b>	<b>Remarks</b>
Executive	14567	10145	Recruitment plan has been finalized to fill up the vacant induction level posts.
Non-Executives	*	7280	* Sanctioned strength in Non-Executive cadres is being reviewed in view of Airports being leased out on PPP model.  For operational cadre recruitment in non-Executive cadre also being done on regular basis by respective Regional HQ.

<b>TOTAL</b>		<b>17425</b>	
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4.9 With regard to manpower strength in different exclusive categories, the AAI submitted the following data :

<b>Category</b>	<b>PWD</b>	<b>SC</b>	<b>ST</b>	<b>OBC</b>	<b>FEMALE</b>
Executive	86	2228	653	2400	1670
Non-Executive	128	1493	605	1552	998
<b>Total</b>	<b>214</b>	<b>3721</b>	<b>1258</b>	<b>3952</b>	<b>2668</b>

4.10 AAI, in written reply to a question as to whether the present manpower is sufficient to manage and meet the requirement of ambitious RCS-UDAN policy of the Government, submitted that:

“Presently, the manpower requirement at RCS-UDAN airports are met from the current manpower pool of different discipline of AAI. Further, the manpower requirement at RCS Airports will be reviewed from time-to-time and necessary action will be taken accordingly.”

4.11 Manpower shortage and training is identified as one of the weakness by AAI in the SWOT analysis. With regard to estimated manpower shortage and the measures taken by AAI to meet the manpower shortage and the training requirements AAI, in a written note submitted as follows:

“AAI undertakes regular recruitment at induction levels as per AAI Recruitment and Promotion Regulations, across disciplines, to ensure sufficient manpower to cater the needs of the organisation.

AAI has been catering the training requirement of its employees through training centers across the country, CHQ Training Cell has trained 1700 employees posted at CHQ in the last two years, while the other four training institutes viz. Indian Aviation Academy, Civil Aviation Training College (CATC) Prayagraj (with campuses at Hyderabad and Gondia), Fire Training Centre (FTC), New Delhi and Fire Service Training Center (FSTC), Kolkata have also been catering to the specific requirements in AAI employees of all disciplines.

Besides, there are five Regional Training Centres also which are mainly catering the training requirement of employees posted in various regions. Around 5500 employees have been training by these RTCs in last 2 years.

AAI has also entered into 3 years MoU with IIM Bangalore, IIM Indore, IIM Lucknow & MDI Gurgaon for imparting Leadership Development Training to employees. Around 570 employees have been trained through these programs in last 2 years. Moreover, in order to facilitate learning on a global platform, around 1200 executives have been deputed for various training programs, workshops, symposiums and meetings held abroad in last 2 years.

Going with the modern trend, the online learning as a part of training is being promoted and around 1748 officers have been trained through online courses in last 2 years.”

4.12. In reply to a query as to the sufficiency of man power in the light of RCS-UDAN, AAI stated as under:-

“The existing manpower is utilized for the development of infrastructure of new airports. However, manpower requirement is reviewed from time to time as and when required.”

**C. Pilots Training Facilities**

4.13 AAI furnishing data on number of Pilots trained in India for the last 5 years stated as follows:-

“1715 pilots have been trained in India from 2015-19 for issuance of Commercial Pilot License (CPL) through DGCA. The recruitment of the pilots in different airlines depends upon the specific recruitment policies of the particular airlines.”

4.14. With regard to assessment of requirements of new Pilots India will need in the next 10 years, AAI submitted that:-

“Various scheduled operators have projected a demand of approximately 14,110 pilots for the next 10 years.”

4.15 Responding to a query as to the number of those Pilots can be trained in India in the next 10 years, AAI in a written reply stated as follows:-

“Pilots are inducted in various categories like CPL, ATPL etc. At present nearly 400 CPL pilots are being trained in India and best efforts are made to provide mandatory training to all the eligible candidates. As far as, ATPL pilots are concerned, all airlines conduct in house training for their utilization and may deal with their training requirement.”

4.16. In written reply to a query as to whether training facilities in India are adequate to meet the future demands, AAI submitted as follows:-

“Best efforts are being made to provide mandatory training to all the eligible candidates. Moreover, as far ATPL pilots are concerned, all airlines conduct in house training for their utilization and may deal with their training requirements themselves.”

4.17. With regard to Pilot Training Academy owned by AAI, AAI in a written reply submitted that:

“In order to impart training to pilots, AAI established a National Flying Training Institute (NFTI) in Gondia, Maharashtra. AAI signed Memorandum of Understanding with International Flight School (Mauritius) Ltd. (an associated Company of CAE Inc.), to provide pilot training. A Joint Venture Agreement (JVA) was executed between AAI & CAE with shareholding of 49% and 51%

respectively in NFTI. Later on, AAI off-loaded 3.46% of its sharing holding in favour of M/s. Pawan Hans Helicopters Limited.”

**D. ATC Training Facilities**

4.18 With regard to the number of training institutes imparting training to Air Traffic Controllers(ATCs) owned by AAI, in a written reply AAI submitted that:

“There are 03 Training Institutes providing training to ATC. All of them are owned by AAI.The detailed note of all of them are given below:

**(1) Civil Aviation Training College (CATC), Prayagraj**

The Civil Aviation Training College (CATC), Prayagraj is a training establishment of Airports Authority of India (AAI). It was established in February 1948 by Civil Aviation Department, Govt. of India and functioned under the Director General of Civil Aviation (DGCA), India to cater to the various training needs in the field of civil aviation (under the aegis of Ministry of Civil Aviation).

**(2) National Institute of Aviation Training and Management (NIATAM), Gondia**

It was established in the year 2010 and is situated in a remote village Birsi, Gondia, Maharashtra. It caters to the training of the ATC personnel from all over India. There are 04 Simulation Labs for ADC/APP/ACC equipped with training devies and material to conduct the practical classes. Four Procedural Labs have the capacity of at least 12 trainees each. This institute has facilities like Study/ Reading Rooms, Library, Cafeteria, Hostels (30 rooms for girls/182 rooms for boys), Residence, Solar Plants etc.

**(3) HTC, Hyderabad**

**HTC**, Hyderabad is one of the three ATSTOs (Air Traffic Services Training Organization) wholly owned by AAI. It was established in the year 2007 and is situated in Begumpet, Hyderabad. It caters to the training of the ATC personnel from all over India. HTC, Hyderabad has been approval by DGCA on 24.05.2019. It runs at the most four procedural ATC Courses concurrently, with not more than twelve trainees in each course (i.e. not more than 46 trainees at any point of time).There are 04 class-rooms equipped with modern training aids, which can accommodate declared capacity of trainees.There are 04 procedural Labs for ADC/APP/ACC equipped with training devices and materials to conduct the practical classes. Four Procedural Labs have the capacity of at least 12 trainees each.This institute has facilities like Library, Cafeteria, Hostels (Max 46 trainees on twin-sharing basis), Residence, etc.”

4.19. The details of training infrastructure and activities provided to AAI staff as furnished by AAI may be seen at **Annexure-3.**

## E. SWOT Analysis

4.20 As informed to the Committee, the Strength, Weakness, Opportunities and Threat (SWOT) Analysis of AAI is as under:

### Strength

- Large land holdings
- Network of airports across the country
- Expertise in providing air navigation services
- Consistent profitability and strong financial resources
- Experienced manpower

### Weakness

- Low share of non-aero nautical revenue
- Stagnant growth of cargo business
- Manpower shortages and training
- Limited focus on MIS
- Limited focus on Marketing

### Threat

- Reliance on revenue beyond the control of AAI
- Obligation to implement RCS
- Competition from other airport developers
- Stricter environment and safety norms

### Opportunities

- Enhancing non-aeronautical services at passenger terminals
- Expanding the cargo business
- Monetizing land assets
- Adoption of state-of-art technology
- Marketing initiatives to improve engagement with customers.”

**CHAPTER-V**  
**DEVELOPMENT OF AIRPORTS – PPP MODEL**

5.1 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 supply to steering committee of Ministry of Civil Aviation for obtaining site clearance in accordance with the stipulated requirements. The steering committee of the Ministry of Civil Aviation will process such applications and issue 'In Principle' approval. Wherever any State Government approaches AAI for technical assistance/ pre feasibility study for setting up of New Greenfield Airport, AAI multi-disciplinary team visits the site and report is submitted to the State Government.

5.2 When asked about the rationale behind privatisation of airports and what role does AAI play in the privatization process, AAI in a written note submitted as under-:

"The increase in domestic and international air travels in India and strong traffic growth in the past resulted in congestion at many of airports. The PPP in airport infrastructure projects has brought efficiency in service delivery, expertise, enterprise and professionalism, apart from bringing the needed investments in the sector. International operators and investors prefer brownfield airport expansion opportunities with having more than 3-4 million passenger capacity. At a point where there is pressure on the India's current account deficit and the Indian currency is under pressure, attracting long-term capital in the form of foreign direct investment (FDI) is a key imperative. The airport sector may provide an immediate opportunity through the adoption of PPP approach."

5.3 The following are some of the benefits accrued due to involvement of Private Sector through PPP in Aviation industry:

- “Full commitment of the private sector as it is responsible for Design, Build, Finance, Operate, and Transfer (DBFOT), Capital investment will be recovered over a long period keeping user charges reasonable.
  
- All benefits of the (O&M + Capital expenditure) model like no burden of capital investment on AAI, optimal design, optimal benefits of private participation, high private sector interest.
  
- Better user experience: Both Delhi and Mumbai Airports are now rated among the best in the world due to improved Airport Services Quality (ASQ) due to private participation.
  
- The revenue share accrual to AAI from Delhi and Mumbai airports is more than 130% of the Profit After Tax (PAT) of AAI in 2015-16.
  
- Prime example of brownfield Asset monetization for infrastructure investment: AAI is investing more resources in its other brownfield airports from the revenues made possible from Delhi and

Mumbai airports. Further, the concession fee that would be received by AAI will be used for development of RCS and greenfield airports across the country.

- It may be seen that the ASQ rating of Delhi (ASQ Rating -5.0, Rank-01) and Mumbai (ASQ Rating – 5.0, Rank-05) in the year 2019 is an improvement in Aviation Sector of the country.

- Passenger Traffic for Delhi Airport in 2006-07 was 20.44 MPPA, which has to 69.23 MPPA in 2018-19 whereas for Mumbai Airport the passenger traffic in 2006-07 was 22.24 MPPA, which has increased to 48.81 MPPA in 2018-19 which has been possible owing to innovation and marketing / branding undertaken by these private airport operators.”

5.4 Adding further, AAI submitted as under:

“These projects will bring efficiency in delivery, expertise, enterprise and professionalism apart from harnessing the needed investments in the public sector. This will also result in enhanced revenues to the AAI, which may lead to further investment by AAI at Tier II and Tier III cities and economic development in these areas in terms of job creation and related infrastructure. The criteria adopted are as under:-

- Single stage two envelop system comprising of technical and financial criteria as specified in the Request for Proposal (RFP).

- The selection of the successful bidder is based on the highest financial quote i.e. Per Passenger fee.

Operations Management of Development (OMD) of these airports for a period of 50 years with no extension provision and, thereafter, the lease premises would come back to AAI. AAI released RFP on 14.02.2019 through global competitive bidding wherein per passenger fee is the bidding parameter.

The role to be played by AAI in this project are:

- Provision of Communication Surveillance (CNS)/ Air Traffic Management (ATM) services at these airports by executing separate CNS/ ATM agreement with the concessionaire.

- Facilitate for provision of reserved services/ activities like Security, Custom, Immigration, Plant and Animal Quarantine and Meteorological services to be performed by respective agencies at these airports.

Periodic monitoring of services quality/ various obligations to be discharged by concessionaire in terms of key performance indicator (KPIs) as per provisions of the Concession Agreement."

5.5 When asked whether AAI has the right to inspect or audit the accounts of their private partners, AAI in a written note responded as under:-

"Further, as per OMDA, an Independent Auditor shall be appointed for verification/ reconciliation of applicable revenue. The applicable revenue, as certified by an Independent Auditor, shall be used for working out Annual fee.

Further, AAI and its representatives has the right to inspect at any reasonable time 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) supplied to the AAI under this Agreement. DIAL and MIAL shall make available to the AAI and its representatives such information and grant such access or procure the grant of such access (including to or from third parties) as they shall reasonably require in connection therewith."

5.6 In response to a query as to whether any comparative study has been carried out by any independent agency on the functioning and performance of AAI managed airports vis-à-vis private airports, AAI in a written note responded as under:-

"No comparative study has been conducted by AAI to show that PPP model would be more beneficial for the growth of aviation industry in India. However, DIAL and MIAL Private promoters involved in the airport Sector have implemented improvements at airport infrastructure at Delhi and Mumbai which has transformed the passenger experience, improved efficiency and capacity for airline operators and delivered revenues to State-owned AAI. The same is reflected by the improved rating of these airports by the Airport Services Quality (ASQ) survey."

5.7 As per the power point presentation (PPT) given by the Ministry of Civil Aviation during evidence, AAI has completed bidding process for operation, management and development of six (6) brownfield airports viz. Ahmedabad, Jaipur, Lucknow, Guwahati, Thiruvananthapuram and Mangalore under PPP. AAI has issued Letters of Award for Ahmedabad, Lucknow and Mangalore airports. Approval is awaited from the Government for the remaining 3 airports. In a separate information furnished by AAI, Lucknow airport has earned profit of Rs. 182.06 crore in 2017-18 and Rs. 192.29 crore profit in 2018-19.

5.8 Further, the AAI in their 190<sup>th</sup> Board meeting held on 05.09.2019 recommended another set of six (6) airports viz. Trichy, Varanasi, Bhubaneswar, Amritsar, Indore and Raipur for undertaking under PPP.



5.9 During evidence, the representative of the Ministry of Civil Aviation, indicated CAPEX outlay of Rs. 25000 Crore for undertaking major infrastructure projects in the next five years. From the statement furnished, it is inferred that out of the outlay of Rs. 25,000 crore, Rs. 7291 crore has been allocated for undertaking works in airports that have been identified for OMD under PPP model. Out of the Rs. 7291 crore, work on allocation of Rs. 5015 crore is already in progress and on Rs. 2276 crore, it has been planned. The details of the outlay is given below:-

**CAPEX OUTLAY OF RS. 7291 CRORE ON AIRPORTS TO BE UNDERTAKEN UNDER PPP**

Remarks	Name of the Airport	Nature of Works	In progress (Rs. in crore)	Planned (Rs. in crore)	Total (Rs. in crore)
Letter of Award issued to the winning bidder	Ahmedabad	ATS Complex/ ATS Tower cum Tech Block	-	167	167
	Lucknow	New Terminal Building	1385	-	1385
	Mangalore	Expansion of passenger terminal buildings	132	-	253
		Parallel Taxi Tracks	121	-	
Approval awaited from Government	Guwahati	New Terminal Building	1232	-	1400
		ATS Complex/ ATS Tower cum Tech Block	-	168	
	Jaipur	Parallel Taxi Tracks	31	-	31
	Thiruvananthapuram	ATS Complex/ATS Tower cum Tech Block	-	114	114
AAI Board in their meeting held on 5.9.19 recommended new airports to be undertaken under PPP.	Bhubaneswar	Parallel Taxi Tracks	138	-	1107
		ATS Complex/ ATS Tower cum Tech Block	34	-	
		New Terminal Building	935	-	
	Indore	New Terminal Building	-	784	829
		ATS Complex/ ATS Tower cum Tech Block	-	45	

	Varanasi	ATS Complex/ ATS Tower cum Tech Block	28	-	976
		New Terminal Building	-	948	
	Trichy	New Terminal Building	951	-	1001
		Runway strengthening/ resurfacing works	-	30	
	Raipur	ATS Complex/ ATS Tower cum Tech Block	30	-	30
	<b>TOTAL</b>			<b>5015</b>	<b>2276</b>

5.10 When asked to provide the details of the number of employment generated due to public private partnership in the airports during the last 5 years, the Ministry of Civil Aviation stated as under:-

"During the last 5 years, no airport has been assigned to public private partnership (PPP) mode of operation. However, AAI has awarded the contract for PPP operation at 3 airports viz. Ahmedabad, Lucknow, and Mangalore Airport on 14.02.2020. Commencement of the operation is likely to be taken up by November 2021 by PPP Operator in view of invoking of Force Majeure clause due to pandemic situation."

**CHAPTER VI**  
**REGIONAL CONNECTIVITY SCHEME (RCS) – UDAN**

6.1 AAI, In the background note, furnished the origin and objectives of RCS-UDAN as follows :

“Government of India approved National Civil Aviation Policy on 15.06.2016. Therein lies a provision for regional air connectivity by reviving non-operational airstrips shall be developed on firm demand from the airlines to operate from such airports. Airports shall be developed as no frill airports with the cost Rs.50 Crore to 100 Crore with the input from concerned State and Airports Authority of India.”

“The Ministry of Civil Aviation launched Regional Connectivity Scheme (RCS)-UDAN (UdeDesh Ka AamNagrik) on 21<sup>st</sup> October, 2016. The primary objective of RCS is to facilitate/stimulate regional air connectivity by making it affordable supporting airline operators through (1) concessions by Central Government, State Governments and airport operators to reduce the cost of airline operations on regional routes/other support measures and (2) financial (viability gap funding or VGF) support to meet the gap, if any, between the cost of airline operations and expected revenues on such routes.”

6.2 With regard to nature of RCS-UDAN, AAI stated as under:

“...RCS-UDAN is market driven mechanism. Development of regional air connectivity routes is proposed to be left to market forces such that airlines undertake assessment of demand and nature of supply required on particular routes and lead the process under RCS.”

6.3 The details of RCS- UDAN scheme such as agency responsible for implementation and the number of airports identified for operating under the Scheme, AAI, submitted as under :

“MoCA has designated Airports .Authority of India as an Implementing Agency for RCS. Till date 106 RCS airports (including 10 Water dromes) and 31 heliports have been identified for operation of flights on 706 RCS routes. 194 RCS Routes has been operational zed from 40 RCS Airports.”

6.4 In yet another instance of furnishing varying data, in response to a query as to whether 106 RCS airports are included in 136 airports owned by AAI?, AAI in a written reply submitted that:

“Out of **137 RCS airports** heliports & waterdromes, RCS flights have been commenced from 42 RCS airports including defence airports. Defence airports are exempted from obtaining license by DGCA...”

6.5 Elaborating further on the role of Implementing Agency, AAI stated that its role is to:

- “Co-ordinate for consultation meeting with stakeholders.

- Receive and compilation of suggestions received from stakeholders after discussion with MoCA to incorporate in draft of RCS document, accordingly, preparation of draft NIEP and draft Selected Airline Operator Agreement.
- Coordinate for pre-bid meeting of applicants/ bidders.
- Receive and Compile the suggestions of applicants and process for review of MoCA. Thereafter, modification of documents.
- Validation of Stage Length/ Flying duration as sought by the applicants.
- Receive and scrutinize of initial proposals and to invite counter proposals.
- Open the Technical Proposals and scrutinize the same.
- Open the Financial proposals of eligible Technical Proposals and scrutinize the same for identification of selected airline operators and RCS networks.
- Awards of networks to the Selected Airline Operators.
- Receive Performance Guarantees and Additional performance Guarantees if required from SAOs. To finalize and execution of selected airline operators agreements for each RCS networks. Monitoring the progress for commencement of RCS flight by SAOs.
- Receiving of VGF claim and scrutinize the same before reimburse to SAOs. Claim of levy from airlines for each departures on all routes except North Eastern Region and J&K and RCS flights for aircraft having maximum take-off weight 40 tonne and above.
- Coordination with Airport Operators for their readiness for commencement of RCS flights within time frame.”

6.6 With regard to the status on bidding of the routes under RCS held so far and the data on routes awarded, AAI submitted as under :

#### “RCS-UDAN 1.0

In 1<sup>st</sup> round of bidding, 128 RCS routes to 5 Airlines were awarded. Due to non-compliance of SAO Agreement by Selected Airline Operator, 64 RCS routes of M/s Deccan Charters and M/s Air Odisha Aviation Pvt. Ltd. have been cancelled. 54 RCS Routes are in operation.

#### RCS-UDAN 2.0

In 2<sup>nd</sup> round of bidding, 305 RCS routes have been awarded to 15 Airlines. Out of these, 88 RCS Routes commenced so far.

#### RCS-UDAN 3.0

In 3<sup>rd</sup> round of bidding, 335 RCS routes, including Tourism routes, North-Eastern routes & Water Aerodromes, for which Letters of Intent have been issued to 11 Selected Airline Operators. Out of these, 52 RCS Routes commenced so far.

## International-UDAN

On request of Govt. of Assam, MoCA/RCS Cell launched the bidding for International Air Connectivity routes from Guwahati to Bangkok, Dhaka- Kathmandu, Kualalumpur, Singapore & Yangon. Bids for Bangkok and Dhaka have been received. Letter of Awards has been issued to selected airline. M/s Spicejet commenced Guwahati - Dhaka sector from 1<sup>st</sup> July, 2019. Likely date of commencement of International UDAN flight between Guwahati & Bangkok is 15.09.2019. Bidding commenced for ex-Guwahati International routes to Hanoi, Kathmandu, and Kualalumpur & Yangon. The last date of submission of proposal is 19.08.2019.

6.7 When enquired about whether new airports were constructed under RCS-UDAN Scheme, AAI stated that:

“Construction of new airports & maintenance airports do not come in purview of Regional Connectivity Scheme. Central Government has earmarked an amount of Rs. 4500 Crores for revival unused and under-utilized airports in India. The revival of airports depends upon the firm demand from airline under RCS bidding.”

6.8 Hon'ble Finance Minister in her Budget speech 2020 announced the development of 100 new airports by 2024 to support UDAN Scheme. In a written reply to a query as to whether any estimation of capital, manpower, timelines, targets etc. fixed for implementation of UDAN scheme, AAI submitted as follows:

“A statement indicating 100 airports (including heliports and water dromes) to be developed by the year 2024 along with estimated/revised cost and timeline to complete the work is available at Annexure-III.”

6.9 MoCA while furnishing the details such as the modalities of financing, budgetary allocations, schedules for completion, etc., of the proposed 100 new upcoming airports, submitted that:

“100 Airports/heliports/water aerodromes have been identified for revival/development under RCS-UDAN. The financing of these airports shall be met out of the budgetary allocation of INR 4500 crore under “Revival/Development of Underserved & Unserved Airports Scheme”. These Airports/Heliports/Wataraerodromes are to be revived/developed for RCS operations between FY 2019-2020 and FY 2023-2024.”

6.10 Responding to a further query as to whether any of the aforesaid newly proposed airports are to be constructed under PPP model, MoCA submitted that:

“Revival/development of existing unserved and underserved airports under RCS-UDAN Scheme is not undertaken under PPP mode.”

6.11 When asked to elaborate on the infrastructural improvements envisaged by AAI in the existing airports to cater to RCS-UDAN Policy, AAI stated as under :

“the list of airports is included in the bid documents for RCS-UDAN wherein the airlines submits their bid depending upon their commercial viability. If an approved bid is received for an airport, a

multi-disciplinary AAI team visits the airport and plan for the infrastructure required to make the suitable for operation of bid aircraft. The estimates for the same are prepared and work executed. The land required for the additional infrastructure is intimated to State Government for acquisition simultaneously.”

6.12 In written reply to a query as to why out of 106 RCS airports, only 40 RCS airports have been operationalised and the problems being faced if any, in operationalising the remaining 66 RCS airports, AAI stated as under:-

“These airports belong to AAI, State Governments, PSUs, Private and Defence. As per provision in the scheme, State Government has to provide minimum required land free of cost. At maximum airports, State Government is yet to provide land. As per provision in the scheme RCS airports would be operationalized within two years from the date of issue of 'Letter of Award'. After two years, the selected Airline Operator has an option to withdraw the proposal of RCS networks.”

6.13 When asked whether the 194 RCS routes as stated by them in the written replies were made operational from 40 RCS airports that were earning profit as envisaged in RCS -UDAN programme, AAI clarified as under:-

“RCS airports are loss making airports;”

6.14 In response to a clarification as to why no expenditure could be incurred during the last four years despite allocation of budget under 'DEVELOPMENT OF REGIONAL AIRPORTS' and a huge amount of Rs. 493.49 crore was spent in the recent past, the AAI clarified as under :

'The concept of RCS was envisaged in National Civil Aviation Policy (NCA-2016). The first meeting of PEC was held on 18.05. 2017 in which underserved and unserved airports were identified and approved for revival. The expenditure is being incurred since 2017-18.'

6.15 AAI in a written reply submitted the following data on investment, expenditure, profit and loss account statement for the last 3 years in respect of airports operating under RCS-UDAN :

“Regional Connectivity Scheme (RCS) – UDAN (UdeDesh Ka AamNagrik) is a flagship scheme of the Government of India to stimulate regional air connectivity by making it affordable.”

The data regarding the investment, expenditure and profit-loss of RCS airports is enclosed as **Annexure-4**.

**CHAPTER VII**  
**OPERATIONAL MATTERS**

**A. Aviation Safety and Security Measures**

7.1 Safety is a very important and a delicate component of Air Travel. AAI in its mission objectives has stated that 'AAI is to be the foundation of an enduring Indian Aviation network, providing high quality, safe, and customer-oriented airport and air navigation services, thereby acting as a catalyst for economic growth in the areas they serve. When Committee sought information from the Ministry of Civil Aviation about the aircraft accidents and incidents that have been reported in the country during the last 10 years. The Ministry replied that :

“As per the Standards and Recommended Practices (SARPs) of International Civil Aviation Organisation (ICAO) contained in the ICAO Annex 13 pertaining to Aircraft Accident and Incident Investigation, the aviation safety occurrences have been classified as accidents, serious incidents and incidents keeping in view the severity of the occurrences and damage to the aircraft. Accordingly, a total of 83 accidents, 115 serious incidents and 6824 incidents have been reported in the country in the last 10 years till May 2020. Uptill, July 2012, DGCA conducted investigations in all the accidents, serious incidents and incidents however in July 2012, Aircraft Accident Investigation Bureau (AAIB) was established as an independent investigating body under the Ministry of Civil Aviation under the provisions of the Aircraft (Investigation of Accidents and Incidents) Rules, 2012. Accordingly, investigation in all the accidents and serious incidents (with all-up weight more than 2250 kgs) to aircraft has been instituted by AAIB and investigation in all the incidents and serious incidents (with all-up weight less than 2250 kgs) is done by DGCA.”

7.2 The Ministry further added that out of the total above occurrences only 36 accidents, 48 Serious Incidents and 59 investigated incidents occurred at the airports and as per the available records, no accident has been reported due to faulty runway.

7.3 When sought clarifications about the India's position on adherence to aviation safety norms are concerned vis-à-vis other countries, the Ministry of Civil Aviation stated that India, as a Contracting State to the Chicago Convention, 1944, adheres to International Standards and Recommended Practices (SARPs) of International Civil Aviation Organisation (ICAO) in achieving the highest degree of safety in aircraft operations. The Ministry further submitted as under:-

“Under Universal Safety Oversight Audit Programme (USOAP), ICAO conducts regular, mandatory, systematic and harmonized safety audits of all the contracting States to ensure that the States are fulfilling their obligation of safety oversight under the Chicago Convention. ICAO requires the contracting States to establish and implement an effective State oversight system taking into account eight critical elements (CEs). These CEs are essentially the safety defence tools of a State safety oversight system and are required for the effective implementation of safety-related policies and associated procedures. States are expected to implement the safety critical elements in a way that assumes the shared responsibility of the State and the aviation community. Critical elements of a safety oversight system encompass the whole spectrum of civil aviation activities, including areas

such as aerodromes, air traffic control, communications, personnel licensing, flight operations, airworthiness of aircraft, accident/ incident investigation, and the transport of dangerous goods by air. The effective implementation (EI) of the CEs or lack of it is an indication of the State's capability of safety oversight. The current EI for India stands at 70.8% against Global average of 69.76%.”

7.4 These are Critical Elements (CE) which are required for effective implementation of safety related policies and associated procedures. The Comparative Statement of Effective Implementation (CSEI) as furnished by MoCA is as follows:

	<b>India EI%</b>	<b>Global EI%</b>
<b>Legislation</b>	90.48	75.18
<b>Organisation</b>	61.54	71.14
<b>Licensing</b>	25.26	73.55
<b>Operations</b>	83.21	70.98
<b>Airworthiness</b>	89.66	81.01
<b>Accident Investigation</b>	67.00	56.09
<b>Air Navigation Services</b>	73.68	67.49
<b>Aerodromes</b>	76.03	62.70

7.5 When asked to furnish details on the number of bird strike incidents reported during the last 10years, the Ministry of Civil Aviation furnished the following information:-

<b>Year</b>	<b>Number of bird strike incidents</b>	<b>Year</b>	<b>Number of bird strike incidents</b>
<b>2010</b>	378*	2015	727
<b>2011</b>	618	2016	835
<b>2012</b>	591	2017	1036
<b>2013</b>	708	2018	1186
<b>2014</b>	679	2019	1167
* Data of Year 2010 is inclusive of Bird and Animal Strike incidents			



7.6 When asked by about the concrete measures that have been taken by AAI and the Government to reduce aircraft accidents/incidents, the Ministry has submitted that:

“AAI is following ICAO guidelines and DGCA CAR and instructions to improve the safety in air navigation services and airport operation, where AAI is providing the services. A strong safety management system (SMS) as per the guidelines of ICAO and DGCA is in place.”

7.7 AAI in a written note mentioned that adequate safety measures are in place at all the AAI owned international airports in India to counter air hi-jack incidents. All the security measures steps/ actions as mandated by Indian Civil Aviation Security Regulator (BCAS) is undertaken by all airport operators. The instructions are issued from time to time which is implemented by AAI. However, the operating procedure available at such airports to counter air hi-jack incidents is as under:

- For departing passengers, immigration counters are available for intensive document checking.
- For arrival passengers, custom counters are available for intensive document and baggage checking.
- Passengers, all staff and crew members are properly frisked by ASG/ APSU personnel before entering into the security restricted area under CCTV coverage.
- Hand baggage are properly screened by ASG/APSU personnel under CCTV coverage.
- At the boarding gate, boarding passes are scanned by concerned airlines and checked by ASG personnel before entering into the airside area. Similarly, the identity of staff (if no separate staff gate) and crew members are also checked by ASG/APSU before entering to the airside area.
- Secondary ladder point check (SLPC) by concerned airline security personnel is also there during high alert/ inputs received from the central agencies.
- Reconciliation of boarding passes at the entry of aircraft by concerned airlines by security personnel.
- Apron guarding by ASG/APSU personnel.
- Perimeter security:
  - (a) Watch towers for guarding by ASG/ APSU round the clock.
  - (b) Provision of perimeter road for adequate patrolling by ASG/APSU.
  - (c) Perimeter lights to lit the upper part of the entire perimeter wall.
- At city side, provision of CCTV coverage including entire car parking area, Nakas/ Morchas with arms support and bollards & tyre killers are made available.
- Bullet resistant vehicles for the use of QRT are made available.

## **B. Sustainable Aviation Fuel**

7.8 Civil aviation is a global business, operating under international rules and protocols, including the Standards and Recommended Practices adopted by ICAO. In addition, airlines are bound by the national regulations of the countries. Therefore, national authorities are important stakeholders in promoting innovation in the bio-fuels industry through research and development. Diverse stakeholders are directly involved in developing

and deploying Sustainable Aviation Fuel (SAF) including government institutions, airports, airlines, aircraft and associated equipment manufacturers, fuel producers and aviation fuel distributors. Biofuel has the ability to reduce airline carbon footprint significantly. As per news reports in August 2018, Spice Jet did a successful 40-minute demonstration flight between Delhi and Dehradun with a 25% biofuel-blended ATF. The biofuel was from Jatropha crop, developed by CSIR and Indian Institute of Petroleum. India consumes around 8 million tons of ATF in India. A 25% blend would require around 2 million tons of biofuel or around 5-6 million tons of Jatropha seeds per annum.

7.9 NITI Aayog in its ' Strategy for NEW INDIA @75' document stated that the

“Taxes on aviation turbine fuel (ATF): Due to high taxes and lack of competition among providers, ATF is relatively expensive in India. Since 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 per cent per cent higher than prices in ASEAN and the Middle East countries because of high central and state taxes. Fuel cost as a percentage of operating charges amounts to 45 per cent in India as compared to the global average of 30 per cent.”

7.10 The ICAO Sustainable Aviation Fuel (SAF) guidelines provides that:

“Although revolutionary aircraft technologies have been proposed to reduce fuel consumption, such as propellers electrically powered by photovoltaic cells, fuel cells, or ultra capacitors, large commercial aircraft have no alternatives to liquid fuel for the near- to mid-term. After half a century of development, gas turbines are reliable, economically competitive, have a superb power/weight ratio and allow excellent range because of the high energy density of liquid fuels. In this regard, drop-in SAF are the most promising near-term options. These fuels use the same fuel distribution infrastructure and aircraft engines already in use, with the advantage of reduced GHG emissions. The potential of SAF to reduce aviation GHG emissions has been recognized by ICAO, Member States and the aviation industry, such that SAF are included amongst the “basket of measures” put forward to assist States in designing their action plans on CO<sub>2</sub> emissions reductions. According to the ICAO 2016 trends assessment, a 100 per cent substitution of CAF with SAF could reduce 63 percent of the baseline CO<sub>2</sub> emissions from international flights in 2050. This would be aviation’s most significant contribution towards achieving carbon neutral growth.

While the combustion of SAF emits similar quantities of CO<sub>2</sub> to the combustion of Conventional Air Fuel (CAF), SAF still provide an environmental benefit on a life cycle basis. A fuel lifecycle is made up of multiple steps from the feedstock to the final use in an engine. These steps include, for example, recovery, processing, and transport of the fuel. At each of the steps, GHG emissions are likely to be produced. The total carbon footprint of the fuel is obtained by adding all these emissions together in a life cycle assessment. When all those emissions are considered, SAF will result in decreased emissions when compared with CAF.

However, only those fuels with life cycle emissions lower than CAF will be environmentally beneficial). These emissions reductions benefits will vary according to the feedstock, production practice, conversion technology, logistics, as well as the land-use change incurred by bio-energy expansion.”

7.11 The Civil Aviation Fuel Guide which is a joint document of ICAO, UNEP and GEF highlights the case of Brazil. Brazil has a longstanding experience with biofuels in the transport sector, with all gasoline having been blended with ethanol by mandate since 1931. Currently, even though no specific federal policies exist for SAF, initiatives are in place at the State level. The document further adds that in 2010, the Brazilian Alliance for Aviation Biofuels (ABRABA) was created as a forum to discuss the various aspects of developing SAF, driven by the growing demand to meet the requirements for reducing GHG emissions in aviation, as well as to provide support for Brazil’s energy security. This initiative aims to make Brazil a major world player in SAFs, similar to what’s already being done in ground transportation. The goal is to promote public and private initiatives that streamline the development, certification, and commercial production of sustainable biofuels for aviation. In 2011, Brazil and the United States signed a memorandum of understanding to cooperate on the development of renewable aviation fuels. In 2013, Sustainable Aviation Biofuels for Brazil was formed as a result of a combined effort between the industry and research stakeholders. This action plan is a national assessment of the technological, economic and sustainability challenges and opportunities associated with the development and commercialization of SAF in Brazil. Also, in 2013, the Brazilian Bio-jet fuel Platform was formally structured as an open, collaborative platform to bring together key stakeholders to promote the implementation of a highly integrated SAF and renewable value chain to fill the gaps identified by the study carried out by Sustainable Aviation Biofuels for Brazil.

7.12 When asked to clarify on the news reports related to SpiceJet operating biojet fuel powered flight from Dehradun to Delhi, and on the commercial viability of biofuels, the Ministry of Civil Aviation in a written note responded as under:

“Biofuels have the potential to reduce carbon emissions from aviation. One of the domestic scheduled airline- 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. Use of Biofuels is possible, depending upon commercial viability and easy availability. The detailed information is being collected and will be furnished shortly.”

### **C. Passengers Services**

7.13 AAI, in its background note informed the Committee *inter alia* of the following initiatives taken to improve the passenger services at AAI managed airports:

- (i)“To ensure the high cleaning standards at airports the MESS up keeping contracts are being awarded through Quality cum Cost Based Selection (QCBS) tender process to specialized agencies, the QCBS based MESS tender has been implemented at airports where annual

passenger traffic is 1.25 million and above. Presently QCBS based MESS contracts have been awarded at 21 airports out of 27 Airports.

- (ii) In order to provide assistance to PWDs, Senior citizens and VIP's "May I Help You" Counters are being provided at Airports handling passenger traffic of one million or more.

.....

- (iii). Launched project "DISHA" with support of Boston Consulting Group (BCG) at 10 airports namely Chennai, Kolkata, Pune, Goa, Trivandrum, Coimbatore, Bhubaneswar, Varanasi, Lucknow and Guwahati.

Based on the successful implementation of Project DISHA, Phase-I, similar initiatives have further been implemented at other 12 major airports namely Trichy, Calicut, Mangalore, Vizag, Srinagar, Amritsar, Jaipur, Patna, Bagdogra, Jaipur, Ahmedabad, Agartala under the mentorship of Phase-I airports. The focus areas of improvement include all dimensions of operations excellence and customer experience such as Operations, Facilities, Navigation, Customer Delight, Customer Grievance Management, Organization Internal and External Communication.

The focus areas of improvement include all dimensions of operations excellence and customer experience such as Operations, Facilities, Navigation, Customer Delight, Customer Grievance Management, Organization Internal and External Communication.

....

- (iv). Lost & Found online portal has been developed in coordination with IT Department to ease out the passenger claiming process.

- (v). Reduction of Green House Gases and Sustainable Development – AAI has taken initiative for reduction of Green house Gases and Sustainable Development by implementing cost effective carbon mitigation action to conserve environment. In line with AAI environmental policy, 4 Airports namely Varanasi, Kolkata, Bhubaneswar, Trivandrum have met the level-1 Mapping of Airport Carbon Accreditation Programme.

.....

- (vi). In order to reduce check-in time for passengers at Airports, the following additional number of equipment has been provided at all major 40 airports:

(a) Common User Terminal Equipment (CUTE): 160 Nos.

(b) Common User Self Service (CUSS): 200 Nos.

(c) Scanners: 1000

(d) MSR/OCR Keyboards: 200

...

- (vii) Implementation of passenger feedback system at 10 airports and installation is in progress for additional 32 airports.

....

(viii) Stamping of Hand Baggage tags have been dispensed with at a total of 57 airports (49 AAI & 8 JV airports) since April, 2017. Four more airports are ready for trial run.”

**D. Digiyatra- Biometric Boarding System**

7.14 AAI with a view to enable passengers to have seamless experience of passing through airports has initiated a move to introduce Biometric Boarding systems. AAI furnished the following details in this regard:

“Digiyatra brings seamless movement at the airport, wherein passengers don’t have to produce the ticket/boarding pass and identify card at multiple touch points. Passengers who enroll to this programme will have seamless experience where the biometric system will identify the passenger and validate his/her ticket seamlessly using facial recognition.”

7.15 In response to queries as to (i) how the digiyatra smoothen the travel experience of passengers; and, (ii) whether the system was put in place at any airport, AAI, submitted as under :

“Digiyatra Platform” is a central passenger Identity management Platform being developed under Digiyatra Foundation, an SPV formed for managing Digiyatra id (DYID) platform. Each passenger need to obtain “Digiyatra Id” and register his facial biometric with Digiyatra platform. With this Digiyatra Id, the passenger shall be able to travel seamlessly across such Airports where Biometric Boarding System (BBS) is implemented. Digi-Yatra Registration Programme yet to commence.”

“Tender invited for Selection of Managed Service Provider (MSP) for Designing, Development, Testing, Implementation, and O&M of E-Boarding – Biometric Boarding System (BBS) at 04 Airports (Kolkata, Varanasi, Pune & Vijaywada). Facial recognition based access control at Airports for faster processing.

**E. Preferential Treatment in Take off and Landing**

7.16 The Committee at their sitting held on 17.02.2020 expressed the apprehension that while giving clearances to take off and landing, flights of private airlines or preferred over that of National Carrier i.e. Air India (AI). The representative of AAI appearing before the Committee, clarified as under:

“Sir, whether the national carrier is given preference over other airlines, our answer is that national carrier is treated at par with all other airline. There is no preference for anybody. The only flight that gets a preference is a VIP flight that is carrying the President, the Prime Minister and the Vice-President or the visiting Heads of the States. For them the priority landing is given or for a flight carrying a sick passenger or a flight in an emergency, they are only given a preferential treatment for early landing. Otherwise, all the airports are on first-come-first-served basis. The Air Traffic Control works on the principle so that commensurate with our runway capacity, we handle the flights in the best possible manner and the priorities are decided in the air depending upon their distance from the gate in a radar control.

As regards delays of the flights, I will compile the information and give you. You can even ask the Air India whether we have given any biased treatment to Air India. In fact, we try to provide every airline the optimum take off time. Now we have introduced air traffic flow management. In that, everything is computer generated. We have airport collaborative decision making mechanism through which the airlines will get what time they can remove the chokes for a push back even and from there to go to estimated take off time (ETOT). That is also given.

So, it is all done in a scientific and a very methodological manner. Everything is supervised so that there is no room for any allegation that we have given a preferential treatment to somebody or other.”

**F. APP based Cab Service and need for proper signages at pick-up points**

7.17 For the passengers coming at the airports, Cabs are a convenient mode of transportation. When asked if AAI has introduced any APP based Cab facility at airports, the Authority stated that no APP has been launched by AAI like OLA, UBER, etc. but it has awarded licence to APP based cab service providers such as UBER, OLA, etc. at airports through open tendering process and separate pic-up points have been earmarked by AAI for providing Cab services to the passengers at respective airports with direction signages for the Cab service provider.

7.18 AAI further informed that Pick-up points are designated at a convenient location in the airport premises keeping in view maximum customer's facilitation. Signages are prominently displayed as per the topology of the particular airport keeping in view the maximum convenience to the passengers. Locations are earmarked and named with direction on the APP leading the passengers to the pick-up points. AAI further added that to ensure a fair rental policy, the tenders are processed through e-tendering on Central Public Procurement portal of Government of India and the cab operators are also required to adhere to the guidelines of respective State Government.

7.19 When asked whether AAI maintains database of local taxi drivers and of APP based Cab drivers registered at each airport, AAI in their written reply stated that they do not maintain the database of local taxi drivers and APP based cab drivers registered at each airport. However, booking counters at airports are managed by the authorized cab operator for the passengers facilitation.

**G. Single use plastic free airports**

7.20 AAI in his written reply submission stated that:

“As per directions issued by, Ministry of Environment Forest and Climate Change to beat plastic pollution, 35 Airports namely 1) Indore, 2) Bhopal, 3) Ahmedabad, 4) Bhubaneswar, 5) Tirupati, 6) Trichy, 7)Vijayawada, 8)Dehradun, 9)Chandigarh,10) Vadodara, 11) Madurai, 12) Raipur, 13) Vizag, 14)Pune,15)Kolkata,16)Varanasi, 17) Chennai, 18) Patna, 19) Coimbatore, 20) Ranchi, 21) Trivandrum,22) Goa, 23) Lucknow, 24) Udaipur, 25) Srinagar, 26) Imphal, 27) Jammu, 28)

Mangalore, 29) Amritsar 30) Port Blair,31) Guwahati,32) Bagdogra 33) Agartala,34) Calicut and 35) Jaipur have been declared as **Single-Use Plastic Free** On the basis of Third- Party Assessment carried out by QCI”.

7.21 AAI further stated as under:

“In phase- II, 20 Airports have been selected to be declared Single use plastic free terminal by 15th Sep. 2019. These Airports are namely 1 ) Gaya, 2)Rajkot,3)Jodhpur,4)Gorakhpur.5)Leh,6)Surat,7)Aurangabad,8)Rajahmundry,9)Dibrugarh, 10) Jorhat, 11) Dimapur. 12) Silchar, 13) Belgaum, 14) Jabalpur, 15) Tuticorin, 16) Bhuj, 17) Kangra. 18) Jamnagar, 19) Allahabad,20) Khajuraho.”

#### **H. Solid Waste Management System**

7.22 With regard to initiative taken with respect to Solid Waste Management System AAI submitted as under:

“AAI has taken up an initiative to setup comprehensive Solid Waste Management System at six Airports namely 1) Kolkata, 2) Coimbatore, 3) Trivandrum, 4) Varanasi. 5) Bhubaneswar and 6) Ahmedabad in the first phase. The work has been awarded at Coimbatore. Trivandrum & Bhubaneswar Airports and action to award the work is under process at Varanasi, Kolkata and Ahmedabad Airports.

In the second phase, the solid waste management system is being established at 28 AAI airports where annual passenger traffic is one million and more. These 28 Airports are namely 1) Chennai, 2) Goa,3) Jaipur,4) Lucknow,5) Guwahati,6) Calicut 7) Srinagar, 8) Amritsar. 9) Mangalore, 10) Port Blair, 11) Trichy, 12)Imphal, 13) Vijayavada 14) Pune, 15) Patna 16) Visakhapatnam, 17) Bagdogra18) Chandigarh 19) Madurai 20) Indore, 21) Ranchi,22)Raipur,23)Jammu,24) Agartala, 25) Udaipur, 26) Dehradun, 27) Yadodara & 28) Surat.”

#### **I. Ratings on Airport Service Quality (ASQ) and Customer Service**

7.23 With regard to ratings of Airport Service Quality (ASQ) and Customer Service Survey (CSS) submitted as under:

“(i) The ASQ rating of AAI airports was 4.26 in 2014 as against the world average of 4.09 while in 2018 the ASQ rating has improved to 4.64 as against the world average of 4.21.

(ii) The Customer Satisfaction Survey during 2014 was 4.19 which improved to 4.33 in 2018.

Clean and safe Airports Award :

(iii) Based on joint assessment carried out by QCI and AAI for ranking of 34 airports for selection of “Clean and Safe Airport Awards”, the following airports have been selected for “Clean and Safe Airport Awards” to be conferred under Swachh Bharat Award on the occasion of 24<sup>th</sup> AAI Anniversary 2019”.

7.24 The list of awards won by AAI Airport from 2014-18 is enclosed at **Annexure-5**.

## CHAPTER-VIII

### OTHER ISSUES

#### **A. KRISHI UDAAN SCHEME**

8.1 As per information furnished by AAI and the Ministry of Civil Aviation on Kishi Udaan Scheme, the Finance Minister in the Budget 2020 announced the launch of Krishi udaan Scheme to assist farmers in transporting agricultural products to improve their 'value realisation'. The scheme will give farmers better access to both Domestic and International markets and is specially beneficial to the farmers belonging to North-East and Tribal areas which can fetch better prices for them. It will also help boost their income and increase their competitiveness in the market, which is one of the announcements of the Government of India to double the income of farmers by 2022-23. In order to augment the movement of Perishable cargo on PAN India, AAI/AAICLAS has created 16 Centre for Perishable Cargo(CPC)/Cold Storage facilities across the country for storage and processing of perishable cargo such as agriculture produce, flora products, fruits, etc. It is also in the process of expansion of the facilities and infrastructure in other airports, specially in the North-Eastern Region.

8.2 In addition, for the purpose of creation of CPC, an area of 4050 sqm is already allotted to Assam Industrial Development Corporation (AIDC) at Guwahati Airport for which the agency has already created a CPC facility, which is likely to commence soon. Besides, AAICLAS has also planned to create dedicated Pack-house at Kolkata Airport, to facilitate the movement of agricultural products by air. All domestic cargo handling facilities created in the Tier-2 and Tier-3 cities are mainly aimed at air transportation of agricultural and marine products according to the capacity of operating aircrafts. AAICLAS is operating 25 Domestic Air Cargo Terminals across the country as on February 2020 and planned to augment the number by creating facility additionally at another 26 airports by 2024.

#### **B. AIRPORT ADVISORY COMMITTEE (AAC)**

8.3 With a view to widen representation amongst various stakeholders, Airports Authority of India (AAI) has constituted Airport Advisory Committee (AAC) at various airports in the country. As informed to the Committee, the Policy for constitution of Airport Advisory Committees at various airports in the country was issued by the Ministry of Civil Aviation vide their letters dated 11.05.2015, 07.07.2015, 28.09.2018 and 14.10.2019. As per the letter, the composition and the tenure of the Committee would be as follows:-

- (i) "the Member of Parliament (MP) of the area (of the airport) will be the ex-officio Chairman of AAC and Member of Legislative Assembly (MLA) as alternate Chairman (in the absence of Chairman). In case the area of airport comprises constituencies of more than one MLA, then senior-most MLA in terms of his/ her Legislature experience can act as Co-Chairman (in the absence of the Chairman) and other MLAs will be member of the AAC;
- (ii) If the city has more than one MP, the MP of the area (of the airport) will be Chairman and other Hon'ble MP will be co-Chairman. In that case, senior most MLA of the area (of the airport) in terms of his/her Legislature experience will be vice-Chairman;



- (iii) If the city has more than two MPs, the MP of the area (of the airport) will be Chairman and all other Hon'ble MPs and MLAs of the area (of the airport) will be Members of the AAC. The senior-most MP in terms of his/her Parliamentary experience can act as Co-Chairman in the absence of the Chairman;
- (iv) The number of nominated members of AAC may be restricted to nine, in addition to ex-officio Chairman/ Members. The nominated members may be selected in the following manner:
  - (a) One member from each of the following categories:- (i) Trade, (ii) Industry (Airlines/Hotel Federation, etc) (iii) Travel & Tours/Taxi Associations (b) Three Members to be nominated by Chairman, AAC from among the prominent persons from Social and Political background; (c) Three members to be nominated by Ministry of Civil Aviation from among the eminent personalities in different fields.
- (v) For the purpose of selection of Members, the Collector/ District Magistrate of the area/region where the airport falls may recommend a panel of 2 such persons each, for the three categories mentioned in sub-point (a) of point (iv) above, to the Chairman of the AAC, who shall be the final Authority to select the Members;
- (vi) While the tenure of the Hon'ble MP(s) and MLA(s) will be co-terminus with their term in Parliament/ Assembly, the tenure of nominated Members will be for a period of two (2) years;
- (vii) Once the tenure of nominated Member is over, he/she will not be eligible for re-nomination for a period of four (4) years.

Role of the AACs is to advise the development of passenger facilities at these airports.”

8.4 AAI has shared the details of AAC constituted 41 airports only as against a total of 137 airports AAI stated to be in operation. In response to a query as to the status of the constitution of AAC at the remaining airports, AAI in a written reply submitted as follows:

"AAI is managing 87 Airports having Schedule Flight Operations. AAC has been formed at 70 Airports....at remaining 17 Airports formation of AAC is under process."

8.5 As only one or two meetings of AAC were held at many airports during the last three years, AAI was requested to furnish as to whether more number of meetings should be held to improve passenger facilities at airports, AAI in a written reply submitted as follows:

“As per the MoCA guidelines, AAC meeting should be conducted in every six months . However, meetings are being conducted at various airports as per the availability of Chairman AAC and other members.”

8.6 During the evidence of representatives of AAI held on 05.09.2019 referring to the functioning of Airport Advisory Committee (AAC), the Committee sought the following information:

“आप लोग एक काम कीजिए कि जितने एयरपोर्ट्स है और जो उस क्षेत्र के सांसद है , उनसे एयरपोर्ट के बारे में रिपोर्ट मांगिये वह सब रिकॉर्ड पर आ जायेगा।

Let every MP from that area give us a report on the management of those airports; let us seek a report from the local MP.”

8.7 Representative of AAI submitted as under:

“We will submit that”

8.8 With regard to (i) composition of AAC , (b) existence or otherwise of guidelines for holding AAC meetings and (c) any norm for holding minimum number of meetings, AAI in a written reply submitted as under :

“Composition of AAC is as per the latest guidelines issued by MoCA dated 14.10.2019. As per these guidelines, AAC meetings should be conducted in every 6 months”

Copy of the letter is given at **Annexure-6**.

8.9 MoCA’s Office Memoranda dated 28.09.2018 and 10.10.2007 provides for having AAC at all the Airports in the country. In response to a query as to whether any exemption from forming AAC at Delhi and Mumbai Airports being provided by MoCA, AAI submitted as under:

“As per Ministry of Civil Aviation’s letter No. AV-24011/4/2018-AAI-MoCA dated 19.08.2019, the purview of Airports Advisory Committee is limited to Airports managed by Airports Authority of India only.”

8.10 Reiterating at what is stated at para 2.25 above AAI added as follows:

“No such Committee is required to be formed as per Operation, Maintenance and Development Agreement (OMDA) or State Support Agreement (SSA) at New Delhi and Mumbai airports.”

8.11 When sought further clarification as to the rationale for not making a provision for forming AAC at Delhi and Mumbai Airports as per OMDA/SSA, the Ministry of Civil Aviation stated as under:-

“The OMDA/SSA in respect of Delhi International Airport Ltd./Mumbai International Airport Ltd., already have provisions for checks and balances at the airport.”

8.12 In response to the Committee’s observation that AAC needs to be constituted for all the Airports and the regular meetings be held and the details thereof should be furnished, a representative of AAI appearing before the Committee 17.02.2020 stated that:

‘We will issue the instructions, Madam,’

### **C. PROTOCOL SERVICES**

8.13 The Airports Authority of India in a written note apprised about the protocol services available at Airports to Hon'ble Members of Parliament (MPs) and other dignitaries. AAI informed that all AAI managed International airports have Reserved lounges. They are managed under the supervision of AAI officials directly. Entitlement list for the use of Reserved Lounge is provided by the Ministry of Civil Aviation. Also privileges/ facilities to the dignitaries are provided as per guidelines of the Ministry of Civil Aviation. List of dignitaries is placed outside the reserved lounge at all the airports.

8.14 In written reply to a query as to whether there are any special privileges given to Civil Aviation Ministers, Ministers, Ex-Civil Aviation Ministers, Ministers or other VIPs, AAI stated that:

“facilities to the Hon'ble Member of Parliament/ Ministers are provided as per Ministry of Civil Aviation letter No. 26/5/2007- C&W dated 10.10.2007.”

Copy of the letter is given at **Annexure-7**.

8.15 In response to a further query as to whether these guidelines issued on 10 October, 2007 are still in operation, the Ministry of Civil Aviation stated as under:-

"Yes, they are still under operation and are part of latest guidelines on 'Courtesy towards MPs at airports' issued by Ministry of Civil Aviation *vide* their letter no. AV-15029/22/2015-AS dated 2 January 2020."

Copy of the letter is given at **Annexure-8**.

8.16 When enquired as to whether as per the Ministry of Civil Aviation's Order dated 10 October, 2007 any official has been designated as protocol officer at each airport, who would be responsible for extension of all facilities/ courtesies to the MPs, the Ministry of Civil Aviation responded as under:-

"Airport Director of respective Airport is responsible for extension of all facilities/ courtesies to the MPs. The contact numbers and email IDs of Airport Directors of AAI airports are available on AAI's website."

8.17 In response to an observation that name, contact number etc. of the Protocol Officer at Airports should be provided on AAI website to bring better transparency and extension of facilities/courtesies to MPs/dignitaries, AAI submitted as under:

"The contact Numbers and email IDs of Airport Directors of AAI airports are available on AAI's website."

#### **D. CODING OF AIRPORT NAMES**

8.18 On the issue of allotment of code names to airports in India and the international norms for allotment of codes, the Ministry informed in a written note that 'The ICAO code names of airports are obtained by AIS section (ATC). Inputs may be taken from ATC. IATA codes are obtained by airlines.'

8.19 When asked whether any request for change of code name of Gaya airport from 'GAY' to any other code name was received in the Ministry of Civil Aviation, AAI responded by stating that :-

"Yes, AAI received request to change the code of Gaya airport. As the IATA code is obtained by Airlines, thus the request to change the code of Gaya has been forwarded to Air India and the matter is being followed by Air India."

8.20 When asked to explain the detailed procedure and about the role of ICAO and IATA and airlines in change of code names of airports, AAI clarified as below:-

"ICAO Code: ICAO stands for International Civil Aviation Organization. Airports are identified by 4 letter Aeronautical Fixed Telecommunication Network (AFTN) location indicators. Location indicators are assigned by

states and are checked by ICAO for conformity with the "Formation and assignment of location indicators" set out in ICAO Document.

IATA Code: IATA stands for International Air Transport Association. As per IATA, Airlines may request a unique 3 letter code to identify the airport. This can be applied through IATA customer portal and airline can only apply for it. Airport cannot apply for 3 letter IATA code.'

Air India is member Airline of IATA, thus, Air India can only apply for Airport Code of IATA. Air India requested IATA for change of airport code for Gaya. 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.”

#### **E. Research & Development Activities in AAI**

8.21 In a note on Research & Development (R&D) activities undertaken on AAI furnished to the Committee, AAI informed that its Board in their 147th meeting held on 24th March 2012 accorded approval for establishment of R&D unit for Air Navigation Services at Begumpet, Hyderabad. Consequently, AAI entered into MoU with MITRE Corporation, USA with the objective of developing a long term partnership for technical support in establishing R&D capability to address aviation infrastructure and air traffic capabilities.

8.22 R&D tech centre was established on 6th September 2013 at Begumpet Airport with small number of ANS experts. The centre was gradually populated with modeling and simulation tools like TARGETS, TAAM and HITL lab (basic setup). With the limited capabilities and skill sets available at the Centre’s disposal, the R&D team conducted few Airspace and Airport related projects. Subsequently AAI envisaged to upgrade the R&D tech centre to world class civil aviation research organisation for realizing the AAI and ICAO strategic goals through innovation and research that would benefit the aviation industry as a whole ensuring safety, regularity and efficiency.

8.23 The AAI Board in their 179th board meeting 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 spread over 12 years for establishing R&D infrastructure (buildings, labs, procurement of tools, skill development and knowledge & technology transfer).

8.24. However, regarding furnishing the budget allocation, expenditure under each Head, AAI stated in a footnote that the inputs for expenditure may be obtained from ED (Engg), SR with respect to provision of infrastructure-CARO Complex, Hostel Block.

#### **F. Status of C&AG Audit Paras**

8.25 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), 2 audit 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 information given to the Committee further reveals that while replies to majority of the audit paras are pending with the Audit, in respect of some paras, the final reply is yet to submitted by the AAI/Ministry. The status of these audit para is given at **Annexure-9**.

## PART – II

### OBSERVATIONS AND RECOMMENDATIONS OF THE COMMITTEE

#### *1. Overview*

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, DigiYatra, 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 (UdeDesh ka AamNagrik) on 21<sup>st</sup> 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.

#### *2. Physical Performance*

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 the 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.

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.

### *3. Financial Performance*

3.1 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. 14,133 crore in 2018-19. The segment-wise analysis of the revenue earnings of AAI reflect that revenue from Airport Navigation Services has gone up from Rs.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.4491.59 crore, revenue from Non-Aeronautical Services grew from Rs.1304.97 crore to Rs.1842.85 crore and revenue from 'Other Income' has also gone up from Rs.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 judgement of Hon'ble Supreme Court. It is however observed that during the period from 2014-15 to 2018-19, the expenditure has increased by 60% from Rs.6493 crore to Rs. 10,449 crore. 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.

3.2 The Committee further observe that there was decline in the earning of AAI from the segment "Airport Lease Revenue" also. The revenue earned during 2016-17 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 year 2018-19. 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.

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 a 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

#### *4. Growth Projections*

4.1 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.

#### *5. Grant of 'Navratna' Status to AAI*

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 upto 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.

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 'Navaratna' 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.

#### *6. Human Resources Management*

6.1 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 alongwith 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.

#### *7. Pilot Training Facilities*

7.1 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.

## *8. ATC Training Facilities*

8.1 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) of AAI as well as neighbouring 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 alongwith 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.

## *9. Creation of Civil Aviation Infrastructure*

9.1 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 upto the year 2028-29 which is projected as 19.16%, 34.66% and 26.53% for aircraft movements, passengers and cargo respectively.

## *10. Development of Airports – PPP Model*

**10.1** 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.

## *11. Setting-up of Trans-shipment hub for Cargo handling*

**11.1s** 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 a 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.

#### *12. Management Information Systems(MIS)*

**12.1** 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.

#### *13. Reorientation of the functioning of AAI*

**13.1** 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.

#### *14. Passenger Services*

**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 1 million 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.

#### *15. Digiyatra – Biometric Boarding System*

15.1 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.

#### *16. APP based Cab Service – need for proper signages at pick-up points*

16.1 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 Cab drivers 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 in different 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. Air Service Quality(ASQ) and Customer Satisfaction Survey(CSS)*

**17.1** 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.

### *18. Sustainable Aviation Fuel(SAF) - Biofuel*

**18.1** 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 CO<sub>2</sub> to the combustion of Conventional Air Fuel (CAF), SAF still provide an environmental benefit on a life cycle 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).

#### *19. Aviation Safety and Security Measures*

**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.

**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.

**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.

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 CEs 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 CEs 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.

#### *20. Single use plastic free airports*

20.1 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.

#### *21. Solid Waste Management System*

21.1 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.

#### *22. Preferential treatment in landing and take off*

**22.1** 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.

#### *23. Need for strengthening of data management system*

**23.1** 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 136 airports 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, 23 civil 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 3 years. The Committee further recommend the AAI to take corrective measure immediately for strengthening their data management system to avoid such recurrence in future.

#### *24. Delay in runway expansion project at Udaipur airport*

**24.1** 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.

#### *25. Regional Connectivity Scheme (RCS) - UDAN*

25.1 The Committee learn that the Ministry of Civil Aviation launched the Regional Connectivity Scheme RCS-UDAN (UdeDesh ka AamNagrik) 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.

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.

## *26. Joint Ventures - DIAL and MIAL*

**26.1** 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.

**26.2** 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.

## *27. Constitution of Airport Advisory Committee (AAC)*

**27.1.** 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, Manglore, 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.

**27.2** 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

#### *28. Constitution of AAC at Delhi and Mumbai airports*

**28.1** 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 it 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.

#### *29. Protocol Services/Courtesy Treatment to MPs and Dignitaries*

**29.1** 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 2<sup>nd</sup> 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.

### *30. Krishi Udaan Scheme*

30.1 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.

### *31. Research & Development (R&D) Activities by AAI*

31.1 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 6<sup>th</sup> 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.

*32. Need for change of the code name of Gaya Airport*

**32.1** 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 any other 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.

*33. Audit Issues*

**33.1** 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), 2 audit 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 be submitted by the AAI/Ministry. The Committee thus observe that final settlement of audit paras is long overdue as audit para even 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.

**New Delh;**  
**7 January, 2021**  
**17 Pausha, 1942 (S)**

**MEENAKASHI LEKHI**  
**Chairperson**  
**Committee on Public Undertakings**

## LIST OF AAI AIRPORTS

S. No.	Name of State/UT	Airport/Civil Enclave	Operational Status (Operational/ Non-operational)	Domestic/ International/ Customs	Scheduled/ Non-Scheduled
1	ANDHRA PRADESH	RAJAMUNDRY	Operational	Domestic	SCH
2		TIRUPATI	Operational	International	SCH
3		VIJAYAWADA	Operational	International	SCH
4		VISAKHAPATNAM (CE)	Operational	Custom	SCH
5		CUDDAPAH	Operational	Domestic	SCH
6		DONAKONDA	Non operational	Domestic	-
7	ARUNACHAL PRADESH	DAPARIZO	Non operational	Domestic	-
8		TEZU	Operational	Domestic	NON SCH
9		ZERO	Non operational	Domestic	-
10	ASSAM	DIBRUGARH (MOHANBARI)	Operational	Domestic	SCH
11		GUWAHATI (LGBI)	Operational	International	SCH
12		LILABARI (NORTH LAKHIMPUR)	Operational	Domestic	SCH
13		JORHAT (CE)	Operational	Domestic	SCH
14		SILCHAR (CE)	Operational	Domestic	SCH
15		TEZPUR (CE)	Operational	Domestic	SCH
16		RUPSI	Operational	Domestic	NON SCH
17	SHEELA	Non	Domestic	-	



			operational		
18	ANDAMAN & NICOBAR ISLANDS	PORTBLAIR (CE)	Operational	International	SCH
19	BIHAR	DARBHANGA (CE)	Non operational	Domestic	-
20		GAYA	Operational	Custom	SCH
21		PATNA	Operational	Custom	SCH
22		JOGBANI	Non operational	Domestic	-
23		MUZAFFARPUR	Non operational	Domestic	-
24		RAXAUL	Non operational	Domestic	-
25	CHANDIGARH (UT)	CHANDIGARH (CE)	Operational	Custom	SCH
26	CHATTISGARH	RAIPUR	Operational	Domestic	SCH
27		BILASPUR	Operational	Domestic	SCH
28	DELHI (UT)	INDIRA GANDHI INTERNATIONAL AIRPORT, NEW DELHI (JVA)	Operational	International	SCH
29		SAFDARJUNG (DELHI)	Operational	Domestic	NON SCH
30	DAMAN & DIU (UT)	DIU	Operational	Domestic	SCH
31	GOA	GOA (CE)	Operational	International	SCH
32		AHMEDABAD	Operational	International	SCH
33		BHAVNAGAR	Operational	Domestic	SCH
34		BHUJ (CE)	Operational	Domestic	SCH
35		KANDLA	Operational	Domestic	SCH

36	GUJARAT	KESHOD (JUNAGARH)	Operational	Domestic	NON SCH
37		JAMNAGAR (CE)	Operational	Domestic	SCH
38		PORBANDAR	Operational	Domestic	SCH
39		RAJKOT	Operational	Domestic	SCH
40		SURAT	Operational	Custom	SCH
41		VADODARA	Operational	Domestic	SCH
42		DEESA (PALANPUR)	Non operational	Domestic	-
43	HIMACHAL PRADESH	KANGRA (GAGGAL)	Operational	Domestic	SCH
44		KULLU (BHUNTAR)	Operational	Domestic	SCH
45		SHIMLA	Operational	Domestic	SCH
46	JHARKHAND	DHALBHUMGARH	Non operational	Domestic	-
47		RANCHI	Operational	Domestic	SCH
48		CHAKULIA	Non operational	Domestic	-
49		DEOGARH	Non operational	Domestic	-
50	JAMMU & KASHMIR	JAMMU (CE)	Operational	Domestic	SCH
51		LEH (CE)	Operational	Domestic	SCH
52		SRINAGAR (CE)	Operational	International	SCH
53	KARNATAKA	BANGALORE (CE)	Non operational	Domestic	-
54		BELGAUM	Operational	Domestic	SCH
55		HUBLI	Operational	Domestic	SCH
56		KALABURGI	Operational	Domestic	NON SCH

57		MANGALORE	Operational	International	SCH
58		MYSORE	Operational	Domestic	SCH
59	KERALA	CALICUT	Operational	International	SCH
60		THIRUVANANTHAPURAM	Operational	International	SCH
61	LAKSHADWEEP ISAND	AGARTTI	Operational	Domestic	SCH
62	MADHYA PRADESH	BHOPAL	Operational	Domestic	SCH
63		GWALIOR (CE)	Operational	Domestic	SCH
64		JABALPUR	Operational	Domestic	SCH
65		KHAJURAHO	Operational	Domestic	SCH
66		INDORE	Operational	Custom	SCH
67		KHANDWA	Non operational	Domestic	-
68		PANNA	Non operational	Domestic	-
69		SATNA	Non operational	Domestic	-
70	MAHARASHTRA	AKOLA	Operational	Domestic	NON SCH
71		AURANGABAD	Operational	Custom	SCH
72		GONDIA	Operational	Domestic	NON SCH
73		JALGAON	Operational	Domestic	SCH
74		JUHU (MUMBAI)	Operational	Domestic	NON SCH
75		CSI AIRPORT, MUMBAI (JVA)	Operational	International	SCH
76		KOLHAPUR	Operational	Domestic	SCH
77		NAGPUR (JVA)	Operational	International	SCH

78		PUNE (CE)	Operational	Custom	SCH
79		SHOLAPUR	Operational	Domestic	NON SCH
80	MANIPUR	IMPHAL	Operational	International	SCH
81	MEGHALAYA	SHILLONG (UMROI)	Operational	Domestic	SCH
82	MIZORAM	AIZAWAL (TURAL)	Non operational	Domestic	-
83	NAGALAND	DIMAPUR	Operational	Domestic	SCH
84	ORISSA	BHUBANESWAR	Operational	International	SCH
85		JHARSUGUDA	Operational	Domestic	SCH
86	PUNJAB	ADAMPUR (CE)	Operational	Domestic	SCH
87		AMRITSAR	Operational	International	SCH
88		BHATINDA (CE)	Operational	Domestic	SCH
89		LUDHIANA	Operational	Domestic	SCH
90		PATHANKOT (CE)	Operational	Domestic	SCH
91	PUDUCHERRY	PUDUCHERRY	Operational	Domestic	SCH
92	RAJASTHAN	BIKANER (CE)	Operational	Domestic	SCH
93		JAIPUR	Operational	International	SCH
94		JAISALMER (CE)	Operational	Domestic	SCH
95		JODHPUR (CE)	Operational	Domestic	SCH
96		KOTA	Operational	Domestic	NON SCH
97		UDAIPUR	Operational	Domestic	SCH
98		KISHANGARGH	Operational	Domestic	SCH
99	SIKKIM	PAKYONG	Operational	Domestic	SCH
100		HYDERABAD (BEGUMPET)	Operational	Domestic	NON SCH
101		NADIRGUL	Non	Domestic	-

	TELANGANA		operational		
102		WARANGAL	Non operational	Domestic	-
103	TAMIL NADU	COIMBATORE	Operational	International	SCH
104		CHENNAI	Operational	International	SCH
105		MADURAI	Operational	Custom	SCH
106		SALEM	Operational	Domestic	SCH
107		TIRUCHIRAPALLI	Operational	International	SCH
108		TUTICORIN	Operational	Domestic	SCH
109		THANJAVUR (CE)	Non operational	Domestic	-
110		VELLORE	Non operational	Domestic	-
111	TRIPURA	AGARTALA	Operational	Domestic	SCH
112		KAILASHAHAR	Non operational	Domestic	-
113		KAMALPUR	Non operational	Domestic	-
114		KHOWAI	Non operational	Domestic	-
115	UTTAR PRADESH	AGRA (CE)	Operational	Domestic	SCH
116		ALLAHABAD (CE)	Operational	Domestic	SCH
117		BAREILLY (CE)	Operational	Domestic	NONSCH
118		FAIZABAD	Operational	Domestic	NON SCH
119		GORAKHPUR (CE)	Operational	Domestic	SCH
120		HINDON (CE)	Operational	Domestic	SCH
121		KANPUR (CHAKERI) (CE)	Operational	Domestic	SCH

122		KANPUR (CIVIL)	Operational	Domestic	NON SCH
123		KASIA (KUSHINAGAR)	Operational	Domestic	NON SCH
124		LUCKNOW	Operational	International	SCH
125		MEERUT	Operational	Domestic	NON SCH
126		MORADABAD	Operational	Domestic	NON SCH
127		VARANASI	Operational	International	SCH
128		LALITPUR	Non operational	Domestic	-
129		UTTARAKHAND	DEHRADUN	Operational	Domestic
130	PANTNAGAR		Operational	Domestic	SCH
131	WEST BENGAL	BAGDOGRA (CE)	Operational	Custom	SCH
132		BEHALA	Operational	Domestic	NON SCH
133		KOLKATA (NSCBI)	Operational	International	SCH
134		ASANSOL	Non operational	Domestic	-
135		BALURGHAT	Non operational	Domestic	-
136		COOCH BEHAR	Operational	Domestic	NON SCH
137		MALDA	Non operational	Domestic	SCH

#### LEGEND

CE Civil Enclave

JVA Joint Venture Airport

**AVERAGE NUMBER OF AIRCRAFT MOVEMENTS & AVERAGE NUMBER OF PASSENGERS AT VARIOUS AIRPORTS**

S.No.	Airport	Average Per day (In Numbers)	
		Aircraft Movements	Passengers Handled
<b>AAI AIRPORTS</b>			
1	CHENNAI	454	61913
2	KOLKATA	434	58915
3	AHMEDABAD	222	31044
4	PUNE	147	22164
5	GOA	154	21792
6	GUWAHATI	125	15765
7	LUCKNOW	106	14963
8	JAIPUR	105	13283
9	PATNA	84	12610
10	TRIVANDRUM	77	11068
11	BHUBANESWAR	77	10508
12	CALICUT	73	9516
13	BAGDOGRA	64	9021
14	SRINAGAR	61	8807
15	VARANASI	58	7736
16	INDORE	58	7681
17	VISAKHAPATNAM	56	7531
18	COIMBATORE	59	7442
19	RANCHI	52	6861
20	AMRITSAR	47	6440
21	CHANDIGARH	46	6359
22	RAIPUR	45	5721

23	MANGALORE	41	5213
24	TRICHY	40	4644
25	SURAT	45	4466
26	PORTBLAIR	37	4173
27	MADURAI	43	4055
28	JAMMU	41	3999
29	AGARTALA	27	3955
30	BHOPAL	41	3759
31	IMPHAL	28	3727
32	DEHRADUN	36	3525
33	VIJAYAWADA	45	3519
34	UDAIPUR	26	3071
35	VADODARA	19	2758
36	LEH	21	2717
37	TIRUPATI	31	2461
38	GORAKHPUR	14	1873
39	HUBLI	19	1391
40	DIBRUGARH	13	1330
41	RAJAHMUNDRY	24	1020
42	JABALPUR	16	935
43	SILCHAR	9	935
44	PRAYAGRAJ	9	932
45	TUTICORIN	10	636
46	KANPUR (Chakeri)	5	571
47	AURANGABAD	6	565
48	JODHPUR	4	517
49	GUGGAL (KANGRA)	10	507



50	DIMAPUR	4	506
51	JHARSUGUDA	8	506
52	BELGAUM	10	474
53	JUHU	59	425
54	RAJKOT	4	407
55	JORHAT	2	333
56	KISHANGARH	5	319
57	KOLHAPUR	7	317
58	CUDDAPAH	6	307
59	GWALIOR	7	306
60	JAISALMER	5	243
61	MYSORE	5	224
62	GAYA	4	224
63	PORBANDAR	4	200
64	KANDLA	3	196
65	PONDICHERRY	3	179
66	JAMNAGAR	2	179
67	BIKANER	3	131
68	ADAMPUR (JALANDHAR)	2	131
69	BHAVNAGAR	6	113
70	SALEM	2	106
71	BHATINDA	3	102
72	AGATTI	5	100
73	BHUNTAR	4	81
74	PANTNAGAR	2	81
75	BHUJ	1	68
76	DIU	3	58

77	LAKHIMPUR (LILABARI)	3	57
78	BARAPANI (SHILLONG)	2	56
79	LUDHIANA	1	53
80	KHAJURAHO	1	51
81	AGRA	2	45
82	PATHANKOT	1	38
83	SHIMLA	4	25
84	PAKYONG	0	25
85	TEZPUR	1	11
86	KOTA	0	0
87	JALGAON	0	0
88	SHOLAPUR	0	0
89	KESHOD (JUNAGARH)	0	0
90	SAFDARJUNG	0	0
91	GONDIA	0	0
92	TEZU	0	0
93	HYDERABAD (BEGUMPET)	0	0
94	KANPUR (CIVIL)	0	0
95	COOCHBEHAR	0	0
96	BANGALORE (HAL)	0	0
97	BEHALA	0	0
98	DONAKUNDA	0	0
99	NADIRGUL	0	0
100	VELLORE	0	0
101	AKOLA	0	0
102	BALLURGHAT	0	0
103	BILASPUR	0	0

104	CHAKULIA	0	0
105	DAPARAJO	0	0
106	DESSA (PALAMPUR)	0	0
107	JOGBANI	0	0
108	KAILASHAKAR	0	0
109	KAMALPUR	0	0
110	KHANDWA	0	0
111	KHOWAI	0	0
112	LALITPUR	0	0
113	MALDA	0	0
114	MUAAZFFARPUR	0	0
115	PANNA	0	0
116	RAXAUL	0	0
117	RUPASI	0	0
118	SATNA	0	0
119	SHELLA	0	0
120	ASANSOL	0	0
121	AIZWAL (TURAL)	0	0
122	WARANGAL	0	0
123	DEOGHAR	0	0
124	TANJAVUR	0	0
125	BAREILLY (CE)	0	0
<b>AVERAGE AAI AIRPORTS</b>		<b>3452</b>	<b>431069</b>
<b>JV AIRPORTS</b>			
126	DELHI (DIAL)	1195	178660
127	MUMBAI (MIAL)	810	124214
128	BANGALORE (BIAL)	625	90969

129	HYDERABAD (GHIAL)	491	60313
130	COCHIN (CIAL)	192	28289
131	NAGPUR (MIPL)	65	8483
132	KANNUR (KIAL)	44	4759
<b>AVERAGE JV AIRPORTS</b>		<b>3422</b>	<b>495687</b>
<b>STATE/ PRIVATE AIRPORTS</b>			
133	SHIRDI	17	1593
134	LENGPUI (AIZWAL)	4	384
135	NANDED	6	378
136	DURGAPUR	3	267
137	NASIK (HAL OZAR)	6	263
138	VIJAYANAGAR	4	198
139	MUNDRA	1	7
140	PASIGHAT	0	1
141	JAGDALPUR	0	1
142	PITHORAGARH	0	0
<b>AVERAGE STATE/PVT AIRPORTS</b>		<b>42</b>	<b>3093</b>
<b>AVERAGE ALL AIRPORTS</b>		<b>6916</b>	<b>929849</b>
* In Aircraft Movements, landing and take-off of an aircraft are counted separately i.e., one landing and one take-off are counted as two movements.			

### **DETAILS OF TRAINING INFRASTRUCTURE AND ACTIVITIES PROVIDED TO AAI STAFF**

Airports Authority of India (AAI) is both an airport operator and ANS service provider in the Indian subcontinent. Development, Management and maintenance of huge Indian Civil Aviation infrastructure requires extremely professional manpower resources. The development initiatives and technological enhancements clubbed with geographical expansion under RCS scheme; rigorous refinement of operating standards and procedures; new benchmarks in safety and security, improvements in management techniques call for continuous training to upgrade the knowledge, skill & attitude of all Airport professionals.

AAI Top Management believes that a large pool of trained and highly skilled manpower is the quintessential asset for any organization. AAI is strongly committed towards training and development of its employees, and has provided the much needed impetus for spreading the "culture of learning", thereby promoting competencies and commitment among employees. The top management has always laid emphasis on "Training for all".

#### **Training establishments of AAI**

In order to match high growth in civil aviation sector, AAI has four major training establishments, viz.

- i. Civil Aviation Training College (CATC) at Prayagraj with extensions at Hyderabad and Gondia
- ii. Fire Training Centre (FTC) at New Delhi,
- iii. Fire Services Training Centre (FSTC) at Kolkata,
- iv. Indian Aviation Academy (IAA) at New Delhi

These training institutes are responsible for in-house trainings of Air Traffic Controllers (ATCOs), CNS personnel (also known as Air Traffic Safety Electronics Personnel ATSEPs), Airport system (AS) personnel, Fire Fighting & Rescue personnel, Engineers, Cargo personnel, Operations Managers, Aviation safety, Security, IT, Technical, Finance & HR personnel etc. These institutes also develop and conduct trainings for external agencies and overseas participants.

All these training institutes are members of International Civil Aviation Organization (ICAO) TRAINAIR PLUS program under which they develop and share Standardized Training Packages (STPs) with international community for imparting training on various subjects. These institutes are having Course Development Units (CDU) and are also actively involved in development of STPs to the Central pool under ICAO TRAINAIR program.

In addition to these major training establishments, AAI has Regional Training Centres located in five regions for ANS professionals (ATCOs & ATSEPs) & to conduct General Training Programs for all disciplines. Local training centers at several major non-metro airports have also been established for ANS professionals. At Headquarter level, CHQ Training Centre has been established to cater to training requirements of Delhi-based employees.

## **Civil Aviation Training College (CATC)**

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) of AAI as well as neighbouring countries. CATC is a 'Full Member' of ICAO TRAINAIR PLUS Programme (TPP) since 2013 and has its extensions at Gondia & Hyderabad to accommodate more trainees due to rapid growth in the aviation industry. Apart from this, CATC is also an ISO 9001:2015 compliant in delivering its services.

Some of the programmes conducted at CATC include specialized induction level training for newly recruited ATCOs & CNS Personnel; equipment-based training for working ATCOs & CNS personnel (ATSEPs) with special focus on simulator-based training; and advanced Operations & Maintenance of state-of-the-art CNS-ATM systems. In addition, refresher courses are conducted at regular intervals to keep the employees up-to-date with equipment and processes.

## **Fire Training Centres**

Surge in air traffic globally and increasing introduction of large aircrafts have placed tremendous responsibilities and demands on emergency services to meet the challenges. Therefore, it is essential that emergency service personnel equipment management should be of high calibre and capability to deal with aircraft accident/emergencies effectively and efficiently. Safety being paramount, AAI has invested significantly in the skill development of aviation fire personnel and modernizing firefighting equipment and training facilities. AAI fire training institutes play a vital role in developing best fire fighters in the country by providing training to external participants as well.

AAI has established two training centres for Training and Skill Development in Firefighting and Emergency Response -

### **1. Fire Training Centre, New Delhi**

### **2. Fire Service Training Centre, Kolkata.**

Both the training centres have been accredited with ICAO TRAINAIR PLUS Membership, ensuring quality training programmes in Aircraft Rescue and Fire Fighting (ARFF). Besides, Fire Training centre, New Delhi is also ISO certified for Integrated Management system (IMS).

AAI Fire training centres are pioneer in Aircraft Rescue & Fire Fighting training in India. Basically, AAI's Fire training centres have been established to impart fire safety & rescue training to airport fire service personnel as per ICAO guidelines for conducting Aircraft Fire fighting and rescue operation.

Other than rescue and firefighting training, Fire training centres are conducting specialized training for officers and staff of other organizations and have also been entrusted with the responsibility for conducting basic and advance fire and rescue courses for port and shipping, oil industries, state fire and other industrial fire services.

Recently, AAI has introduced simulator system for Incident command Management system (ICMS) through which, AAI is able to provide highly effective training for relevant scenarios for its trainees, resulting in proper operation and tactical deployment of the airport response vehicles, better knowledge of Standard operating procedures and Emergency operating procedures, and command, Control, Coordination and Communication skills for airport emergency response.

### **Indian Aviation Academy (IAA):**

Indian Aviation Academy, New Delhi is the joint venture of Airports Authority of India (AAI), Director General of civil Aviation (DGCA) and Bureau of civil Aviation security (BCAS). It aims to provide education, training and research in the field of Aviation Management, in Asia-Pacific region. IAA is a Full Member of ICAO TRAINAIR PLUS Programme (TPP).

IAA is housed in a sprawling campus at Vasant Kunj, New Delhi. The Academic block consists of 10 training halls, dining hall with seating capacity of 100 persons, Auditorium with seating capacity of 170 persons, Library, Computer labs, 4 nos Syndicate Rooms, 40 seater Restaurant, Bank ATM, Parking for 180 Vehicles and lush green surroundings. The Hostel block consist of 36 single and 32 double bedded rooms, 4 suites, Large Dining Hall, Multipurpose Hall, 2 Gymnasiums, Swimming Pool, Badminton Court, Basketball Court, Lawn Tennis Court, 66 Vehicle Car Parking and Beautiful Lawns.

### **Other Training & Development Activities:**

**1. AAI Training Policy:** The Training Policy was released in March, 2016 and is a structured attempt in training employees based on training needs and a coherent training plan.

**2. Training cell at CHQ:** In order to monitor training & development activities at organizational level, Training Cell was established at Corporate Headquarters of AAI in the year 2016. Currently it caters to foreign visit requirement of AAI officials, apart from Leadership Development of mid-senior level Executives, issuing guidelines on training, catering to training requirements of Delhi based' employees, consolidating training records and creating a training record data repository.

**3. Leadership Development Program for mid-senior level Executives:** Since 2017-18, AAI has been focusing on capability development of its employees to prepare them for future roles. In order to institutionalize the initiative, during 2018-19; AAI entered into Long-term (3-year) MoUs with following top business schools to deliver customized Leadership Development Training across 4 levels viz E5 (AGM), E7 (Jt. GM), E8 (GM) and E9 (ED) through a well-devised annual training calendar:

- a. Indian Institute of Management, Bangalore
- b. Indian Institute of Management, Indore
- c. Indian Institute of Management, Lucknow
- d. Management Development Institute, Gurgaon

For identification of training needs, a Diagnostic Study was conducted by IIM Bangalore and the needs thus identified were shared with other institutes

The Leadership Development Programs have been branded for better association and clarity of purpose:

Level	Name	Rationale
E8/E9	Leadership Development Program “प्रेरक”	Their role is to inspire and lead teams
E7	Leadership Development Program “साधक”	Their role is to accomplish new tasks
E5	Leadership Development Program “सार्थक”	Their role of to execute company’s strategy

**4. Induction level Orientation Program:** Induction level orientation programmes of 4-week duration have been introduced as per AAI training policy. Apart from this, discipline-specific programs and On-the-Job trainings are organized to give new recruits a real-life feel of operations. These programmes have helped in acquainting newly joined employees with organization culture and practices.

**5. Global ACI-ICAO Airport Management Professional Accreditation Programme (AMPAP):** AAI is regularly nominating its executives under this prestigious program since 2010. So far, 160 Senior Executives have been trained under Global ACI-ICAO Airport Management Professional Accreditation Programme (AMPAP) and have been designated as International Airport Professional (IAP).

**6. Training at external premier management institutes:** In order to gain wider experience during training esp on leadership and managerial topics, AAI employees are regularly encouraged to participate in open-house training programs organized by reputed institutes throughout the country. During 2018-19, a Standard Operating Procedure (SOP) for preparation of annual training calendar and nomination of executives in open-house training programs through reputed external agencies has been devised and implemented. An annual training calendar for open-house programs

was published and circulated among HoDs for nomination of executives.

**7. Participation in Overseas training & development programs:** AAI executives are regularly sent for various training programs, workshops & symposiums held abroad to enable them to acquire requisite KSAs for operation & Maintenance of state of the art technology and keep the workforce abreast with the global development in the aviation industry.

**8. Availability of Internationally certified instructors & course developers:** AAI also provides knowledge enhancement platform for Instructors and course developers at its training establishments by either organizing ICAO STP Courses in India or by nominating its executives for other ICAO STP courses like Training Instructors Course (TIC), Training Developers Course (TDC) held in India and abroad.



The civil aviation industry across the globe is growing at a rapid pace. India is slated to be the third largest civil aviation market in the years to come. To have the right personnel for the job to meet the challenges of the future is welcome and warranted for an organisation like AAI. The training infrastructure of AAI has vital role to play in days to come, which will contribute to nation's goal of skill building.

**DATA REGARDING THE INVESTMENT, EXPENDITURE AND PROFIT/LOSS OF RCS AIRPORTS**

(Rs in Crores)

S. No	NAME OF AIRPORT	STATE	2016-2017		
			REVENUE	EXPENDITURE	PROFIT(+ )/ LOSS(-)
1	KADAPH	ANDHRA PRADESH	0.26	7.73	-7.47
2	JORHAT	ASSAM	1.49	9.94	-8.45
3	ULABARI	ASSAM	0.36	13.24	-12.88
4	TEZPUR	ASSAM	0.18	6.06	-5.88
5	DIU	DAMAN & DIU	0.75	2.71	-1.96
6	BHAVNAGAR	GUJARAT	0.74	13.94	-13.20
7	JAMNAGAR	GUJARAT	2.93	5.68	-2.75
8	KANDALA	GUJARAT	0.19	6.43	-6.24
9	PORBANDAR	GUJARAT	3.27	16.32	-13.05
10	KULU(BHUNTAR)	HIMACHAL PRADESH	0.69	14.06	13.37
11	SHIMLA	HIMACHAL PRADESH	0.05	10.91	-10.86
12	BELGAUM(BELAGAVI)	KARNATAKA	2.14	14.92	-12.78
13	HUBLI(HUBBALI)	KARNATAKA	0.95	13.25	12.30
14	MYSORE	KARNATAKA	2.93	9.98	-7.05
15	KALBURGI	KARNATAKA	0.00	0.00	0.00
16	GWALIOR	MADHYA PRADESH	0.54	14.52	13.98
17	JALGAON	MAHARASHTRA	0.00	1.98	-1.98
18	KOLHAPUR	MAHARASHTRA	0.09	3.47	-3.38
19	SHILLONG(BARAPANI)	MEGHALAYA	0.37	11.87	11.50
20	DIMAPUR	NAGALAND	3.83	26.56	-22.73
21	JHARSUGUDA	ODISSA	0.45	6.64	-6.19
22	PONDICHERRY	PUDUCHERRY	5.93	16.12	-10.19
23	BHATINDA	PUNJAB	0.11	3.85	-3.74
24	LUDHIANA	PUNJAB	0.23	3.42	-3.19
25	PATHANKOT	PUNJAB	0.01	2.21	-2.20
26	ADAMPUR	PUNJAB	0.00	0.00	0.00
27	BIKANER	RAJASTAN	0.07	3.36	-3.29
28	JAISALMER	RAJASTAN	0.05	0.94	0.89
29	KISHANGARH(AJMER)	RAJASTAN	0.02	0.98	-0.96
30	PEKYONG	SIKKIM	0.01	1.25	-1.24
31	SALEM	TAMIL NADU	0.08	4.98	-4.81
32	AGRA	UTTAR PRADESH	1.00	13.91	12.19
33	ALLAHABAD	UTTAR PRADESH	1.09	4.36	-3.27
34	KANPUR	UTTAR PRADESH	0.00	0.00	0.00
35	HINDON	UTTAR PRADESH	0.00	0.00	0.00
36	PANT NAGAR	UTTRAKHAND	1.14	8.14	-7.00

**STATEMENT SHOWING PROFIBILITY OF AAI AIRPORTS HAVING RCS FLIGHT OPERATIONS FOR THE FY 2017-2018**

(Rs in Crores)

S. No.	NAME OF AIRPORT	STATE	2017-2018		
			REVENUE	EXPENDITURE	PROFIT(+ )/ LOSS(-)
1	KADAPH	ANDHRA PRADESH	1.07	10.25	-9.18
2	JORHAT	ASSAM	1.62	10.64	-9.02
3	ULABARI	ASSAM	0.69	16.83	-16.14
4	TEZPUR	ASSAM	0.23	7.43	-7.2
5	DIU	DAMAN & DIU	0.49	3.35	2.86
6	BHAVNAGAR	GUJARAT	1.30	15.51	-14.21
7	JAMNAGAR	GUJARAT	2.28	6.22	3.4
8	KANDALA	GUJARAT	0.50	3.95	-3.45
9	PORBANDAR	GUJARAT	3.31	13.16	-9.85
10	KULU(BHUNTAR)	HIMACHAL PRADESH	0.80	16.74	-15.94
11	SHIMLA	HIMACHAL PRADESH	0.28	13.20	-12.92
12	BELGAUM(BELAGAVI)	KARNATAKA	2.99	22.12	-19.13
13	HUBLI(HUBBALI)	KARNATAKA	1.14	24.34	-23.2
14	MYSORE	KARNATAKA	2.01	11.38	-9.37
15	KALBURGI	KARNATAKA	0.00	0.00	0.00
16	GWALIOR	MADHYA PRADESH	0.43	9.45	-9.02
17	JALGAON	MAHARASHTRA	0.02	3.75	-3.73
18	KOLHAPUR	MAHARASHTRA	0.04	4.46	4.42
19	SHILLONG(BARAPANI)	MEGHALAYA	0.53	13.72	-13.19
20	DIMAPUR	NAGALAND	4.86	30.08	-25.22
21	JHARSUGUDA	ODISSA	0.13	7.85	-7.72
22	PONDICHERRY	PUDUCHERRY	1.64	6.03	-4.39
23	BHATINDA	PUNJAB	0.24	4.07	-3.83
24	LUDHIANA	PUNJAB	0.18	6.62	-6.44
25	PATHANKOT	PUNJAB	0.13	3.42	-3.29
26	ADAMPUR	PUNJAB	0.00	1.36	-1.36
27	BIKANER	RAJASTAN	0.34	4.75	-4.41
28	JAISALMER	RAJASTAN	1.13	2.64	-1.51
29	KISHANGARH(AJMER)	RAJASTAN	0.16	10.66	-10.5
30	PEKYONG	SIKKIM	0.00	6.36	-6.36
31	SALEM	TAMIL NADU	0.09	4.40	-4.31
32	AGRA	UTTAR PRADESH	0.98	14.97	-13.99
33	ALLAHABAD	UTTAR PRADESH	1.08	3.97	-2.89
34	KANPUR	UTTAR PRADESH	0.00	0.00	0
35	HINDON	UTTAR PRADESH	0.00	0.00	0.00
36	PANT NAGAR	UTTRAKHAND	0.91	11.15	-10.24

**STATEMENT SHOWING PROFIBILITY OF AAI AIRPORTS HAVING RCS FLIGHT OPERATIONS FOR THE FY 2018-2019**

(Rs in Crores)

S. No	NAME OF AIRPORT	STATE	2018-2019		
			REVENUE	EXPENDITURE	PROFIT(+ )/ LOSS(-)
1	KADAPH	ANDHRA PRADESH	0.57	10.38	9.81
2	JORHAT	ASSAM	2.11	12.72	-10.61
3	ULABARI	ASSAM	0.43	16.85	-16.41
4	TEZPUR	ASSAM	0.24	8.14	-7.9
5	DIU	DAMAN & DIU	0.65	4.44	-3.79
6	BHAVNAGAR	GUJARAT	0.35	7.97	-7.62
7	JAMNAGAR	GUJARAT	1.54	18.35	-16.81
8	KANDALA	GUJARAT	2.33	4.56	-2.23
9	PORBANDAR	GUJARAT	4.42	19.70	-15.28
10	KULU(BHUNTAR)	HIMACHAL PRADESH	0.86	17.14	16.27
11	SHIMLA	HIMACHAL PRADESH	0.25	14.90	-14.65
12	BELGAUM(BELAGAVI)	KARNATAKA	2.17	27.52	-25.35
13	HUBLI(HUBBALI)	KARNATAKA	6.46	29.75	23.29
14	MYSORE	KARNATAKA	3.15	9.69	6.54
15	KALBURGI	KARNATAKA	0.00	0.00	0.00
16	GWALIOR	MADHYA PRADESH	0.30	9.75	-9.44
17	JALGAON	MAHARASHTRA	0.28	3.90	3.63
18	KOLHAPUR	MAHARASHTRA	0.18	6.98	-6.79
19	SHILLONG(BARAPANI)	MEGHALAYA	1.23	16.37	15.14
20	DIMAPUR	NAGALAND	6.07	33.15	-27.08
21	JHARSUGUDA	ODISSA	0.48	11.86	-11.38
22	PONDICHERRY	PUDUCHERRY	2.08	6.44	-4.36
23	BHATINDA	PUNJAB	0.21	5.52	5.31
24	LUDHIANA	PUNJAB	0.29	6.75	6.46
25	PATHANKOT	PUNJAB	0.10	5.84	5.74
26	ADAMPUR	PUNJAB	0.23	0.87	-0.63
27	BIKANER	RAJASTAN	0.32	5.51	-5.18
28	JAISALMER	RAJASTAN	1.65	3.11	1.46
29	KISHANGARH(AJMER)	RAJASTAN	0.41	22.71	-22.30
30	PEKYONG	SIKKIM	0.32	22.64	-22.32
31	SALEM	TAMIL NADU	0.36	6.80	-6.43
32	AGRA	UTTAR PRADESH	1.29	13.25	-11.96
33	ALLAHABAD	UTTAR PRADESH	2.67	6.2	-3.53
34	KANPUR	UTTAR PRADESH	0.00	0.00	0.00
35	HINDON	UTTAR PRADESH	0	0.01	0.01
36	PANT NAGAR	UTTRAKHAND	1.06	11.39	10.33

**LIST OF AWARDS WON BY AAI AIRPORT FROM 2014-15**

<b>LIST OF INDIAN AIRPORTS WINNING ANNUAL ASQ AWARDS</b>			
<b>YEAR</b>	<b>AIRPORT NAME</b>	<b>POSITION</b>	<b>AWARD CATEGORY</b>
2013	DELHI	FIFTH	Best Airport by Region
	DELHI	SECOND	Best Airport by Size (25-40 million passenger per year)
	MUMBAI	FIFTH	Best Airport by Size (25-40 million passenger per year)
	HYDERABAD	SECOND	Best Airport by Size (5-15 million passenger per year)
	KOLAKATA	BEST	Best Improvement by Region- Asia Pacific
2014	DELHI	FIFTH	Best Airport by Region
	DELHI	FIRST	Best Airport by Size (25-40 million passenger per year)
	MUMBAI	FIFTH	Best Airport by Size (25-40 million passenger per year)
	HYDERABAD	THIRD	Best Airport by Size (5-15 million passenger per year)
	AHMEDABAD	FIFTH	Best Airport by Size (2-5 million passenger per year)
	KOLKATA	FIRST	Best Improvement by Region- Asia Pacific
2015	DELHI	SECOND	Best Airport by Region- Asia Pacific
	MUMBAI	SECOND	Best Airport by Region (Over 2 million passengers per year)
	HYDERABAD	THIRD	Best Airport by Size (5-15 million passenger per year)
	DELHI	FIRST	Best Airport by Size (25-40 million passenger per year)
	MUMBAI	FIRST	Best Airport by Size (25-40 million passenger per year)
	DELHI	BEST	Best Airport by Size and Region(25-40 million passenger per year)
	JAIPUR	FIRST	Best Airport by Size (2-5 million passenger per year)
		BEST	Best Airport by Size and Region (2-5 million passenger per year)
LUCKNOW	SECOND	Best Airport by Size (2-5 million passenger per year)	
	DELHI	SECOND	Best Airport by Region (Over 2 million passengers per year)
	MUMBAI	SECOND	Best Airport by Region (Over 2 million passengers per year)
	HYDERABAD	FIRST	Best Airport by Size (5-15 million passenger per year)
	COCHIN	THIRD	Best Airport by Size (5-15 million passenger per year)
	DELHI	SECOND	Best Airport by Region (Over 40 million passengers per year)
	MUMBAI	SECOND	Best Airport by Region (Over 40 million passengers per year)

2016	JAIPUR	FIRST	Best Airport by Size (2-5 million passenger per year)
		BEST	Best Airport by Size and Region (2-5 million passenger per year)
	SRINAGAR	SECOND	Best Airport by Size (2-5 million passenger per year)
2017	AHMEDABAD	MOST	Best improvement by Region- Asia Pacific
	LUCKNOW	FIRST	Best Airport by Size (2-5 million passenger per year)
		BEST	Best Airport by Size and Region (2-5 million passenger per year)
	KOLKATA & PUNE	THIRD	Best Airport by Size (5-15 million passenger per year)
	CHENNAI	THIRD	Best Airport by Size (15-25 million passenger per year)
	INDORE	BEST	Best Airport by Region (Under 2 million passengers per year)
	DELHI & MUMBAI	FIRST	Best Airport by Region in Asia Pacific ( Over 2 million passengers per year)
	HYDERABAD	FIRST	Best Airport by Size (5-15 million passenger per year)
	COCHIN	THIRD	Best Airport by Size (5-15 million passenger per year)
	BANGALURU	SECOND	Best Airport by Size (15-25 million passenger per year)
	DELHI & MUMBAI	FIRST	Best Airport by Size (Over 40 million passenger per year)
	HYDERABAD	BEST	Best Airport by Size and Region (5-15 million passenger per year)
MUMBAI	BEST	Best Airport by Size and Region (Over 40 million passenger per year)	
2018	BHUBANESWAR	-	Best Airport by Size and Region (2-5 million passenger per year)
	INDORE	-	Best Airport by Size and Region (2-5 million passenger per year)
		-	Best Airport by Customer Service by Size
		-	Best Airport by Infrastructure and Facilitation by size
		-	Best Airport by Environment and Ambience (5-15 million passenger per year)
	AHMEDABAD	-	Best Airport by Customer Service by Size
		-	Best Airport by Infrastructure and Facilitation by size
		-	Best Airport by Size and Region (2-5 million passengers per year)
	CHANDIGARH	-	Best Airport by environment And Ambience by size
		-	Best Airport by Size and Region (Over 40 million passenger per year)
	DELHI & MUMBAI	-	Best Airport by Size and Region (Over 40 million passenger per year)
	COCHIN	-	Best Airport by Size and Region (5-15 million passenger per year)
BANGALURU	-	Best Airport by Size and Region (25-40 million passenger per year)	
	-	Best Airport Experience in Arrivals	

**GUIDELINES DATED 14.10.2019 ISSUED BY MoCA FOR COMPOSITION OF AAC**

No. AV-24011/4/2018-AAI-MOCA  
Government of India  
Ministry of Civil Aviation

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'B' Block, Rajiv Gandhi Bhawan,  
Safdarjung Airport, New Delhi-110003  
Dated: 14<sup>th</sup> October, 2019

To,

The Chairman,  
Airports Authority of India,  
Rajiv Gandhi Bhawan,  
Safdarjung Airport, New Delhi-110 003

Sub: **Revised guidelines for reconstitution of Airport Advisory Committees at airports managed by Airports Authority of India - reg.**

Sir,

I am directed to refer to AAI's UCH Note No./743 (fps. AAC.11/2019/1328 dated 23.07.2019 on above noted subject and to forward herewith the revised guidelines (**copy enclosed**) for reconstitution of Airport Advisory Committees at airports managed by Airports Authority of India.

2 . AAI is requested to take appropriate necessary action in the matter for compliance.

3 This issues with the approval of Hon'ble Minister of State for Civil Aviation (Independent Charge).

**Yours faithfully,**

**Sd/-**

**(Narendra Singh)**

**Under Secretary to the Government of India**

**Tel: 2461 6025**

**Encl: As above (3 pages)**

## **AIRPORT ADVISORY COMMITTEE**

### **1. Purpose**

The purpose of formation of the Airport Advisory Committee (MC) is to make the airports user friendly from the point of view of passenger amenities. It aims to enhance airport image in terms of Service and passenger facilitation.

### **2. Composition**

- At International / Domestic airports, the MC should include following ex-officio members:

1. Hon'ble Member of Parliament from the Airport Constituency
2. Hon'ble Member of Legislative Assembly from the Airport Constituency
3. Airport Director
4. Representative of Airlines Operators Committee
5. Chief Airport Security Officer (CISF / State Police)
6. DIG / SSP (State Police)
7. District Collector / District Magistrate
8. Municipal Commissioner

- In addition to above, the following members are to be nominated to the AAC:

(a) One member from each of the following categories :-

1. Trade
2. Industry (Airlines/Hotel Federation etc.)
3. Travel & Tours/Taxi Associations

(b) Maximum two members to be nominated by Chairman, MC from among the prominent persons from Social and Political background (from the city of associated airport).

(c) Three members to be nominated by Ministry of Civil Aviation from among the eminent personalities in different fields.

\* For the purpose of selection of Members, the Collector/District Magistrate of the area/region where the airport falls may recommend a panel of 2 such persons each, for the three categories mentioned in sub-point (a) above, to the Chairman of the MC, who shall be the final Authority to select the Members;

### **3. Functions**

- i issues related with passenger facilitation aimed at making the airport user friendly
- ii Handling congestion at the airport
- iii Cleanliness of surrounding areas of airport
- iv Transport / Taxi service issues
- v Airport approach road and road traffic congestion problems



- vi Maintenance of essential services to ensure uninterrupted functions of the airports especially during political agitations.
- vii Any point/issue related with the airport functioning, likely to affect directly or indirectly the interest of the airport users.
- viii The role of committee shall be purely advisory and administrative issues shall be out of the purview of the committee.
- ix Steps to strengthen solid waste management and making airport environment friendly.
- x issues related to State Govt. viz Land encroachment, smooth drainage system, uninterrupted supply of water and electricity, medical support from State Health Department in respect of Doctor, Ambulance etc.

4. **Frequency of meetings**

The MC meetings should be held once in six months, at the airport as per convenience of members.

5. **Formation of AACs**

- i The airport director shall be the convener of MC.
- ii The Member of Parliament (MP) of the area (of the airport) will be the ex-officio Chairman of MC and Member of Legislative Assembly (MLA) as alternate Chairman (in the absence of Chairman). In case the area of airport comprises constituencies of more than one MLA, then senior- most MLA in terms of his/her Legislature experience can act as Co-Chairman (in the absence of the Chairman) and other MLAs will be Member of the MC.
- iii If the city has more than one MP, the MP of the area (of the airport) will be Chairman and other Hon'ble MP will be co-Chairman. In that case, senior-most MLA of the area (of the airport) in terms of his/her Legislature experience will be vice-Chairman.
- iv If the city has more than two MPs, the MP of the area (of the airport) will be Chairman and all other Hon'ble MPs and MLAs of the area (of the airport) will be Members of the MC. The senior-most MP in terms of his/her Parliamentary experience can act as Co-Chairman in the absence of the Chairman.
- v While the tenure of the Hon'ble MP(s) and MLA(s) will be co-terminus with their term in Parliament/Assembly, the tenure of nominated Members will be for a period of two years.
- vi Once the tenure of nominated Member is over, he/she will not be eligible for re- nomination for a period of four years.

6. **Perquisites and other facilities to nominated members of AAC**

- i Nominated members (from the city of associated airport) shall be paid an honorarium of Rs. 1000/- per meeting.
- ii In case of a nominated member having residence in a place other than the city of the airport.
  - (a) Free Air ticket (economy class or AC 11 Tier Train fare or Taxi fare without any liability to provide local transport and accommodation).
  - (b) Honorarium shall be paid © Rs. 1500/- per member for attending the meeting.

- lii The ex-officio members shall not be given any monetary benefit / compensation for attending the AAC meetings.
- iv The remuneration shall be paid to the outstation nominated members and to the local nominated members only.
- v The MC member may visit / inspect the respective airport during the meeting.
- vi The MC members shall use their own letter head for correspondence and not MI letter head / Logo.
- vii No free telephone and office accommodation or secretarial assistance may be provided.

**MINSITRY OF CIVIL AVIATION LETTER NO. 26/05/2007-C&W DATED 10.10.2007**

No.26/5/2007-C&amp;W

Government of India

Ministry of Civil Aviation

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New Delhi, dated 10<sup>th</sup> October, 2007**ORDER****Subject: Courtesy towards Members of Parliament at Airports.**

Ministry of Civil Aviation has been from time to time issuing instructions regarding courtesy/facilities to be extended to Hon'ble MPs. While there are several instructions in place issued by various agencies of Ministry of Civil Aviation to ensure that due courtesy is extended to Hon'ble Members of Parliament, it has now been decided to issue a consolidated order to be endorsed to all Field Officials. The Field Officials still acknowledge receipt of the same and will be personally responsible to ensure that these instructions are scrupulously observed while interaction with Hon'ble Members of Parliament.

Following is the consolidated list of courtesy/facilities to Hon'ble MPs.

**Facilities to be offered to the Hon'ble MPs by Air India (National Aviation Company of India Ltd.)**

1. Facility of payment through cheque for tickets may be extended to Hon'ble MPs if they so desire.
2. All efforts are to be made to give on the spot confirmation of seats. In case of fully booked flights, the seats available against the first cancellation are to be offered to the MPs.
3. Duty Manager, facilitation and / senior staff to facilitate Hon'ble MPs for completion of check-in formalities when they report at the airport.
4. Seats of their choice to be allotted to them subject to availability.
5. Efforts should be made to reserve seats in the front row for Hon'ble MPs.
6. Air India (NACIL) travel details of Hon'ble MPs should be passed on to the concerned Airport Directors so that necessary assistance could be extended to MPs through the identified Protocol Officer.
7. AC Coach should be provided for Executive Class passengers of Air-India (NACIL).

**Facilities to be offered to Hon'ble MPs by Airports Authority of India / other Airport Operators**

1. Reserved Lounge facilities at the international and domestic terminals of the airports should be made available for use by MPs. Tea/coffee/water to be served free of charge.
2. Member of Parliament to act as Chairman of Airport Advisory Committee in respect of the Airport which falls under his/her Constituency.
3. Member of Parliament may be allowed free access in the Terminal building and Visitors Gallery on the basis of MPs Identity Card.

4. AAI and other Airport Operators should facilitate parking of vehicles of MPs in the VIP Car Parking area on the basis of pass issued to MPs for Parliament House Car Park.
5. Airport Entry Pass may be given to one Personnel Staff each of MP as and when required.
6. To designate an officer as Protocol Officer at each airport, who would be responsible for extension of all facilities/courtesies to the MPs.

**Aviation by BCAS**

1. One time Airport Entry Pass should be given to one personal staff each of MPs when requested for.
2. Proper training should be given to CISF personnel so that MPs Identity Cards/Boarding Cards with identification sticker or slips are honoured, and MPs are extended due courtesy/priority during security checks.

**Sd/-**

**(K.K. Padmanabhan)**

**Under Secretary to the Government of India**

**[Tel:24648983](tel:24648983)/[Fax:24610378](tel:24610378)**

1. The Chairman (Dr. K. Ramalingam), Airports Authority of India, New Delhi with the request that these instructions may be circulated to all Airport Directors of all operational civil airports.
2. The CMD (Shri V. Thulasidas), National Aviation Company of India Limited (NACIL), Air India Building, Nariman Point, Mumbai – 400 021.
3. The Commissioner, (Shri J.K. Dutt), Bureau of Civil Aviation Security, New Delhi.
4. The Managing Director, Delhi International Airport Private Limited, Terminal 1B, IGI Airport, New Delhi for necessary action.
5. The Managing Director, Mumbai International Airport Private Limited, 511, World Trade Centre , Babar Road, New Delhi for necessary action.
6. The Managing Director (Shri Shriram Barathan), Cochin International Airport Private Limited, Kochi Airport, P.O. Ernakulam-683111, Kerala for necessary action.
7. The Director General (Atten: Shri M.S. Bali, IG (Airport Security), Central Industrial Security Force, C.G.O. Complex, Lodhi Road, New Delhi.

**MINISTRY OF CIVIL AVIATION LETTER NO. AV-15029/22/2015-AS DATED**

**02.01.2007**

No. AV 15029/22/2015-AS

Government of India

Ministry of Civil Aviation

\*\*\*\*\*

'Block, Rajiv Gandhi Bhawan,

Safdarjung Airport, New Delhi

Dated 2<sup>nd</sup> January, 2020

To

The Director General

Bureau of Civil Aviation Security (BCAS)

Janpath Bhawan, Janpath,

New Delhi.

2. All Airport Operators (including AAI)

3. All airline operators (including Air India)

Subject: **Protocol/Courtesy/Support extended to the Members of Parliament at airports- reg.**

Sir

I am directed to say that instructions have been issued from time to time for extending Protocol/Courtesy/Support to Members of Parliament at airports *vide* communications as under:

- a. Ministry of Civil Aviation's order No. 26/5/2007-C7W dated 10<sup>th</sup> October 2007
- b. AAI's Letter No. OPS 713/MP/03/2012 dated 16<sup>th</sup> May 2012.
- c. BCAS's AVSEC Circular No 18/2009 dated 9<sup>th</sup> December 2009.

2. Based on the above, a consolidated list of facilities is hereby enclosed. All are requested to extend the courtesy/protocol/support to the Members of Parliament at airports.

**Yours faithfully**

**Sd/-**

**(Brajesh Kumar Srivastava)**

**Under Secretary to the Govt. of India**

**Tel. 011-24619282**

**Enclosure: As above**

## **Protocol/Courtesy extended to the Members of Parliament**

Instructions Enclosed:

- a. Ministry of Civil Aviation's order No. 26/5/2007-C7W dated 10<sup>th</sup> October 2007
- b. AAI's Letter No. OPS 713/MP/03/2012 dated 16<sup>th</sup> May 2012.
- c. BCAS's AVSEC Circular No 18/2009 dated 9<sup>th</sup> December 2009.

### **1. By Air India (National Aviation Company of India Ltd.)**

- i. Facility of payment through cheque of tickets may be extended to Hon'ble MPs if they so desire.
- ii. All efforts are to be made give on the spot confirmation of seats. In case of fully booked flights, the seats available against the first cancellation are to be offered to MPS.
- iii. Duty Manager, facilitation, and /senior staff to facilitate Hon'ble MPs for completion of check-in formalities when they report at the airport.
- iv. Seats of their choice to be allotted to them subject to availability.
- v. Efforts should be made to reserve the seats in front row for Hon'ble MPs.
- vi. Air India (NACIL) travel details of Hon'ble MPs should be passed or to the concerned Airport Directors so that necessary assistance could be extended to MPs through the identified protocol Officers.
- vii. AC coach should be provided for the Executive Class passengers of Air-India (NACIL).

### **2. By Airports Authority of India/ other Airport Operators**

- i. Reserved Lounge facilities at the international and domestic terminals of the airports should be made available for use by the MPs. Tea/Coffee/ Water to be served free of charge.
- ii. Member of Parliament act as Chairman of Airport Advisory Committee in respect of the airport which falls under his/her Constituency.
- iii. Member of Parliament may be allowed free access in the Terminal building and Visitors gallery on the basis of MPs identity Card.
- iv. AAI and other Airport Operators should facilitate parking of vehicles of MPs in the VIP Car Parking area on the basis of pass issued to MPs for Parliament House Car Park.
- v. Airport Entry Pass may be given to one personal staff each of MP as and when required
- vi. All APDs should nominate a protocol officer from AAI and the protocol Officer shall facilitate Hon'ble Members of Parliament.
- vii. Facilitation for check-in after proper coordination with Airlines.
- viii. Facilitation for Security check after coordination with CISF and airlines for smooth, prompt security check while entering SHA and at boarding gate for smooth pass through SHA.

### **3. By Bureau of Civil Aviation(BCAS)**

- i. One time Airport Entry Pass should be given to one personal staff each of MPs when requested for.
- ii. Proper training should be given to CISF personnel so that MPs Identity Cards/ Boarding Cards with identification sticker or slips are honoured and MPS are extended due courtesy/ priority during security checks.
- iii. Hon'ble Members of Parliament shall be allowed entry into the passengers terminal buildings (upto check-in and baggage claim areas) of civil airport/ civil enclaves in the country on the basis of their valid identity cards issued by Parliament Secretariat, New Delhi.

- iv. The CISF personnel/ APSU staff and persons of various agencies deployed at civil airports/ civil enclaves in India shall ensure that due courtesy is extended to Hon'ble Members Parliament during their visit to airports.
- v. CASO/APSU I/c at each airport shall personally brief to the personnel under their command on the above points. Extra care should be taken to brief all staff newly joined.



## STATUS OF AUDIT PARAS

## C&amp;AG Audit Para Status as on 21.08.2019

S. No.	C&AG Audit Para/Report No.	Subject/Gist of audit observation	Remarks	Pending with
1.	Para No. 2.1 of Report No. 3 of 2011-12 (Commercial) No. G.25012/7/2011-AAI	Management and execution of Terminal Building Construction Projects.	Reply of the Govt. has been forwarded to Audit vide this Ministry's letter dated 10.7.2017.	Audit
2.	Para No. 2.2 of Report No. 3 of 2011-12 (Commercial)	Procurement of Communication, Navigation and Surveillance Equipment's.	Reply of the Govt. has been forwarded to Audit vide this Ministry's letter dated 19.6.2017.	Audit
3.	Para No. 2.4 in Report No. 3 of 2011-12 (Commercial) F.No. G.25012/5/2016-AAI	Injudicious investment on development of airport at Coochbehar.	Reply of the Govt. has been forwarded to Audit vide this Ministry's letter dated 6.10.2016.	Audit
4.	Para No. 2.5 of Report No. 8 of 2012-13 (Commercial) No. G.25012/4/2012-AAI	Favour to a contractor by awarding a construction contract against unacceptable offer and allotment of land free of charge.	Reply of the Govt. has been forwarded to Audit vide this Ministry's letter dated 10.7.2017.	Audit
5.	Para No. 3.1 of Report No. 13 of 2013 (Commercial) No. G.25012/5/2013-AAI FTS No. 73419	Land Management. Audit had observed that the Land Management Department was responsible to keep proper record and to establish ownership of land vested with AAI. Out of 37455.729 acres of land test checked in Audit, 14053.202 acres of land was not mutated in the name of AAI. Further, 888.44 acres of land was under encroachment (March 2012) due to which AAI had to defer	Audit vide letter dated 14.5.2019 has forwarded further vetting remarks. The same have been sent to AAI for point-wise reply vide Ministry's letter dated 21.5.2019 and subsequent reminder dated 7.6.2019 & 21.8.2019.	AAI

		creation/operationalisation of certain facilities. Many agencies were unauthorisedly occupying land at various airports. However, in absence of agreements with the parties AAI was unable to realize license fee/lease rent due.		
6.	Para No. 2.1 in Report No. 21 of 2015 (Commercial) F.No. G.25012/106/2015-AAI FTS No. 110992	Allotment of land for setting up and operation of flying clubs. Audit further observed that Draft Land Regulations.	Audit vide letter dated 1.8.2018 has furnished their first vetting remarks. The same has been forwarded to AAI for their comments vide this Ministry's letter dated 13.8.2018 and its subsequent reminder dated 11.9.2018 and 26.11.2018. Comments from AAI are still awaited.	AAI
7.	Para No. 8.1 in Report No. 21 of 2015	Irregular payment of allowances and perks beyond admissible ceiling.	Reply of the Govt. has been forwarded to Audit vide this Ministry's letter dated 28.3.2017.	Audit
8.	Para No. 2.4 of Report No. 15 of 2016 F.No. G-25012/10/2016-AAI FTS No. 116910	Irregular payment towards encashment of half pay leave.	Audit vide letter dated 20.6.2018 had stated that Ministry accepted the fact that the amendment made to Leave Rules in November, 2004 was not placed in the Parliament. Thus, the payment made to employees for encashment of HPL the limit of 240 days during the period November 2004 to	AAI

			<p>March 2018 was irregular. However, details of this irregular payment was not provided for to Audit. Recovery of this irregular payment need to be effected as per existing legal provisions.</p> <p>AAI vide letter dated 4.7.2018 has contended that Regulation 16 of AAI Leave Regulation 2003 vests with the Authority power to amend or modify is not comprehensive in entirety. It is felt that due procedure to amend the Regulation ought to have been followed. They made the amendment through an internal circular and no intimation was provided to this Ministry. It appears that the said act was in contravention to lay down guidelines/principle. So also, AAI, submission that it is difficult to get accurate details for the period prior to 2014 when data was manual.</p>	
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			AAI has once again been requested to provide their process/procedure and likely consequence of the recovery to be/so made. Since Audit has taken a strong view regarding recovery and since considerable time has been passed, the said exercise may be completed at the earliest and an action taken report may be furnished to this Ministry latest by 31.8.2019 positively without any further delay.	
9.	Para No. 2.5 of Report No. 15 of 2016 G-25012/11/2016-AAI	Poor utilization of infrastructure developed with Govt. funds at Birsi airport, Gondia resulting in recurring losses for its maintenance.	Reply of the Govt. has been forwarded to Audit vide this Ministry's letter dated 5.6.2017.	Audit
10.	Para No. 2.3 of Report No. 9 of 2017 G-25012/5/2017-AAI	Idling of Civil enclaves due to absence of realistic assessment of their requirement.	ATN vetted by Audit and is under process for onward submission to Public Undertakings Committee.	
11.	Para No. 2.2 of Report No.11 of 2018 F.No.G-25012/8/2018-AAI	Review of execution of contracts for construction of runway, buildings and other structures at airports in Northern Region.	Audit vide letter dated 1.4.2019 had furnished their vetting remarks. The same has been forwarded to AAI for their comments vide this Ministry's letter dated 4.4.2019 and its subsequent reminder dated	AAI

			15.5.2019 and 21.8.2019.	
12.	Para No. 2.4 of Report No. 11 of 2018 F.No.G-25012/5/2017-AAI	Undue favour to contractor.	AAI vide letter dated 15.4.2019 has furnished their reply on vetting remarks of Audit. On the perusal of AAI's reply, it is observed that they have not furnished further comments in respect of paras (ii), (iii) and (iv) of the views of the Management of AAI as stated in May 2017. Accordingly, AAI has been requested for providing revised comments in all respect on vetting remarks of Audit vide this Ministry's letter dated 24.4.2019 and subsequent reminder dated 24.5.2019 & 21.8.2019.	AAI
13.	F.No.G-25012/10/2018-AAI Para No. 2.5 of Report No. 11 of 2018	Short levy of liquidated damages	IFD had observed that AAI has not indicated any loss despite delay in construction of the new terminal building at Goa. Accordingly, AAI is requested to reply the query vide this Ministry's letter dated 29.4.2019.  AAI as further its stand on the matter and has not furnished appropriate reply as per the observation of IFD. Hence, AAI has been requested to	AAI

			provide appropriate reply vide this Ministry's letter dated 9.8.2019.	
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**APPENDIX I**  
**MINUTES OF THE THIRD SITTING OF THE COMMITTEE ON PUBLIC UNDERTAKINGS**  
**(2019-2020)**

The Committee sat on Thursday, the 05<sup>th</sup> September 2019 from 1445 hrs to 1635 hrs in Committee Room 'D', Ground Floor, Parliament House Annexe, New Delhi.

**PRESENT**

**Smt. Meenakashi Lekhi - Chairperson**

**MEMBERS**

*Lok Sabha*

2. Shri Kunwar Danish Ali
3. Shri Chandra Prakash Joshi
4. Shri Raghu Ramakrishna Raju
5. Shri Arjunlal Meena
6. Shri Janardan Mishra
7. Prof. Saugata Roy
8. Dr. Arvind Kumar Sharma
9. Shri Ravneet Singh
10. Shri Sushil Kumar Singh
11. Shri Uday Pratap Singh
12. Shri Ramdas Chandrabhanji Tadas

*Rajya Sabha*

13. Mohd. Ali Khan
14. Shri Mahesh Poddar

### **SECRETARIAT**

1. Shri R.C. Tiwari - Joint Secretary
2. Smt. Mamta Kemwal - Director
3. Shri Khakhai Zou - Additional Director
4. Shri G.C. Prasad - Additional Director

### **REPRESENTATIVES OF THE AIRPORTS AUTHORITY OF INDIA (AAI)**

1. Shri Anuj Agarwal - Chairman
2. Shri A.K. Pathak - Member (Planning)
3. Shri Dharmendra Bhojwani - ED (Internal Audit)

2. At the outset, the Hon'ble Chairperson welcomed the members and representatives of the Airports Authority of India (AAI) to the Sitting convened to have a briefing on the subject 'Comprehensive examination of AAI'. She then drew their attention to Direction 55(1) of the 'Directions by the Speaker' regarding confidentiality of evidence tendered before the Parliamentary Committees.

3. The Chairman, Airports Authority of India (AAI) and other senior officers first introduced themselves to the Committee and then gave a power point presentation on the subject highlighting the background of the Authority, its functions, mission, vision, Board of Directors, Organisational structure, Human Resources, Regional set-up, joint ventures, subsidiaries, ongoing process of 6 Airports through PPP, functions of AAI as ANS provider, AAI's ANS infrastructure share, details of revenue for the last five years and current financial year, contribution to government exchequer, growth of aviation market, growth projections of passenger traffic, etc.

4. Thereafter, the Chairperson sought clarifications on the declining trend of profits of AAI, plans to cope-up with declining trend of profits, criteria for selecting airports for privatization, the number of vigilance cases pending against AAI officials, issues faced by passengers at airports, status of pilot training at National Flying Training Institute, Gondia and number of pilots trained there. The Chairperson also enquired about the constitution and functioning of the local consultative committees at airports and also the role of local MPs in these committees. She also desired to know the problems faced by AAI in implementing the instructions, guidelines and policies of the Government and also to furnish suggestions for improvements in overall functioning of AAI, number of new jobs created due to construction of airports, etc.



5. Members, thereafter, raised several queries on minimum passenger amenities norms at different airports across the country, the standardization of norms at various airports, the role of Airports Authority of India in subsidiary companies and Joint Ventures, the entry fees of private vehicles at various airports, the counter terrorism mechanisms available at various airports especially at smaller airports, the procedure of awarding contracts for duty free shops at the airports, the measures taken by the Airports Authority of India to increase the passengers' convenience, extra privileges at airports for dignitaries including Civil Aviation Minister, ex-Civil Aviation Ministers, Ministers, ex-Ministers, MP and other VIPs.

6. The representatives of the Airports Authority of India clarified some issues on which information was readily available with them. In respect of points for which information was not readily available, the Chairperson directed that written replies may be furnished to the Committee Secretariat by 19th September, 2019.

***The Committee then adjourned.***

***(A verbatim record of the proceedings has been kept separately).***

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**APPENDIX II**  
**MINUTES OF THE NINTH SITTING OF THE COMMITTEE ON PUBLIC UNDERTAKINGS**  
**(2019-2020)**

The Committee sat on Monday, 17<sup>th</sup> February 2020 from 1450 Hrs. to 1600 Hrs. in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

**PRESENT**

**Smt. Meenakashi Lekhi - Chairperson**

**MEMBERS**

*Lok Sabha*

2. Shri Kunwar Danish Ali
3. Dr. Heena Vijaykumar Gavit
4. Shri Janardan Mishra
5. Prof. Saugata Roy
6. Shri Ravneet Singh
7. Shri Sushil Kumar Singh

*Rajya Sabha*

8. Shri Prasanna Acharya
9. Mohd. Ali Khan

**SECRETARIAT**

1. Shri R.C. Tiwari - Joint Secretary
2. Smt. Mamta Kemwal - Director
3. Shri Khakhai Zou - Additional Director
4. Shri G.C. Prasad - Additional Director

## REPRESENTATIVES OF THE AIRPORTS AUTHORITY OF INDIA (AAI)

1. Shri Arvind Singh - Chairman
2. Shri Anuj Aggarwal - Member (HR)
3. Shri I.N. Murthy - Member (Operations)
4. Shri A.K. Pathak - Member (Planning)

2. At the outset, the Hon'ble Chairperson welcomed the Members of the Committee and representatives of the 'Airports Authority of India (AAI)' to the sitting convened to take evidence on the subject 'Airports Authority of India (AAI)'. She then drew their attention to Direction 55(1) of the 'Directions by the Speaker' regarding maintaining confidentiality of evidence tendered before the Parliamentary Committees.

3. The Chairman, Airports Authority of India (AAI) and other senior officers first introduced themselves to the Committee and then responded to the queries raised by the Chairperson in her welcome address. They elaborated on many issues such as corporation of statutory bodies including AAI, need for amendment in AAI Act, functioning of AAI as a Company under Companies Act, issuing of shares to the Government, privatization of Airports, Greenfield airports etc.

4. Thereafter, the Chairperson sought clarifications on timelines developed by AAI to achieve navratna status, plan of action if any developed by AAI, National Civil Aviation Policy, 2016 and its help in discharging the mandate entrusted to AAI. The Chairperson also sought clarifications on GAGAN as a satellite based augmentation system, the role of International Civil Aviation Organization (ICAO) and International Air Transport Association (IATA) in providing the codes for the name of airports, details of meetings of airport advisory committee at all airports, maintenance of list of warrant of precedence at the list displayed at airport VIP Lounges, increase in administrative expenses of AAI, ensuring safety on construction sites at airports, monitoring of tender to ensure quality, maintenance of airports, tenders to ground handling agencies etc.

5. Members, thereafter, raised several queries such as the conditions under which airports were privatized, foreign direct investment in airport privatization, comments of Public Accounts Committee on AAI and steps taken, the role of AAI in Krishi Udaan Scheme, segment wise break up of revenues at DIAL, MIAL, preference criteria if any, for national air line vis-à-vis private operators, reason for decrease in profits despite increasing revenues etc.

6. The representatives of Airports Authority of India clarified some issues on which information was readily available with them. In respect of points for which information was not readily available, the Chairperson desired that written replies may be furnished to the Committee Secretariat within a week. The Committee directed the presence of representatives of C&AG in the next sitting on the subject with the Ministry of Civil Aviation for clarifications on revenue sharing between AAI and DIAL, MIAL and on other C&AG observations related to AAI.

***The Committee then adjourned.***

***(A verbatim record of the proceedings has been kept separately).***

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### APPENDIX III

#### MINUTES OF THE ELEVENTH SITTING OF THE COMMITTEE ON PUBLIC UNDERTAKINGS (2019-2020)

The Committee sat on Monday, 2<sup>nd</sup> March 2020 from 1505 Hrs. to 1610 Hrs. in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

#### PRESENT

**Smt. Meenakashi Lekhi** - Chairperson

#### MEMBERS

##### *Lok Sabha*

2. Shri Kunwar Danish Ali
3. Shri Chandra Prakash Joshi
4. Shri Raghu Ramakrishna Raju Kanumuru
5. Smt. Poonamben Hematbhai Maadam
6. Shri Arjunlal Meena
7. Shri Janardan Mishra
8. Dr. Arvind Kumar Sharma
9. Shri Ravneet Singh
10. Shri Sushil Kumar Singh
11. Shri Ramdas Chandrabhanji Tadas

##### *Rajya Sabha*

12. Shri Prasanna Acharya
13. Mohd. Ali Khan
14. Shri Om Prakash Mathur
15. Shri Mahesh Poddar

## **SECRETARIAT**

- |    |                   |   |                     |
|----|-------------------|---|---------------------|
| 1. | Shri R.C. Tiwari  | - | Joint Secretary     |
| 2. | Smt. Mamta Kemwal | - | Director            |
| 3. | Shri Khakhai Zou  | - | Additional Director |
| 4. | Shri G.C. Prasad  | - | Additional Director |

## **REPRESENTATIVES OF THE MINISTRY OF CIVIL AVIATION, AAI & DGCA**

- |    |                            |   |                                 |
|----|----------------------------|---|---------------------------------|
| 1. | Shri Pradeep Singh Kharola | - | Secretary, MCA                  |
| 2. | Shri Pradeep Pathak        | - | Director General Civil Aviation |
| 3. | Shri Arvind Singh          | - | Chairman, AAI                   |

## **REPRESENTATIVES OF C&AG**

- |    |                      |   |  |
|----|----------------------|---|--|
| 1. | Shri Venkatesh Mohan | - | Deputy C&AG (Commercial)                   |
| 2. | Shri Manish Kumar    | - | Director General (Parliamentary Committee) |
| 3. | Ms. Ritika Bhatia    | - | Principal Director (Commercial)            |

2. At the outset, the Hon'ble Chairperson welcomed the Members of the Committee and representatives of the Ministry of Civil Aviation (MCA), AAI, DGCA and the officers from C&AG to the sitting convened to take evidence on the subject 'Airports Authority of India (AAI)'. She then drew their attention to Direction 55(1) of the 'Directions by the Speaker' regarding maintaining confidentiality of evidence tendered before the Parliamentary Committees.

3. The Secretary, Ministry of Civil Aviation and other senior officers first introduced themselves to the Committee and then gave a power point presentation on the subject highlighting the background of AAI, board of directors, its functions, aviation scenario in India, future Air Traffic scenario as projected by AAI, Joint Ventures of AAI, leasing of 06 Airports through Public Private Partnerships (PPPs), next round of PPPs transaction, capital expenditure of AAI in last 6 years, segment-wise revenue share of AAI, AAI's contribution to Government exchequer, revenue earned and shared by DIAL/MIAL with AAI, major infrastructure projects, ANS-infrastructure, performance of AAI Airports, etc.

4. Thereafter, the Chairperson sought clarifications on the jurisdiction to monitor the drones at airports, the PR efforts of AAI in Jewar Airport, the Trivandrum airport completion of renovation work at the defunct /old terminals, increasing traffic at the new terminals, the slow progress at airports such as at Jodhpur and Udaipur,

declining non-aeronautical revenues at DIAL. The Chairperson also enquired about the over-marketization at Mumbai and Delhi Airports, the expertise of C&AG that AAI may utilize for various aspects, absence of Advisory Committees at the Delhi and Mumbai Airports, breach of privileges entitled to Members of Parliament at airports, etc.

5. Members, thereafter, raised several queries on the number of old defunct terminals, need for guidelines for commercial spaces at the airports, the status of the Bhogapuram Airport at Vishakapatnam district, the provision for a free lane for drop and pick up facility at the airports, the details of the manpower shortage at AAI, number of contracts awarded to MSMEs, the declining landing and parking fees, the parking policy on the airports, budgetary provisions and timelines for building 100 new airports under UDAN scheme, the private participation in airports, amount of FDI in the aviation sector in the Country, the process of privatization at various airports etc.

6. The representatives of Ministry of Civil Aviation clarified some issues on which information was readily available with them. In respect of points for which information was not readily available, the Chairperson directed that written replies may be furnished to the Committee Secretariat within a week.

***The Committee then adjourned.***

***(A verbatim record of the proceedings has been kept separately).***

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**APPENDIX IV**  
**COMMITTEE ON PUBLIC UNDERTAKINGS**  
**(2020-2021)**

**MINUTES OF THE SEVENTH SITTING OF THE COMMITTEE**

The Committee sat on Thursday, the 7<sup>th</sup> January, 2021 from 1210 Hrs. to 1310 Hrs. in Committee Room '3', Ground Floor, Block A, Parliament House Annexe Extension (New Building), New Delhi.

**PRESENT**

**Smt. Meenakashi Lekhi - Chairperson**

**MEMBERS**

*Lok sabha*

2. Shri Arjunlal Meena
3. Shri Janardan Mishra
4. Prof. Saugata Roy
5. Dr. Arvind Kumar Sharma
6. Shri Sushil Kumar Singh
7. Shri Uday Pratap Singh
8. Shri Ramdas Chandrabhanji Tadas

*Rajya Sabha*

9. Shri Prasanna Acharya
10. Shri Birendra Prasad Baishya
11. Shri Surendra Singh Nagar

## SECRETARIAT

- |    |                        |   |                     |
|----|------------------------|---|---------------------|
| 1. | Shri R.C.Tiwari        | - | Joint Secretary     |
| 2. | Shri Srinivasulu Gunda | - | Director            |
| 3. | Shri G.C. Prasad       | - | Additional Director |

## REPRESENTATIVES OF THE NATIONAL THERMAL POWER CORPORATION LIMITED (NTPC)

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2. At the outset, the Hon'ble Chairperson welcomed the Members of the Committee and apprised them about the agenda for the sitting. As a first agenda item, the Chairperson proposed for consideration and adoption of the draft reports on the following subjects:-

- (i) Airports Authority of India (AAI)
- (ii) Central Coalfields Limited (CCL)
- (iii) Food Corporation of India (FCI)
- (iv) Hindustan Antibiotics Limited (HAL)
- (v) NBCC (India) Limited

(vi) Action taken by the Government on the Observations/Recommendations contained in the Twenty-second Report (16th LS) of the Committee on Public Undertakings on "Financing of Renewable Energy Projects by Indian Renewable Energy Development Agency Limited (based on Performance Audit Report No.12 of 2015)".

(vii) Action taken by the Government on the Observations/Recommendations contained in the Twenty-fourth Report (16th LS) of the Committee on Public Undertakings on "Review of Loss Making CPSUs".

3. The Committee then considered the aforesaid draft reports and adopted it without any changes/modifications. The Committee thereafter authorized the Chairperson to finalize the report on the basis of factual verification by the concerned Ministry/Department and consider for presenting the reports to Hon'ble Speaker since Parliament is not in session.

***(The representatives of NTPC were then called in)***

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7. \*\*\*\*

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***The Committee then adjourned.***

***(A verbatim record of the proceedings has been kept separately).***

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