

- (v) Keeping in readiness with all passenger amenities.
- (vi) Coordinating with various airliners and trying to convince them to operate with aircrafts permissible as per existing facilities.

Monitoring of Airfares by Special Cell of DGCA

†3738. SHRI PRABHAT JHA: Will the Minister of CIVIL AVIATION be pleased to state:-

- (a) whether it is a fact that a special cell of the Directorate General of Civil Aviation monitors air fares regularly;
- (b) if so, the details thereof;
- (c) whether it is also a fact that all the civil aviation companies have hiked their airfares by 10-25 per cent on the busiest routes in the last few days;
- (d) if so, the reasons therefor;
- (e) whether the special cell of the Directorate has justified the airfare hike; and
- (f) if so, the reasons therefor?

THE MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH): (a) and (b) Yes sir. A Tariff Analysis Unit has been set up in Directorate General of Civil Aviation (DGCA) effective December 2009 to monitor tariff on regular basis.

(c) to (f) Airfares are not fixed by the Government as they are determined by market forces. The Tariff Analysis Unit in DGCA monitors the airfares *vis-a-vis* airfares uploaded by scheduled airlines on their respective websites. The analysis of such monitoring has indicated that airfares are remaining within the fare band made available by the scheduled airlines on their respective websites.

Sale of Stake to other Airlines

3739. SHRI JAI PRAKASH NARAYAN SINGH: Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether it is a fact that after selling Deccan Airlines to Kingfisher, the promoter of Deccan Airlines has applied again for scheduled carrier to commence commercial airlines;
- (b) if so, complete details and reasons for accepting such applications;

†Original notice of the question was received in Hindi.

(c) whether Government would take cabinet nod in such cases where promoters have failed to run their airlines and forced to sell their stake fully to others; and

(d) if not, the reasons therefor?

THE MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH): (a) and (b) Yes Sir. The promoter of Deccan Airlines has applied for scheduled carriers under name "Deccan Charters Limited". The proposal of the company is under examination of the Ministry.

(c) and (d) No, Sir. Hon'ble Minister of Civil Aviation is competent to take final decision on proposals pertaining to commencement of scheduled operator services.

Purpose to form Civil Aviation Authority (CAA)

3740.DR. K.V.P. RAMACHANDRA RAO: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Government proposes to form a Civil Aviation Authority (CAA);

(b) if so, the details of the proposal;

(c) by when it is likely to be formed; and

(d) what are the major objectives?

THE MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH): (a) Yes, Sir.

(b) to (d) The proposal to form a Civil Aviation Authority (CAA) in place of DGCA is at formative stage. It is proposed to have a CAA, which will have adequate financial and administrative flexibility to meet functional requirements for an effective safety oversight system. In addition, it is also proposed to assign additional functions relating to certain economic regulations, consumer protection and environment regulation.

The CAA is proposed to be set up through a separate Act. However, the present legal framework such as Aircraft Act 1934 etc. will continue to govern the aviation sector. The objective of the proposed CAA is to overcome the constraints presently faced by DGCA in terms of recruitment and retention of technical manpower and inability to quickly address ongoing operational issues due to lack of adequate administrative and financial authority.