

(c) and (d) No such assessment has been made by the Govt. in this regard. However, sourcing of ATF through direct import has the potential to lower the overall procurement cost of ATF as the airlines will save on VAT on ATF, which varies between 4% to 29% from State to State.

Exodus of AI Pilots

327. SHRI SANJAY RAUT: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that there is an exodus of pilots from Air India to low cost carriers due to delayed salaries; and

(b) if so, the urgent steps the Ministry is taking to keep the flock together and keep the national carrier going high in the sky?

THE MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH): (a) No, Sir.

(b) Does not arise.

Amount due to Air India by Government

328. SHRI SABIR ALI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Government owes Rs. 110 crores to Air India for VVIP flights;

(b) if so, the details of the flights undertaken by VVIPs for various destinations; and

(c) by when the aforesaid amount of dues would be made available to ailing Air India to help the carrier to come out of the red zone?

THE MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH): (a) and (b) Air India operates VVIP flights/evacuation flights as per requests received from Ministry of External Affairs (for the Vice-President), Ministry of Defence (for the President) and Prime Minister's Office (for the Prime Minister). As on 7th March, 2012, Ministry of External Affairs, Ministry of Defence and Prime Minister's Office owed Air India an amount of Rs. 274.17 crores.

(c) The Government has been making payments to Air India after verifying their bills and as soon as funds are available in the appropriate budget heads of the respective Ministries/Offices.

Revival process of Air India

329. SHRI R.C. SINGH: Will the Minister of CIVIL AVIATION be pleased to state:

(a) the reasons that the Ministry is delaying the revival process of Air India;

(b) the decision the Ministry has taken on the delivery of 787 Dreamliners,

equity infusion of Rs. 6600 crores this year and formation of two strategic business units i.e. engineering and ground handling;

(c) whether it is not a fact that when other airlines are in doldrums, giving final go ahead for revival would give Air India an edge over others and helps in regaining its lost glory; and

(d) if so, the details thereof?

THE MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH): (a) As recommended by the Group of Ministers (GoM), the Financial Restructuring Plan and Turn Around Plan of Air India would be submitted for consideration of the Cabinet Committee on Economic Affairs after following due process. This has been delayed on account of some reservations expressed by the lending banks. The matter has since been resolved with the banks.

(b) The equity infusion of Rs.6600 crores during 2011 and induction of Boeing 787s aircraft form part of the FRP/TAP to be considered by CCEA. Approval of the competent authority is also being solicited for operationalization of Air India Engineering Services Limited and Air India Air Transport Services Limited separately.

(c) and (d) The FRP and TAP of Air India have been thoroughly examined and it is expected that Air India would be on the road of revival gradually with the proposed Government equity support and on adoption of various turnaround measures.

Setting up of Civil Aviation Authority

330. SHRI A. ELAVARASAN: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government has finalized a draft legislation to set up independent Civil Aviation Authority (CAA) to ensure better regulation of aviation safety and security;

(b) if so, the details thereof;

(c) whether the proposed CAA would have financial and administrative autonomy to take expeditious decisions on matters relating to a range of activities from regulation of air traffic services and licensing to ensure financial fitness of airlines; and

(d) if so, the details thereof?

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

(b) to (d) 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.