

(g) whether Government has sought any clarification from Kingfisher Airlines in this regard; and

(h) if so, the details thereof?

THE MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH) : (a) to (d) Yes, Sir. As informed by Directorate General of Civil Aviation (DGCA), Kingfisher Airlines has cancelled flights and reduced their operations effective 17th Feb. 2012 due to reduction in their operating fleet. DGCA approved amendment to the Winter Schedule of Kingfisher airlines with 175 daily domestic flights as against 418 daily domestic flights approved at the time of commencement of Winter Schedule w.e.f. 30th Oct. 2011.

Kingfisher Airlines was asked to ensure that passenger are given advance information about flight cancellations and refund is settled at the earliest.

(e) to (h) Payment of salaries to the employees is an internal financial/commercial matter of any airlines. The Ministry does not interfere in the such matters.

Changes in Aviation Sector

2343. SHRI T.M. SELVAGANAPATHI : Will the Minister of CIVIL AVIATION be pleased to state :

(a) whether it is a fact that bold decisions needed in aviation sector and fast track reforms to remove bottlenecks for India to emerge as the World's third largest aviation market by 2020;

(b) whether lack of modern infrastructure, shortage of trained manpower, high taxes, bureaucratic procedures plaguing the scene; and

(c) whether operational costs is unaccountably high in India as compared to international benchmarks?

THE MINISTER OF CIVIL AVIATION (SHRI AJIT SINGH) : (a) and (b) The Civil Aviation sector is passing through a phase of crisis, where most airlines are incurring operational losses. The Government has taken several measures to ameliorate the problems being faced by airlines and ensure long term viability of the sector. Some of the steps taken by the Government in this regard are as follows :

(i) A Working Group has been constituted under the Chairmanship of Secretary, Civil Aviation with Finance Secretary, Secretary, Financial Services, Secretary, M/o Petroleum & Natural Gas and DGFT to discuss the factors causing stress in civil aviation and to suggest solutions to the same.

(ii) The issue of rationalization of VAT on ATF, has been taken up with the State Govts.

- (iii) Director General of Foreign Trade has allowed import of ATF by airlines on actual user basis.
- (iv) A Committee under the Chairmanship of Secretary, Civil Aviation has been constituted to undertake formulation of a Civil Aviation Policy.

(c) The Indian Air Transport Industry is burdened with higher operating cost than their counter parts globally. This is mainly due to the high costs of ATF and the distorted and high rate of taxes on all services and commodities associated with the sector. Fuel, aircraft leases, airport charges, air tickets, air navigation service charges, maintenance costs, fuel throughput fees, into-plane fuel charges, are also subjected to service taxes.

Installation of Model of Durgiana Mandir at Amritsar

2344. SHRI AVINASH RAI KHANNA : Will the Minister of CIVIL AVIATION be pleased to state :

- (a) whether it is a fact that a request was made by the Durgiana Mandir Committee Amritsar to install a model of Durgiana Mandir at the airport of Amritsar;
- (b) whether it is a fact that in the year 2007 Airports Authority of India, has given the consent to install the model stated above; and
- (c) by when this model would be installed to respect the sentiments of the devotees of Durgiana Mandir?

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

(b) and (c) Yes, Sir. Airports Authority of India (AAI) had finalized a location in 2007 for installation of this model. However, this could not be taken up due to expansion of Terminal Building. AAI is in the process of finalizing a new location for installation of this Model in the Terminal Building.

Upgradation of T-1 at Bangalore Airport

2345. DR. PRABHAKAR KORE : Will the Minister of CIVIL AVIATION be pleased to state :

- (a) whether it is fact that Bangalore International Airport Limited (BIAL) has planned to upgrade and expand the current Terminal 1 building at Bangalore Airport;
- (b) if so, the present status of the expansion;
- (c) whether there is any time-frame set to complete the expansion;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

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