

Rule 1937 as long as the fare charged by them does not exceed the fare established and displayed on their respective websites.

(d) Under the provision of sub rule (1) of Rule 135, Aircraft Rules 1937, airlines are free to fix reasonable tariff having regard to all relevant factors, including the cost of operation, characteristics of service, reasonable profit and the generally prevailing tariff. Air fare so established by the airlines is published on their respective website under the provision of Sub Rule (2) of Rule 135, Aircraft Rules 1937.

Corporatising of Airports Authority of India

36. SHRI D. RAJA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government is considering a proposal for corporatising and listing the Airports Authority of India on the bourses; and

(b) if so, the details thereof, and at what stage is the proposal?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (DR. MAHESH SHARMA): (a) and (b) Yes, Sir. In order to improve efficiency and transparency, the Government is actively considering the draft Civil Aviation Policy which provides for institutional reforms including corporatising and listing of the Airports Authority of India in the stock exchange.

Audit of Indian Airlines sector by US Federal Aviation Administration

37. PROF M.V. RAJEEV GOWDA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) the details of the audit report of the Indian airlines sector by US Federal Aviation Administration;

(b) whether the Ministry is taking the requisite steps to hire more flight operation inspectors and carry out rectification of all scheduled airlines, non-scheduled operators and flying training organisations; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (DR. MAHESH SHARMA): (a) to (c) Federal Aviation Administration conducted an audit of DGCA in December, 2014 to assess DGCA's safety oversight capability and its ability to adhere to standards and recommended practices of International Civil Aviation Organisation. FAA at the end of the audit raised 12 findings which primarily relate to:

(i) Certification of flying training organisations.

- (ii) Completion of hiring of full cadre of 75 flight operations inspectors (FOIs) in DGCA.
- (iii) Training of FOIs on type of aircraft operated by scheduled airlines.
- (iv) Inspection and surveillance of foreign aircraft maintenance organizations.

In order to address the findings of the FAA Audit, DGCA had taken following actions:

- (i) Hiring of full cadre of 75 flight operations inspectors (FOIs) in DGCA.
- (ii) Recertification of all scheduled airlines.
- (iii) Recertification of Flying Training Organisations.
- (iv) Inspection and surveillance of foreign aircraft maintenance organisations.

Based on the action taken by DGCA, FAA has made the determination that India meets the requirements under international oversight standards of the Chicago Convention and the Annexes thereto and India's category has been upgraded to Category 1.

Regulatory authority to review airfare

†38. SHRI NARESH AGRAWAL: Will the Minister of CIVIL AVIATION be pleased to state:

- (a) the process for determining the airfare for Y Category seats;
- (b) whether it is a fact that private airlines increase the airfare by 400 percent during the tourist seasons; and
- (c) if so, whether Government proposes to rein in the arbitrary tendencies of such airlines by constituting a regulatory authority?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (DR. MAHESH SHARMA): (a) Under the provision of Sub Rule (1) of Rule 135, Aircraft Rules 1937, airlines are required to establish reasonable tariff having regard to all relevant factors, including the cost of operation, characteristics of service, reasonable profit and the generally prevailing tariff.

As per the prevailing regulation, it is the prerogative of individual airlines to establish their process of determination of airfare. As such Government does not interfere in the commercial aspects of airlines.

(b) and (c) The domestic airline pricing runs in multiple levels (bucket or RBDs) which are in line with the practice being followed globally. The lower fare

† Original notice of the question was received in Hindi.