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अजित सिंह AJIT SINGH

Minister of Civil Aviation, Government of India, Rajiv Gandhi Bhawan, New Delhi - 110003



MESSAGE

It is an honour for me to place the Annual Report of the Ministry of Civil Aviation for the year 2011-12 before you, particularly as this period was being celebrated as the hundredth year of Civil Aviation in India. In commemoration of the Centenary year of the maiden flight in India on Feb 18, 1911, the Ministry of Civil Aviation had commenced yearlong celebrations on 18th February 2011. The release of the commemorative coin on the centenary celebration by Hon'ble President on the eve of 4th International Civil Aviation Negotiation Conference held on 17th October 2011 in Mumbai; Bharat Ratna Rajiv Gandhi Memorial lecture on the occasion of the 67th birth anniversary of Sri Rajiv Gandhi, former Prime Minister of India; painting competitions etc were some of the highlights of the celebrations. The Government has now decided to celebrate February 18th every year as the National Civil Aviation Day.

India hosted the prestigious 4th International Civil Aviation Negotiation (ICAN) Conference from 17th to 22nd October 2011 in Mumbai, in which representatives of 64 countries participated. The 3rd edition of India Aviation' show was jointly organized by the Ministry of Civil Aviation, Government of India and Federation of Indian Chambers of Commerce and Industry (FICCI) from 14-18th March, 2012 at

Begumpet Airport, Hyderabad. 'India Aviation – 2012' also marked the culmination of year long celebrations to commemorate 100 years of Civil Aviation in India.

The Government aims to propel India among top five civil aviation markets in the world by providing access to safe, secure, efficient and affordable air services, with a projected growth rate of 9-10%. The domestic and international passenger volume is likely to be 150-180 million and 100 million respectively, by 2020. During 2011-12 the growth in scheduled domestic passenger's traffic was 16.6% as compared with during January –December 2011. Similarly the growth of international passenger traffic has increased by 7.1% during the period of April- January 2011 -12 viz-a-viz corresponding period of 2010-11. At present, 11 scheduled airlines are operating in the country. The total number of aircraft in their fleet has risen to 436, by January, 2012. The number of Non-Schedule operators has risen to 133 by January, 2011 and the total number of aircraft in their fleet has risen to 388.

Despite this high growth in the passenger traffic, the year also saw the sector grappling with crisis. High cost of aviation fuel, high tax regime and devaluation of Indian rupee pushed up the operating expenses of all airlines. Coupled with inadequate fares, the sector found the deficit between the revenue earned and the cost of operations widening; plummeting it into financial difficulties. Government has constituted a working group to identify factors causing stress in the sector and suggest suitable measures for its amelioration. Based on its recommendations, it has been decided to allow direct import of ATF by airlines. Permit foreign carriers to invest in the domestic carriers is also under active consideration and a study has been initiated to analyze the predatory/excessive pricing by airlines.

The Government is actively monitoring the operational and financial performance of Air India. The Turn Around Plan and Financial Restructuring Plan prepared by Air India in consultation with SBI Caps has been accepted by Group of Ministers and is being placed before the Cabinet for consideration.

Government has decided to formulate a Civil Aviation Policy to address the long term issues of the sector and provide a road map for development. A proposal to set up Civil Aviation Authority (CAA) is also under consideration and in formative stage. Further, to delink accident investigation from DGCA, an independent Air Accident Investigation Bureau is being set up by amending the Air craft Rules, 1937. The road map prepared for corporization of Air Navigation Services is currently under examination. Steps are being taken to establish Indian Aviation Academy in New Delhi jointly by DGCA, BCAS and AAI, to provide training to professionals in aviation sector. A Working Group for examining feasibility of Ombudsman for Civil Aviation has been constituted with the representatives of consumer associations and DGCA as its members.

India has signed Bilateral Aviation Safety Agreement (BASA) with United States on 18th July, 2011. This agreement provides for mutual certification of aeronautical products. It recognizes the mutual benefit of improved procedures for the reciprocal acceptance of airworthiness approvals and environmental testing, and the development of reciprocal recognition procedures for approval and monitoring of flight simulation training devices, aircraft maintenance facilities, maintenance personnel, flight crew members and flight operations. An Implementation Procedure for Airworthiness (IPA) was also signed in November, 2011.

Finally I would like to say that Ministry of Civil Aviation is determined to provide safe, secure and affordable air services with world class civil aviation infrastructure in the coming years.

New Delhi 01.04.2012

Aut Sigh

(Ajit Singh)











1. Highlights

1.1 India-ICAN Conference, 2011

Hon'ble President of India inaugurated the 4st ICAO Civil Aviation Negotiations (ICAN) Conference held in Mumbai from 17-22 October, 2011. ICAN has been conceptualised by ICAO as 'One – Stop – Shop' approach for bilateral negotiation process.



A special Africa session was also held on the inaugural day which was attended by participants from the African Union, ICAO, Ministry of External Affairs and Ministry of Civil Aviation.

The Conference was attended by 64 States and four Regional Bodies. During the conference, more than 370 bilateral meetings were held between air services negotiators from States from all regions of the world which led to the signing of over 120 agreements and arrangements.

India met with 37 countries and signed MoUs/Agreed Minutes with 22 countries.

1.2 India Aviation

The Ministry of Civil Aviation, Government of India, jointly with the Federation of Indian Chambers of Commerce & Industry (FICCI), organised 3rd edition of 'India Aviation' from March 14-18, 2012 at Begumpet Airport, Sardar Patel Road, Hyderabad. Around 200 companies exhibited at the show and UK was the 'Partner Country', France was the 'Focus Country' and

U.S.A. was the 'Guest Country'. Country pavilions from UK, France, USA, Russia, Belgium, New Zealand, Canada and several other countries. Leading business and commercial aircraft manufactures including Airbus, Boeing, Bombardier, Dassault, Embrear, Gulfstream, Hawker Beechcraft, Piaggio Aero; and numbers of major aircraft engine manufacturers including GE, CFM, Safran, Pratt & Whitney, Rolls-Royce, etc. are participated in the Show.

For the first time, the Boeing 787 Dreamliner aircraft was on display in India. Over 25 aircraft were at the show for static and flying display. 18 hospitality chalets were taken by various companies from India and overseas to have meetings with their prospective customers in a typical airshow atmosphere. It was a great platform for the companies to do business and forge business tie-ups.

'India Aviation-2012' also marked the culmination of year-long celebrations to commemorate 100 years of Civil Aviation in India. On February 18, 1911, India's first commercial flight took off - carrying mail from Allahabad to Naini, a distance of 13 Kms. when Henri Piquet carried 6500 mails on a Humber



biplane. It was considered to be the world's first airmail service and the beginning of Civil Aviation in India. During the year-long celebrations several significant events namely release of commemorative coins, postage



stamps and coffee table book were organised.

In order to provide a platform to the CEOs from the Civil Aviation Sector to interact with the top echelons of the Government, a CEOs Forum was also organised on 14th March, 2012 at Hyderabad as part of 'India Aviation - 2012'. A total number of 32 Prominent CEOs participated in the Forum presided over by the Hon'ble Minister of Civil Aviation. On 15th March, 2012, a Conference on the subject 'Roadmap for Civil Aviation: Turbulence and Recovery' was organised. Given the huge scope of Innovation in Civil Aviation, a session on 'Innovation and Technology: Opportunities for Transformation' was also organized on 15th March 2012 as part of the Conference on 'India Aviation - 2012' . A White Paper from SITA and CAPA on "Innovation and Technology: Opportunities for Transformation" was also launched during the session.

1.3 European Union Emission Trading System (EU-ETS)

An international meeting of Non-EU ICAO Council Member States was held in Vigyan Bhavan, New Delhi on 29th - 30th September 2011 to discuss the inclusion of aviation in the European Union Emission Trading System (EU-ETS). Discussions included legal objections to EU-ETS, policy objections, the role of ICAO- the way forward and discussions on next steps to be taken.

The 27 countries which participated included India, Argentine Republic, Brazil, Canada, China, Chile, Colombia, Cuba, Egypt, Japan, Republic of Korea, Malaysia, Mexico, Nigeria, Paraguay, Peru, Philippines, Qatar, Russian Federation, Saudi Arabia, Singapore, South Africa, Thailand, Turkey, United Arab Emirates and United States of America. It was attended by over 70 delegates.

A Joint Declaration was negotiated and adopted at New Delhi on 30° September, 2011 opposing the EU-ETS. India thereafter took the lead to copresent a Working Paper (WP), in ICAO Council which included the Joint Declaration and this was adopted in the 194th Council Session of ICAO meeting held on 2nd November, 2011.

1.4 Amendments to Air Services Agreements (ASAs) with Foreign Countries

Bilateral Air Services consultations were held during the year 2011 with following foreign countries viz. Kenya, Malaysia, Republic of Korea, Turkey, Nigeria, France, Scandinavia, UK, Dominican Republic, Czech Republic, Jamaica, USA, Uganda, Jordan, Australia, Hong Kong, Qatar, Singapore, Colombia, Finland, Slovenia, Austria, Switzerland, Ethiopia, Fiji, Zambia, Oman, Bahrain, Botswana, Kuwait, Iraq, UAE, Cameroon, Indonesia, Ireland, Brazil, Iran, Italy, Afghanistan, Canadaand Trinidad and Tobago. Bilateral Air Services Agreements were formally signed with Indonesia, Brazil and Trinidad and Tobago. Also, Bilateral Air Services Agreements were initialed with Jamaica. Dominican Republic, Mozambique and Uganda. 31 MOU/Agreed Minutes were signed with other countries in the year, 2011.

1.5 Bilateral Aviation Safety Agreement (BASA)

India signed Bilateral Aviation Safety Agreement (BASA) with United States on 18th July, 2011. This Agreement provides for mutual certification of aeronautical products. It recognises the mutual benefit of improved procedures for the reciprocal acceptance of airworthiness approvals and environmental testing, and the development of reciprocal recognition procedures for approval and monitoring of flight simulation training devices, aircraft maintenance facilities, maintenance personnel, flight crew members and flight operations. An Implementation Procedure for Airworthiness (IPA) was also signed in November, 2011.

1.6 India-US Aviation Summit

An India-US Aviation Summit was held in New Delhi from 16th to 18th of November, 2011 in cooperation with the United States Trade and Development Agency (USTDA) and U.S. Federal Aviation Administration (FAA). The summit continued with the Commitment of the United States and India to advance cooperation in the aviation sector. It focused on technical, policy and commercial elements in the sector,

including infrastructure development, air traffic management, air traffic control, aviation security, general aviation and airspace utilization.

1.7 Jane's ATC award 2012:

Airport Authority of India as an Air Navigation Service Provider (ANSP) received the prestigious Jane's ATC Award for the year 2012,



for achieving the best operational efficiency through its upper airspace harmonization program. The award waspresented in a ceremony in Amsterdam on 5th March 2012 **First Steering Committee Meeting**

1.8 Silver Jubilee of operations of Pawan Hans Helicopters Limited:

Pawan Hans Helicopters Limited celebrated completion of 25 years of commencement of helicopter operations from October 1986. Cultural show, award ceremony, Corporate film and launching of Road Map for growth of helicopter industry in India were organised. As part of celebration of 100 years of Civil Aviation in India, the Company organised painting and essay competition at the National level and awards were given.

1.9 Air Traffic Growth - an overview.

Air traffic in India continuous to register higher rates of growth on top of significant growth rates witnessed during the last seven years (18.5%). Domestic passenger traffic handled at Indian Airports reached 119.2 million during January -December 2011 from a level of 100.5 million seen during corresponding period in the last year registering a growth of 18.6 per cent. International passenger traffic handled at Indian Airports is placed at 39.9 million during January-December 2011 as against 37.1 million during the corresponding period of previous year thereby recording a growth rate of 7.5%. International cargo throughput at Indian airports during January-December 2011 was 1.5 million metric tonnes, as compared to 1.46 Million metric tonnes during the previous year recording a growth rate of 2.74%. Domestic cargo throughput





during the period January-December 2011 stood at 0.82 million metric tonnes, which is approximately same as last year (0.83 MMT)

1.10 Viability of Airline Industry.

The high growth rates of the aviation sector in the passenger segment are not getting reflected in the financial health of the Carriers in India. Almost all airline operations in India are reported to have incurred losses in the last two quarters. High operating cost environment owing to high and rising cost of Aviation Turbine Fuel coupled with rupee depreciation is making operations unviable for Carriers in India. Given the intense competition in the market coupled with growth in capacity deployment during the last two years and the cost push factors at play, operations of airlines are becoming unviable. The future of India's aviation growth is critically linked to the

health of the airline industry.

Keeping in view the present financial crisis being faced by the airline industry, the Ministry has commissioned studies through independent professional agencies to develop framework to address a number of issues that are currently affecting the civil aviation industry in India. The issues broadly fit into two categories; the first relates to developing a framework of economic regulations for airlines which include aspects like predatory pricing of airfare, excessive pricing. monitoring mechanism of airfares, detection of anticompetitive pricing and preventive and punitive measures, unbundling of services and charging for such services, etc., the second relates to the pricing and tax regime governing Aviation Turbine Fuel in India. Report on ATF pricing and Tax Regime has been submitted by the consultant to the Ministry.

1.11 Connectivity to North Eastern Region:

In the North East Region, there are 12 operational airports served by scheduled airlines viz. Dibrugarh, Guwahati, Lilabari, Imphal, Dimapur, Agartala, Shillong, Jorhat, Silchar, Tezpur, Bagdogra and Aizwal.

A total of 406 flights are being operated by scheduled airlines viz. Air India, Alliance Air, Jet Airways, Jet Lite, Kingfisher Airlines, Spicejet, IndiGo & Go Air.

Increase i	n	Scheduled	Services	in	NER:
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Flights/ week										
WS	SS	ws	SS	ws	SS	ws	SS	ws	SS	ws
2006	2007	2007	2008	2008	2009	2009	2010	2010	2011	2011
259	290	285	293	298	311	286	286	348	370	406

1.12 Airports in North Eastern Region:

A. Operational Airports

There are seven fully operational AAI Airports in NER i.e. Agartala, Barapani (Shillong), Dibrugarh, Dimapur, Guwahati, Imphal and Lilabari. In addition, there are four civil enclaves at IAF Airports in Jorhat, Bagdogra, Silchar and Tejpur which cater to scheduled civil flights.

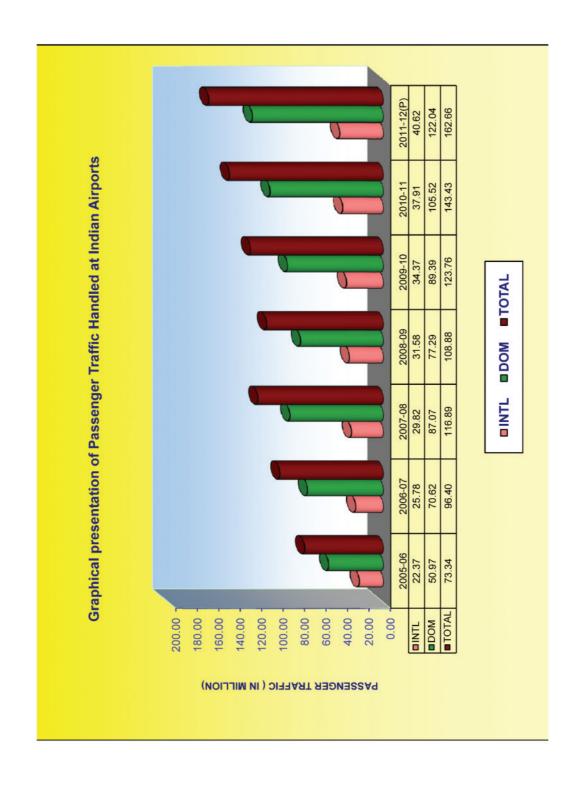
B. Hubs at Guwahati, Agartala, Imphal and Dibrugarh

As advised by the Ministry of DoNER, AAI has

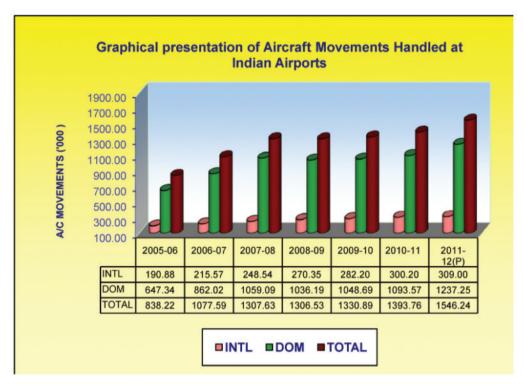
plans to develop Guwahati as a inter-regional hub and Dibrugarh, Imphal and Agartala as intra-regional hub. In this connection, AAI has already planned to construct three aircraft Maintenance Hangars at Guwahati and one each at Dibrugarh, Imphal and Agartala in order to facilitate early morning and late night air connectivity to and from the region.

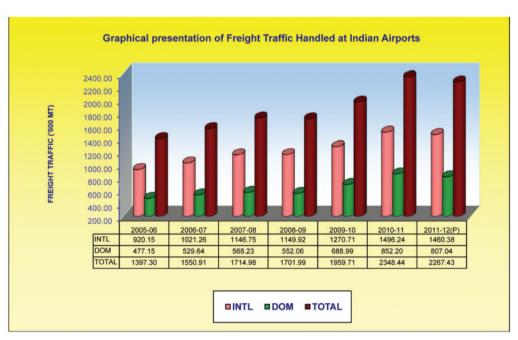
C. Aviation manpower training institute

An Aviation Manpower Training Institute, Lilabari has been proposed by NEC / Assam Govt. After a











feasibility study, AAI has identified a suitable land near airport and Govt. of Assam has been requested for acquisition of the land. Feasibility Study report has also been forwarded to DoNER for further guidance on its infrastructure development and operations. Meanwhile AAI is preparing a DPR for establishment of the institute.

1.13 Modernization of Delhi Airport:

Subsequent to privatization of IGI Airport in 2006, Delhi International Airport (P) Limited, a joint venture between AAI and GMR group has undertaken upgradation & development work completed at IGI airport. All mandatory capital projects under OMDA have been completed within the stipulated timelines. Below are the details of development work undertaken during 2011-12 at IGI airport are as followes:-

- Upgradation work of existing brownfield cargo terminal is being completed progressively. Construction of New Greenfield Cargo terminal in phase I is already completed awaiting Customs & security clearance.
- Supported for upgradation of roads network & Metro connectivity to IGI airport T-3 (Out of OMDA scope).
- · Creation of New Post Office Building

IGI Airport ranked as 2nd best airport in the world in the category of 25-40 MPPA. T3 of IGIA is the first amongst the world's airports awarded green building "Leed India Gold" rating from IGBC thereby making it one of the largest Green buildings in the world. IGIA has become the first airport in the world to be ISO 50001:2011 certified for Energy Management System.

1.14 Modernization of Mumbai Airport:-

The OMDA was signed between Mumbai International Airport Pvt. Ltd. (MIAL), the joint venture company (JVC) and AAI on 4th April, 2006, and the JVC took over the management and development of Chhatrapati Shivaji International (CSI) Airport w.e.f. 3rd May, 2006. There was a transition phase of three months and

w.e.f. 3rd August, 2006, MIAL has been independently handling management and operation of CSIA. MIAL is currently implementing a master plan that has been designed to have an integrated passenger terminal at Sahar with state-of-the-art infrastructure and facilities to cater to passenger traffic of 40 million per annum (mppa).

The domestic terminals 1A & 1B, international terminals 2B & 2C have been refurbished and the brand new domestic terminal 1C opened. Some significant airside enhancements include the commissioning of new taxiways, aprons, reconstruction of the runway intersection and the reconstruction of both the main runway 09/27 and the secondary runway 14/32. This has lead to a considerable reduction in runway occupancy time for aircraft landing and taking off, thereby increasing the efficiency of runway operations.

During the year, MIAL has commissioned 14 number of parking stands and has also completed the up-gradation of Runway 09/27 to make it ICAO Code F compliant. As a part of ongoing efforts to enhance the overall airside efficiency at CSIA, a new taxiway is being constructed between Taxiway E1 and E2 which would be beneficial in reducing the chances of scalloping the localizer for runway 14/32. Capital Expenditure of Rs. 2,698 Crores is expected to be spent during the FY 2011-12. On Cargo front, MIAL has commissioned a state-of-the-art temperature controlled facility for export handling of perishable and pharma cargo on 16th May'2011.

CSIA was rated the third best airport (out of 22 airports) worldwide in the 25-40 NPPA category for the year 2011 in the ASQ (Airport Service Quality) survey carried out by Airport Council International (ACI). CSIA was also the Runners up for STAT TIMES International Award for Excellence in Air Cargo in the category cargo airport of the year-region-India.

1.15 Bangalore International Airport, Devenhalli, Bangalore

A Greenfield airport at Devanahalli near



Bangalore has been commissioned on 24th May, 2008. Bangalore International Airport (P) Ltd. (BIAL), the airport operator has embarked on terminal expansion project in September, 2011. After completion of the project, the airport would handle approximately 17.2 million passengers annually with an area of 134,000 square meters. This airport is the 1° airport in Asia Pacific region and 2° in Global Civil Aviation industry to be BS 25999 certified. BIAL has been awarded 'Best Emerging Market Airport Award' for Indian Subcontinent in Dubai on 1.06.2011.

1.16 Rajiv Gandhi International Airport, Shamshabad, Hyderabad

A Greenfield airport has been developed in Shamshabad, near Hyderabad on Build Own Operate and Transfer (BOOT) basis with Public Private Participation (PPP). The airport has been commissioned on 23rd March, 2008. The airport has been adjudged as 'Best Airport in India' National Tourism Award 2009-10 by Ministry of Tourism. The airport was awarded the National Energy Conservation Award by Ministry of Power, the green certification by IATA thereby making RGIA the second airport in India after Bangalore to obtain this certification. The airport was also given ISO—10002:2004 Certification for Complaint Handling System.

1.17 Policy for Greenfield Airports

In pursuance of Policy for Greenfield Airports, the Central Government had accorded "in-principle" approval for setting up of a Greenfield airports at Mopa (Goa), Navi Mumbai, Sindhudurg and Shirdi (Maharashtra), Bijapur, Gulbarga, Hassan, Simoga (Karnataka), Kannur (Kerala), Pakyong(Sikkim), Durgapur (West Bengal), Dabra (Madhya Pradesh), Kushinagar (Uttar Pradesh) and Karaikal (Puducherry).

Ministry of Civil Aviation has recently prepared a Compendium of Central Government Services and Regulations for Greenfield Airport which would act as a ready reckoner-cum-guide and specify the instructions/requirement of Central Government agencies and the terms on which

the services (if any) of these agencies would be provided in the development/operation of greenfield airports. This compendium provides a quick reference to investors on the various steps to be undertaken and the guidelines to be followed for setting up of Greenfield airports.

1.18 Implementation of Information Technology (IT) Tools

The Ministry is taking all possible steps to utilize latest information technology in office. The main steps taken in this field by Ministry of Civil Aviation (MoCA) are as under:-

LAN(Local Area Network) with already existing infrastructure of L3 & L2 switches, 10mbps PGCIL lease line, Two 2mbps lease line backup has been upgraded in Ground Floor, First Floor and Second Floor of the Ministry. Initially there were approx. 150 users and due to the requirement of more internet connections, cascading of four more switches was done. Now there is a provision of 100 more internet connections within the present network.

AAI & NACIL under administrative control of M/o CA to participate in the mock drill to be conducted by CERT-In to assess the preparedness in dealing with cyber crisis. The sincere efforts of M/o Civil Aviation for effective participation in the drill were appreciated by DG, CERT-In. The Crisis Management Group at sectoral level & Ministry level was formed. Cyber Security & IPV6 Awareness workshops also organized for M/oCA senior officers.

MoCA Portal was inaugurated by the then Hon'ble Minister Sh. Vyalar Ravi which was developed by TCS. Some of the additional important features in the portal of MoCA are - (i) Web pages were designed on Inauguration of Centenary Celebrations by Hon'ble Union Minister of Civil Aviation on 100 yrs of flying of Indian Aircraft (ii) 2nd Regional Aviation Security Conference on 14 – 18 Feb' 2011, 8th Steering Committee Meeting of Cooperative Aviation Security 14 -15 June' 2011 (iii) Design of Logo and compilation of information has been done for AAIB.



Centralised Parliament Q&A Publishing System (Rajya sabha) was implemented in MoCA at pilot level as was done in all central government Ministries/Departments.

Successful execution of Video Conferencing - A VC session was arranged between Civil Aviation Secretary and FAA legal counsels in Washington DC, USA through EVCS system of Secretary. It was also attended by senior officers including Joint Secretary, M/o External Affairs, Chairman, AAII, Sr officers ICAO etc and coordinated by NIC,M/o CA & US embassy. Secretary, M/oCA reviewed the Status of Leh airport and flight arrangements due to cloudburst at Leh with State Government and Airport Authority Leh. Commendable efforts of NIC were appreciated by Secretary, M/o CA in the meeting held with Chief Secretary Andaman and Nicobar on air traffic issues.

Besides all the above, already running softwares [FTS(File Tracking System), Parliament Question System, Composite Payroll System(CPS) RTI, PGRAMS etc], in the Ministry are being maintained and are under the process of upgradation. NICNET has been implemented in AERA

At Directorate General of Civil Aviation (DGCA), a new web application has been designed for DGCA's Pilot's Online Examination with many features including Online application with Online payment of fee, Online checking of candidate's eligibility for taking DGCA exams, Online Computer Based Exam along with result processing. The system also includes lot of preexam and post-exam reports. The whole process has minimized the data entry work and also reduced the time in declaration of results.

In addition, the work of Issue of Flight Crew Licences, Medical Examination System of pilots, Civil Aircraft Register Information System, Domestic Airline Schedule Information System, Comprehensive Payroll System, DGCA's Surveillance Information System, Accident/Incident Reporting System, Engineers' Examination System has also been

commissioned. DGCA also has a comprehensive website containing citizen centric information which is regularly updated. The website also has interface for various interactive modules for status of Licence requests, Medical Assessments status, capturing of Domestic Airline Schedule data, Capturing of accident/incident information from Airline Operators and DGCA Regional Offices, Aircraft Register Information. Directorate General of Civil Aviation has prepared Crisis Management Plan (CMP) as per the guidelines by CERT-In, Ministry of IT & Communication. It deals with cyber related crisis coordination and problem identification, information exchange, remedial actions to mitigate & recover organizational processes. The CMP describes the Network Architecture in DGCA, nature of cyber crisis & possible targets and impart of crisis on these targets.

Bureau of Civil Aviation Security (BCAS) has formulated an IT plan for modernization and automation of office procedures. Video conferencing facility is successfully implemented in BCAS headquarters as well as four of its regional offices. BCAS website, contains latest information about its organizational details, Training results, Aviation Security Circulars and various circulars for passengers and airline operators etc. It also provides restricted information to BCAS authorized users, who are carrying out Airport Security related operation all over India. BCAS has initiated the process to redevelop their bilingual website to incorporate the latest GIGW with accessibility guidelines, issued by Government of India. BCAS is also conducting study on the Process reengineering and IT road Map preparation for the computerization of its activities. Broad level study & scope of some urgently needed projects like Policy Formulation, Quality Control, Security Programme Information, Aviation Training & Examination, Incident Reporting has already been done & documented.



BCAS is introducing an e-Office solution for personalized, role based, secure access to internal information for the employees which will be accessible through any browser

1.19 Online Examination for pilots in ATPL category

Directorate General of Civil Aviation has commenced conducting online examinations for pilots in ATPL category (General Papers) since July 2011. From October 2011 session, the online system of examination for pilots has been extended to all categories of Pilot Llinceses viz: PPL, CPL/CPLCG, ATPL/ATPCG to cover all General papers.

1.20 MoU between Ministries of Tourism and Civil Aviation for the promotion of Tourism in India:

An MOU has been signed by the Ministry of Civil Aviation with the Ministry of Tourism. As a part of the MOU, Airport Authority of India will provide space at various airports for "Incredible India"



branding by MOT and instruction will be issued by MoCA to foreign/India Carriers for screening Incredible India promotional films on their flights, after take off and before landing, for display of the Incredible India logo on all the aircraft, by Indian Carriers. Ministry of Civil Aviation will collaborate with MOT to take forward the "Campaign Clean India".

1.21 New Initiatives

The Ministry has undertaken the following new initiatives in the year 2011-12

- The Ministry has undertaken a study of the pricing and tax required for growth of ATF. ATF accounts for 40% of operating cost of aviation and the raising cost of ATF has been a matter of concern.
- A study has been undertaken for formulation of detailed guiding principles for operationalisation of tariff monitoring mechanism in respect of predatory/excessive fare.
- In accordance with the direction of the Cabinet Secretariat, the Ministry has formulated a policy to enhance the utilization of traffic rights by all Indian carriers.
- The matter of setting up a Civil Aviation Authority having adequate financial and administrative flexibility is under consideration in Ministry of Civil Aviation. A ask Force has been formed to pursue the matter for its timely completion.
- To delink accident investigation from the regulator DGCA, an Air Investigation Bureau has been set up under the Ministry. Draft Rules have been published in the Gazette of India for inviting comments of stake holders.
- In accordance with the recommendation of the ICAO Study Team on restructuring of BCAS, a Transition Task Force has been constituted for creating dedicated aviation security, identification of core and noncore functions and development of robust aviation security system.
- The existing Route Dispersal Guidelines are under review of the Ministry. A report prepared on Route Dispersal Guidelines was referred for discussion with stakeholders.
- An Economic Regulatory Policy to create a level playing field and healthy competition amongst all airports is under preparation, which would be circulated for interministerial consultation before finalization.
- A road map has been prepared for corporization of Air Navigation Services.

- To facilitate low cost debt financing for development of airport infrastructure, the feasibility of issuance of tax free infrastructure bonds by AAI, a comprehensive proposal has been taken up with Ministry of Finance.
- To promote aviation education and training in India it is decided to set up a National
- Aviation University under 12th Five Year plan.
- The Ministry has undertaken to review the existing guidelines providing facilitation to persons with disability/reduced mobility. A Committee has been constituted under the Chairmanship of Asok Kumar, Joint Secretary and representatives of Stakeholders as members.





2. Ministry of Civil Aviation

2.1 Organization

Ministry of Civil Aviation (MCA) has following organisations under its administrative control.

(i) Attached Offices / Organisations

- (a) Directorate General of Civil Aviation (DGCA)
- (b) Bureau of Civil Aviation Authority (BCAS)
- (c) Airports Economic Regulatory Authority (AERA)
- (d) Commission of Railway Safety (CRS)

(ii) Autonomous Body

(a) Indira Gandhi Rashtriya Uran Akademi (IGRUA)

(iii) Public Sector Undertakings

- (a) Airports Authority of India (AAI)
- (b) Air India Limited (AIL)
- (c) Pawan Hans Helicopters Limited (PHHL)

The Ministry of Civil Aviation is responsible for formulation of national policies and programmes for the development and regulation of the Civil Aviation sector in the country. It is responsible for the administration of the Aircraft Act, 1934, Aircraft Rules, 1937 and various other legislations pertaining to the aviation sector in the country.

Secretary, Ministry of Civil Aviation is assisted by one Additional Secretary & Financial Advisor, three Joint Secretaries, one Economic Advisor, eight officers of the level of Director / Deputy Secretary / Financial Controller and twelve officers of the level of Under Secretaries / Assistant Financial Controller. Functions of the Ministry are distributed amongst nineteen sections.

In addition to primary functions of framing of policies, the Ministry provides guidance to the organisations in the implementation of policy guidelines, monitors and evaluates and also provides their interface with Parliament. It also

supervises implementation by the organisations of special programmes of the Government, particularly those intended for weaker sections of society.

2.2 Civil Aviation Economic Advisory Council (CAEAC)

Civil Aviation Economic Advisory Council (CAEAC) was set up in the Ministry of Civil Aviation in December 2010 to broad base the engagement with stakeholders so that a competitively sustainable industry is developed that supports an inclusive growth process.

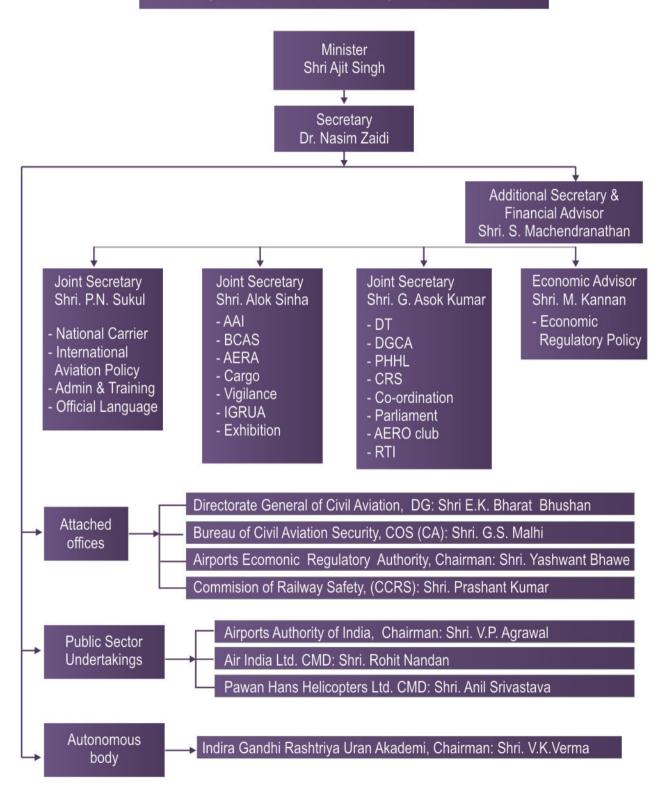
CAEAC held three meetings since its inception. The last meeting was held on 11th November 2011 wherein range of critical issues affecting the industry was deliberated upon. In that meeting International Air Transport Association (IATA) shared key findings of the study on Socio-Economic Impact of Civil Aviation in India commissioned by them through Oxford Economics. Contribution of Civil Aviation Sector to India's GDP is estimated by them to be 0.5% and the employment generated in the sector (direct and indirect) is 1.48 Million jobs. If the catalytic impact is included, the contribution is said to be 1.5% of GDP and 9 Million jobs.

2.3 National Transport Development Policy Committee (NTDPC):

National Transport Development Policy Committee (NTDPC) has been constituted by the Cabinet Secretariat vide their order dated 11.2.2010 to assess the transport requirements of the economy for the next two decades and to recommend a comprehensive and sustainable policy for meeting the transport requirements. The NTDPC, in turn, set up Working Groups for various transport sectors including Civil Aviation under the Chairpersonship of Secretaries of respective Ministries/Departments. Working Group on Civil Aviation for NTDPC is constituted under the chairmanship of Secretary (Ministry of Civil Aviation) with Economic Advisor as Member Secretary.



Organizational set up of Ministry of Civil Aviation





The Working Group on Civil Aviation was required to inter-alia determine the role of air transport in meeting the transport requirements of the economy over the next two decades, estimate the growth in air traffic by 2020 and 2030, assess the investment requirements to achieve the air transport traffic growth projected and suggest policy measures in the context of development of air transport. Presentations were made by Ministry of Civil Aviation led by Secretary to the NTDPC on more than one occasion. The Working Group completed the draft report after going through an exhaustive analysis, assessment and consultation process. The draft report has since been submitted to the NTDPC.

2.4 Working Group on Civil Aviation for formulation of Twelfth Five Year Plan (2012-17)

The Planning Commission, vide its order dated 6.4.2011 constituted a Working Group on Civil Aviation for formulation of 12th Five Year Plan (2012-17) under the Chairmanship of Secretary (Civil Aviation) with Economic Adviser as Member Secretary. The Working Group, after a thorough study of the needs of the sector and after holding a series of consultations with various stakeholders through Sub-Groups constituted for the purpose, prepared a report in which several new initiatives for implementation during 12th Plan Period were proposed. These include proposals to set up National Aviation University, for development of Aerospace industry, establishment of Civil Aviation Museum and creation of Essential Air Services Fund for remote area connectivity. The report of the Working Group has been submitted to the Planning Commission. A presentation was also made before Member (Transport), Planning Commission in this regard. The vision for Indian Civil Aviation Sector as enunciated by the Working Group is

"To propel India among the top five civil aviation markets in the world by providing access to safe, secure and affordable air services to everyone through an appropriate regulatory framework and by developing world class infrastructure."

2.5 Working Group for examining feasibility of Ombudsman for Civil Aviation.

The high rate of growth in air traffic is expected to have implications on the mechanism for redressal of grievances and resolution of disputes. It has been observed that the complaints from airline passengers, consumer groups, cargo facility users at the airport are on the rise. In view of rising number of such complaints and considering the potential for high growth rate in future, it was considered necessary to study these issues to ensure that the redressal of grievances takes place in a timely and cost effective manner. Various stakeholders in the Civil Aviation sector have also recognized the need for alternate dispute settlement mechanism like that of an institution of Ombudsman in India (similar to sectors like Banking, Insurance etc). Therefore, a Working Group for examining feasibility of Ombudsman for Civil Aviation was constituted by the Civil Aviation Economic Advisory Council under Chairmanship of the Economic Adviser (Civil Aviation) with members drawn from various organizations. The Committee after examining the nature and extent of consumer complaints/ grievances, present grievance redressal mechanism adopted by the service providers, existing guidelines, international best practices, submitted its report to the Ministry suggesting the need for setting up of Ombudsperson as an alternate mechanism for dispute resolution. Recommendations of the Working group are under examination in the Ministry.

2.6 Organisation and Method

The instructions regarding time limit for disposal for various cases along with channel of submission are available on the website of this Ministry in compliance to the Right to Information Act 2005. Instructions are issued from time to time stressing the need for observance of various provisions of Manual of Office Procedure (MOP). An Annual O&M Inspection programme for all sections has been chalked out.

2.7 Record Management

Record Management is an important aspect of





handling the bulk of records in the Ministry. The recording, reviewing and weeding out of old records/files are done on quarterly basis.



Recently, there has been renovation of record room with modern shelves with shifting gears for each section of the Ministry. A permanent record keeper has also been posted to maintain the proper record of the files and record in the record room.

2.8 Modernisation of office

Computers and access to internet and e-mail facilities have been provided to all employees. Telephones, Fax machines, intercoms, scanners, printers, power back-ups, photocopiers and other accessories have been provided to all officers upto section level. Executive Video Conferencing System (EVCS) has been installed in the Secretary's office which enables point to point Video conferencing facility with other Secretaries of Government of India. A comprehensive Composite Payroll System, the Parliament Question Operating System and Computerized File Tracking System (OPA) are operational. Besides, a host of centralised egovernance applications like RTI-MIS, CPGRAMS, and monitoring of on-line ACC vacancies are in operation.

2.9 Public Grievances Redressal Machinery

The Public Grievances Redressal Machinery (PGRM) is headed by a Joint Secretary who has been designated as the "Public Grievances Officer". All organizations working under the

administrative control of the Ministry too have full-fledged public grievance redressal machinery headed by respective designated "Nodal Officers". The Centralized Public Grievances Redressal and Monitoring Systems (CPGRAMS), which is a web based on-line public grievance handling system was introduced and developed by the Department of Administrative Reforms & Public Grievances (DARPG). The system has been implemented in the Ministry for prompt and effective disposal of the grievances from 01.01.2008. Up to the end of the year 2011, a total of 1542 public grievance cases were received on-line, out of which, 933 grievances, i.e.60.5% approximately, have been disposed through the CPGRAMS.

2.10 Right to Information Act, 2005

Right to information Act, 2005 had been introduced to provide the citizens secure access to information under control of public authority. This also promotes transparency and accountability in the working of every public authority, as well as timely disposal of citizen's requests.

To implement the Act, 12 CPIOs and 7 Appellate Authorities have been designated in this Ministry. With the increased awareness among the people about RTI Act, 2005, a large number of applications /appeals were received in this year. 395 application and 26 appeals were received. All efforts were made to dispose off these applications and appeals within the prescribed time.

In compliance of section 4(1)(b) of the RTI Act, 2005, steps are being taken to disclose as much information suo moto to the public at regular intervals on Ministry's website www.civilaviation.gov.in.

2.11 Administrative & Staff Grievances Redressal Mechanism

Director (Admin) of the Ministry of Civil Aviation also functions as Director (Grievance) of the Ministry and is available every Wednesday from 10:00 AM to 01:00 PM to hear the grievance of employees of this Ministry personally. In addition to this Administration Section in this Ministry



functions as Grievance Cell and all complaints received from the Staff are handled by this Section. Under Secretary (Admin) has been designated as Grievance Officer in the matter related to pension cases. Further, all required steps are taken to maintain harmonious relations between the members of staff for increasing the efficiency in the output of the Ministry.

2.12 Welfare of Minorities

PM's New 15-point programme on welfare of minorities envisages that where large-scale employment opportunities are provided by the Railways, Nationalized Banks and Public Sector Enterprises, it should be ensured by Civil Aviation sector that special consideration is given to recruitment from minority communities. All Public Sector Enterprises under the Ministry have been advised to comply with the directives issued under PM's 15 Point Programme. Periodical returns have been prescribed to monitor compliance / progress and the same are being sent to the concerned authorities on regular basis.

2.13 Vigilance activities

The Vigilance Unit of the Ministry is headed by a Chief Vigilance Officer (CVO) of the rank of Joint Secretary appointed in consultation with the Central Vigilance Commission, who functions as the nodal point in the vigilance set up of the Ministry. The CVO in the Ministry is assisted by the Director, Under Secretary and Vigilance Unit of the Ministry. The Vigilance Unit in the Ministry, inter-alia monitors and coordinates vigilance activities of the Offices and Public Sector Undertakings/ Autonomous Body under its administrative control. Preventive vigilance continues to receive priority attention with primary emphasis on identification of sensitive areas. The guidelines/instructions issued by the Department of Personnel and Training and Central Vigilance Commission from time to time in this regard are followed.

In pursuance of Central Vigilance Commission's directions, "Vigilance Awareness period" was observed in the Ministry, its attached offices well as in the PSUs under the administrative control

of the Ministry from 31st October, 2011 to 05sth November, 2011. The Secretary, Ministry of Civil Aviation administered the 'PLEDGE' to all the employees of the Ministry on 31st October, 2011.at 11.00 am.

Quarterly meeting of all CVOs/ VOs of PSUs/ attached and subordinate offices are held under the Chairmanship of Shri Alok Sinha, Joint Secretary and Chief Vigilance Officer, MoCA to review the pending vigilance cases in PSUs/attached and subordinate offices under the administrative control of the Ministry.

2.14 Welfare of Scheduled Castes / Scheduled Tribes / Other Backward Classes.

A dedicated Cell looks after the liaison work relating to reservation for Scheduled Castes. Scheduled Tribes and Other Backward Classes in posts and services in the Ministry and its subordinate organisations. Similar cells also exist in various organisations of the Ministry. Inspection of Reservation Rosters maintained by various organizations of the Ministry is conducted periodically to ensure proper implementation of Government orders in respect of reserved categories. Orders / instructions issued by the Government with regard to reservation for SCs, STs and OBCs from time to time, are brought to the notice of all the organisations for implementation. All periodical returns on the subject are regularly furnished to the Department of Personnel & Training (DoPT) and to the Ministry of Social, Justice and Empowerment. Representations / complaints / grievance petitions received from Scheduled Castes, Scheduled Tribes and Other Backward Classes' employees / their Associations are examined and remedial action taken wherever required.

2.15 Welfare of Senior Citizens

In accordance with the guidelines issued by Ministry of Social, Justice and Empowerment, and as envisaged in the 'National Policy on Older Persons', instructions have been issued to all concerned Organisations to ensure prompt, fair and humane treatment with senior citizens.



Instructions have been issued from time to time for the following:-

- Remove all physical barriers to facilitate easy entry, movement and exit at all airports and in airlines;
- Change the design of the frisking booths in the security hold area so that the elderly are not required to climb and descend while undergoing security checks;
- Pay special attention for providing help / assistance to them particularly after alighting from vehicles at the airports and un-till the person reaches the check-in counters;
- Pay special attention to the elderly and those needing assistance at the booking offices of airlines:
- Give preference in reservation and earmarking of seats in the airlines:
- Give widows special consideration in the matter of settlement of benefits accruing / compassionate appointments on the demise of the spouse; and
- Fix responsibility for any delay caused in the settlement of pension, provident fund, gratuity and other retirement benefits.

2.16 Protection of Environment

Keeping in view the guidelines of the Ministry of Environment and Forests, all the Organisations under this Ministry have been given instructions to make all possible effort to protect the environment.

2.17 Setting up of National Aviation University

To meet the ever growing requirement of professionally qualified personnel and also to create a strong base with a pool of scientific and technical manpower in the Civil Aviation sector, it has been decided to set up a National Aviation University (NAU). In course of time, the University is expected to become a Centre for Excellence in the field of Civil Aviation which would keep track of fast changing technology and other global developments to facilitate constant review of norms and standards for Aviation Education and Training including aspects relating to accreditation and grant of affiliation to other private institutions. In order to steer the process of setting up of NAU in a time bound manner, an Advisory Committee under the Chairmanship of Secretary (Civil Aviation) with members drawn from different organizations and experts has been set up. A token provision of Rs. 100 crore has been projected in the plan schemes for 12th Five Year Plan of Ministry of Civil Aviation.

2.18 Implementation of Official Language

A high level Hindi Salahkar Samiti has been constituted to give recommendations for promoting the use of Hindi in the Ministry and its subordinate organizations. The meetings of this committee are held periodically. This year various competitions were organized during Hindi fortnight in the Ministry.









3. Directorate General of Civil Aviation

3.1 Introduction

The Directorate General of Civil Aviation is the principal regulatory body in the field of civil aviation. It is not only responsible for regulation of air transport services to/from /within India , formulation and enforcement of civil air regulations, air safety and airworthiness standards, but also co-ordinates all regulatory functions with International Civil Aviation Organisation (ICAO).

3.2 Organisation

The Directorate General of Civil Aviation has its Headquarters in New Delhi. This organisation is headed by the Director General of Civil Aviation, who is assisted by Joint Directors General and Deputy Directors General. The Director General has the following Directorates under him: -

- Directorate of Regulation & Information.
- ii) Directorate of Air Transport.
- iii) Directorate of Airworthiness.
- iv) Directorate of Air Safety.
- v) Directorate of Training & Licensing.
- vi) Directorate of Aerodrome Standards.
- vii) Directorate of Flying Training.
- viii) Directorate of Flight Inspection.
- ix) Directorate of Administration.
- x) Aircraft Engineering Division
- xi) Air Space & Air Navigation Services
- xii) Training Academy.
- xiii) Information Technology Division

3.3 Functions

The main function of the Directorate General of Civil Aviation is to regulate all civil aviation matters. Some of the salient functions are as under:

 Regulation of air transport services to/ from/ within India in accordance with the provisions of the Aircraft Rules, 1937, including bilateral and multilateral agreements with foreign countries and the policy pronouncements of the government;

- ii) Registration of civil aircraft;
- Laying down airworthiness requirements for civil aircraft registered in India and grant of Certificate of Airworthiness to such aircraft;
- iv) Licensing of pilots, aircraft maintenance engineers and monitoring of flight crew standards;
- v) Licensing of aerodromes and air carriers;
- vi) Rendering advice to the Government on matters pertaining to civil aviation;
- vii) Processing amendments to Aircraft Act, 1934 and the Aircraft Rules 1937, and other Acts relating to aviation, with a view to implementing in India the provisions of the Chicago Convention and Annexes thereto and other International Conventions relating to aviation:
- (viii) Co-ordination of the work relating to International Civil Aviation Organisation and sending replies to state letters after consulting other agencies;
- ix) Investigation of air accidents and incidents and rendering technical assistance to the Courts/ Committees of Inquiry;
- x) Supervision of training activities of Flying/ Gliding Clubs; Development of light aircraft, gliders and winches; and
- xi) Type certification of aircraft.

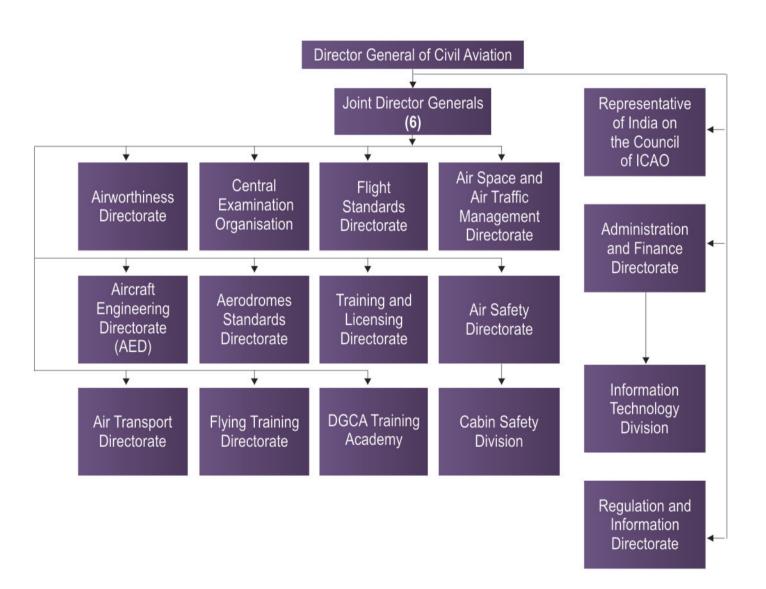
3.4 International Relations

3.4.1 Air Services Agreements

During 01 April 2011 to 31 December, 2011,



DIRECTORATE GENERAL OF CIVIL AVIATION





bilateral air talks were held with Italy. Srilanka and Indonesia. In addition formal and informal talks were held with 26 and 11 States respectively during the International Civil Aviation Negotiations Conference (ICAN) -2011, which was held in Mumbai from 19th to 25th October, 2011. The formal talks were held with Kenya, Finland, Malaysia, Slovenia, Republic of Korea, Austria, Turkey, Switzerland, Nigeria, Ethiopia, Scandinavia, Fiii, Dominican Republic, Zambia, Czech Republic, Botswana, Jamaica, Cameroon, Uganda, Mozambique, Jordan, Macedonia, Australia, Sri Lanka. Singapore and Canada. The countries with whom informal talks were held are France, Oman, United Kingdom, Bahrain, USA, Kuwait, Hong Kong, Irag, Qatar, UAE and Colombia.

3.5 Legislation

3.5.1 To keep the statutory provisions abreast with the international standards and the latest developments in the civil aviation sector, comprehensive amendments were proposed in the Aircraft Rules, 1937. Two amendments have been carried out in the Aircraft Rules, 1937 vide G.S.R. No. 59 (E), dated the 31st January,2011 and G.S.R. No. 323, dated the 24th November,2011. There was no amendment proposed in the Aircraft Act, 1934.

3.6 Air Transport

3.6.1 Tourist Charters

Operation of Inclusive Tour Package Charter flights to and from India continued under the liberalized guidelines issued vide Aeronautical Information Circular No. 12 of 2008 and a total number of 685 flights were operated during the calendar year 2011 bringing 1,26,248 tourists to India.

3.6.2 Non-Scheduled Operator's Permit

As on 31st December, 2011, a total number of 134 companies are holding Non-Scheduled Operator's Permit as against 127 companies during the calendar year 2010.

3.6.3 Domestic Scheduled Operators

In addition to Air India Ltd (Air India) Ltd.,

Alliance Air and Air India Charters Ltd: there are at present six private scheduled operators viz. Jet Airways (India) Ltd; Jet Lite Ltd., Kingfisher Airlines Itd., Spice iet Ltd., Go Airlines (India) Pvt. Ltd. and Inter Globe Aviation Ltd. (Indigo) operating on the domestic sector providing a wide choice of flights and connectivity to various parts of India. Three cargo airlines viz Blue Dart Aviation Pvt. Ltd. Deccan Cargo & Express Logistics Pvt Ltd. and Arvan Cargo are also operating as scheduled cargo services in the country. During the calendar year 2011, Scheduled domestic airlines carried a total number of 60.7 million passengers as against a total of 51.532 million passengers during the previous year. The domestic passengers carried by Scheduled Domestic Indian Carriers have witnessed a growth of 16.6 percent during the calendar year, 2011.

3.6.4 Other activities of Air Transport

Carried out monitoring of airfares of scheduled domestic airlines, examined the sector wise fares offered by airlines in various fare buckets. analyzed the traffic data in respect of passenger growth, market share, OTP, flight cancellation, pax complaints, approval accorded to 1910 Amendments to flight schedule of scheduled airlines, 296 Grievances/complaints related to different airlines have been attended, reviewed the preparedness of Kingfisher Airlines for international operations to Maldives, preparedness meeting of Indigo was covered for International operations to Nepal, Dubai, Singapore, Thailand and Oman. Expression of interest submitted by 14 organizations for study on Air connectivity in North-East Region opened by a Committee constituted for the purpose. Also organised the International Workshop on Aviation Environment-Community Noise & Solutions. Also made a presentation on Airport Noise and Mitigation Measures. In addition conducted a meeting of scheduled airlines to review the scheduled operations to/from Lakshadweep in view of partial modification to the Route Dispersal Guidelines. Report of air connectivity to Kargil finalised. Review of unused slots with airline and airport operators was



carried out. Procedure for reallocation of unused slots being devised. Financial surveillance from safety perspective carried out of scheduled domestic airlines and report submitted. Review of helicopter operations at Katra was carried out.

3.7 Airworthiness

3.7.1 Registration of Aircraft

During the period of report a total of 95 aircraft were registered by airworthiness Directorate. With this the total number of aircraft registered under various categories will be 1615.

3.7.2 Revision of Aircraft Maintenance Engineers Licensing System

The procedure of examination for issue of Aircraft Maintenance Engineer's Licence has been amended to introduce the subject of Human Factors. This year 77 AME Licences were issued.

3.7.3 Approved firms

Number of Manufacturing organisation approved under CAR 21 part 'G' is 04.

3.7.4 Aircraft Maintenance Organisations

The total number of Aircraft Maintenance Organisations (AMOs) / Foreign Maintenance Repair and Overhaul (MROs) organisation approved under CAR 145 in the year 2011 are 05.

3.7.5 AME Institutes

The total number of AME institutes approved under category 'G' of CAR, Section 2, Series 'E' Part VIII is 77 which consists of – Fully approved: 44, Partially approved: 13, Fully lapsed: 20.

3.7.6 Surveillance and Enforcement Division conducted 12 meetings and 4728 surveillances against the planned target of 4484. There were 27 level I findings and 7072 level II findings detected and the same were corrected. A total of 156 enforcement actions were taken. The team carried out 135 night surveillances, 05 cross regional checks and 10 quality assessment checks. In addition, Board of Aviation Safety conducted 11 meetings during this year.

3.7.7 During the year a large number of CARs were drafted out of which 3 CARs on documents

to be carried on board by Indian registered aircraft, Licensing of Aircraft Maintenance Engineers and Weight and balance control of an aircraft were finalised and published. Five CARs have been published for seeking public comments.

3.8 Examination

3.8.1 Central Examination Organisation R.K. Puram conducts examinations for the issue/ endorsement of Private Pilots Licences (PPLG), Commercial Pilots Licenses (CPLG), Pilots Technical (PPLT/CPLT/ATPLT), airline Transport Pilot Licenses (ATPL) and Aircraft Maintenance Engineers (AME) as per the examination schedule announced in the advance. These examinations are conducted in such a manner that one or the other examination is held almost every month. After conduct of these examinations, the results of previous examinations are also required to be declared in time. The detailed data regarding the examinations conducted by CEO during the period from January 2011 to December 2011 are as follows: -

	AME	PILOT	TOTAL
No. of			
applicants	46,533	23,209	69,742
No. of papers	46,533	23,209	69,742
No of			
Examinations			
Including special			
Examinations	03	28	33
		(+2 online)	

3.9 Training And Licensing of Aircrew

3.9.1 During 01st January 2011 to 31st December, 2011, 847 CPL, 422 ATPL, 12 ATPL(H), 61 CHPL, 212 PPL, 840 IR, 957 FRTOL, 562 FRTOL (R) and 781 FATA licenses/ratings were issued by the DGCA. In addition, 2046 renewals / endorsements on Boeing/Airbus and 206 renewals of licences were carried out.



3.10 Flight Inspection

3.10.1 The Flight Standards Directorate (FSD) conducted regular inspections and surveillance of scheduled airlines and their aircrew in particular to ensure effective implementation of safety related standards and Recommended Practices contained in the ICAO Annexes particularly Annex 6 and the relevant rules, regulations, procedures and requirements laid down in Aircraft Rules, Civil Aviation Requirements, Aeronautical Information Circulars, AIP India, etc. Continuous surveillance of various operational aspects of operators was ensured by conducting various inspections/ Surveillance Checks regularly viz. Cockpit En-route Inspection, Cabin Inspection, Ramp Inspection, Station Facility Inspection and proficiency check etc. In addition to this, Simulator Evaluation, Type Rating Training Organisation (TRTO) Approval and Main Base Inspection etc. of the operators and Standardization/ Proficiency Checks of their Training Captains were conducted.

3.10.2 Flight Standards Directorate also rendered advice to Directorate of Training & Licensing on operational and training aspects for issue/ renewal and revalidation of licenses/ ratings, Directorate of Airworthiness on engineering matters, Directorate of Air Safety on Investigation of Accident/ Incident, Central Examination Organisation on standardization of Question Papers and Directorate of Air Transport on Evaluation of operational and training capabilities of operators at the time of issue of Airline Operator's Certificate.

3.10.3 During the year 2011, Flight Standards Directorate carried out surveillance Inspection of 584 domestic scheduled, 124 non-scheduled and 69 helicopter operators. 11 Simulators/ Flight Training Device of various Operators were evaluated/ approved. The approval of Indira Gandhi Rashtriya Uran Academy (IGRUA) as Flight Training Institute was re-validated. Approvals were granted to 156/ 35 Training Captains (Check Pilots/ Instructors/ Examiners) of various scheduled airlines. In order to enhance safety of aircraft operations twelve Operations Circulars were issued by FSD for guidance of

Scheduled/ Non-scheduled/ General Aviation operators. Approximately 25 SOPs for various airlines/ operators at various airports & critical airfields were examined and approved. About 235 nos. of flying training syllabus on different types of aircrafts/ helicopters were approved to individuals and various operators. Approximately 26 operations & 16 Training Manuals of various Non-Scheduled operators have been approved during the year. CARs have been issued on All-weather operations, Operation of aircraft (commercial air transport aeroplanes), Performance-based Navigation and Recurrent training, IR/PPC.

3.11 Aerodrome Standards

3.11.1 The Directorate of Aerodrome Standards deals with inspection and licensing authorisation of aerodrome/heliport and monitoring of the aircraft operations at aerodromes vis-à-vis the facilities provided at the aerodrome and heliports approved/licensed by this Directorate. The details is as under:-

- (i) A total number of 66 airports have been licensed as on date under public use category (54 AAI Airports + 12 JVC Airports).
- (ii) Surveillance inspection of 26 airports were carried out as per Annual surveillance inspection programme of DGCA.
- (iii) Upgradation and development of airside and terminal facilities at Metro and Non-Metro airports.
- (iv) Operation of Sea Plane services commencement to/from Hut Bay, Havlock and Andaman and Nicobar.

3.12 Air Safety

3.12.1The Air Safety Directorate is responsible for investigation of notifiable accidents involving Indian Civil Registered Aircraft. Assistance is provided to various Courts and Committees set up by the Government to investigate the accidents as per the Rule 74 and Rule 75 of the Aircraft Rules 1937. Review of the investigation



reports submitted by the Inspector of Accidents, Inquiry Officers is carried out. Follow up action for implementation of recommendations made by the Inspector of Accidents, Committee of Inquiry and Court of Inquiry is carried out.

3.12.2 As and when Court/Committee of inquiry are constituted by the government for investigation of accidents, technical assistance is provided starting from wreckage examination till report writing by the officers of Air Safety Directorate. In addition incidents such as precautionary landings, forced landings, aborted takeoff, air misses, ATC incidents, ground incidents and all other occurrences affecting safety of aircraft operations are investigated by Regional offices in association with the Operators. An accident prevention programme is continuously carried out by investigating all aircraft incidents which constitute hazard to flying by taking appropriate follow up action to prevent recurrences of similar incidents. Air Safety Circulars, Bulletins, Aircraft Accident Summaries, etc., are also issued from time to time.

3.12.3 A Board for Aviation Safety (BFAS) has been set up, which in addition to resolving Level-I surveillance findings also takes up for consideration preventive actions on the basis of the incident data.

3.12.4 The State Safety Programme (SSP) was carried out as per the SSP document issued in Nov 2010. At present AIC 8 of 2011 for voluntary reporting system is available and legal framework for mandatory and voluntary reporting under State Safety Assurance programme is in progress. SMS of the airlines is progressing as per the schedule given in the CAR on the subject. Under Safety Promotion, DGCA safety Bulletin has been started since Oct 2011 on quarterly basis.

3.12.5 Inspection of various aerodromes and facilities available at these aerodromes are carried out by Regional Air Safety Offices. Safety Audits, Cabin Safety Inspections, Operational Inspection, Preflight Medical Check, Random monitoring of FDTL & Monitoring of flights through CVR/DFDR analysis is carried out.

3.12.6 During the year 2011 there have been 11 accidents to Indian Civil Registered Aircrafts. Six Reports have been submitted by Committee of Inquiry. Acceptance of reports is yet to be received. 1 accident is under investigation by Committee of Inquiry and 2 accidents are under investigation by Inspector of Accidents. 2 accident investigation reports have been submitted to DGCA by Inspector of Accidents and are under review. During the year 2011 there have been 4 serious incidents to Indian Civil Registered Aircrafts. Investigation of two serious incidents have been completed and report accepted by MCA. A total of 624 incidents were reported to Indian civil registered aircraft. There were total of 28 Air proximity incidents were reported during the year 2011. A total of 651 Surveillance Inspections were carried out during the year 2011. During year 2011 there have been 13 Safety Audit of State Government Aviation Wing and other organization.

3.12.7 During the year 2011 four (04) Air Safety Circulars were issued on Pre-flight Medical Examination of Crew for Alcohol Consumption-Use of Ledger/ Register for recording the results, Reporting of Wildlife (Bird/ Animal) Strike - Latest "Wildlife (Bird/ animal) Strike" Reporting Form, Notification of occurrences and investigation thereof and Precautionary landing in case of deteriorating weather.

3.13 Aircraft Engineering Directorate

3.13.1 Aircraft engineering division at headquarters signed an Executive Agreement (EA) of the Bilateral Aviation Safety Agreement (BASA) between Governments of India and USA on 18.7.2011. FAA and DGCA have signed the "Implementation Procedures of Airworthiness (IPA)" on 17th November, 2011 under the BASA Executive Agreement. Subsequent to concurrence of the Governments of India and Brazil, ANAC and DGCA have signed the 'Memorandum of Understanding (MoU)' and 'Implementation Procedures (IP)' for design certification and in general 'promotion of aviation safety'. An amendment in Part 8, Para 3.0 of HDBK of Procedures (procedures for



acceptance of a type certificate) has been carried out. A proposal submitted by RWR&DC for grant of type certification in respect of Light Utility Helicopter is under evaluation. Design Organisation Approval (DOA) was issued to M/s Merlinhawk Aerospace Pvt.Ltd., Bangalore. AD No 017R1, 021, 022, 023 and 024 in respect of Dhruv helicopter have been issued. Type acceptance has been granted to more than ten types of aircraft for operation in India.

3.13.2 Aircraft engineering division at Banglore accorded approval for the extension of life for MGB gears. Discussion was held with representatives of HAL and Interim approval was accorded for Installation of Passenger Oxygen System on ALH to be supplied to BSF(all three seating configuration) for one year on trial mode. EASA Certification of Dhruv (ALH): 2 CRIs (CRI C-01 & F-02) have been received and concurrence accorded. Approval of Installation of Geophysical Survey System on Geological Survey of India helicopter VT-HAU has been accorded. Eight substantiation documents pertaining to approval of Test Order on improved eye end assembly of control rods for civil Dhruv helicopter were examined and approval to the test order was issued. Approval of acceptance criteria for ALH TRB made of R-glass pre-preg flex beam was accorded with conditions after scrutiny of relevant documents. Approval of Test Order on improved eye end (Indigenous) assembly of connecting rod for civil ALH was accorded. Approval was also accorded to one major Mod., pertaining to optimization of Audio warning Levels of Voice Warning System (VWS) and Central Warning Panel (CWP) of ALH through adjustment of Potentiometers in the Intercom Junction Box. Applications for renewal of DOA from five organizations were received and examined.

3.13.3 Physical and Chemical Laboratory tested for quality purpose 84 samples drawn from different locations. 31 VVIP sample was tested. 17 ATF samples were tested for commissioning of storage tanks. Two samples of Micro Water detecting capsules tested. Physical and Chemical Lab assisted Incident/Accident

investigation by analyzing ATF fuel and Lubricating Oil samples used in the accident/incident aircraft.

3.13.4 Failure Analysis Lab carried out Laboratory investigation of failed compressor blade of Helicopter engine, spacing cables with connectors of Chetak; tail drive shaft of Bell 407,bolts and alternator drive disc of Cessna-152 aircraft. Material testing Lab tested 79 welding samples and 8 upholstery samples. Flight Recorder Laboratory scrutinized a total of 360 Cockpit Voice Recorders recordings and 122 Flight Data Recorders data.

3.13.5 Aviation environment unit analyzed the fuel consumption data and carbon emissions were estimated for the period 2005-2010 for scheduled and non scheduled airlines. The carbon footprint of the airports was estimated from fuel data and the Report on Carbon Inventory was submitted to Ministry for their perusal. This is a part of the Result Framework Document (RFD) for the year 2011-12. The Interim report of Planning Commission on Strategic Low Carbon Growth was examined.

3.14 Air Space & Air Navigation Services

3.14.1 Surveillance Audit for ATM facilities was carried out for 12 Airports. These are Shamsabad, Calicut, Guwahati, Trichy, Bhubaneshwar, Varanasi, Khajuraho, Nagpur, Banglore, Raipur, Agartala and Aurangabad.

3.14.2 Surveillance Audit for CNS facilities was carried out for ten airports namely Varanasi, Amritsar, Trichy, Bhubaneshwar, Vadodara, Lucknow, Hyderabad, Mumbai, Cochin and Dibrugarh.

3.14.3 IAL Procedure were promulgated for VOR RWY10 – Nanded, SRE Rwy 29/11 – IGI Airport, VOR RWY 27/09 – Jaipur, Rwy 25 – Indore Airport, ILS procedure Rwy 27 – Chakeri Airport, ILS procedure Rwy 17 – Lengpui, DME ARC procedure – Vadodara Airport, SIDs procedure Rwy 22/04 – Imphal Airport, Rwy 20 – Guwahati Airport, ILS procedure Rwy 04 – Imphal Airport, Rwy 04 – Gondia Airport, VOR Procedure Rwy 05 – Coimbatore, VOR-DME Procedure Rwy 32 – Mumbai Airport, ILS



procedures Rwy 09- IGI Airport, VOR Procedure Rwy 27 – Mysore Airport, ILS procedure Rwy 08 – Dehradun Airport, RNP-1 STAR & RNP Procedure Rwy 27 – Cochin Airport, RNAN-1 (GNSS) SIDs & STARS Procedure – Thiruvananthapuram Airport, ILS Rwy 27-Mumbai Airport, Approval for implementing RNAV 5 Routes in India Delhi-Mumbai-Delhi, Revised conventional (Non-RNAV) (SIDs) Rwy 27-Cochin, VOR procedure Rwy 16/34 – Amritsar Airport and Promulgation of Revised VOR Procedure Rwy 26 – Vijayawada Airport.

3.14.4 Approval for Commissioning has been accorded to New CNS projects for ILS Rwy 10 at Calicut Airport, Rwy 10 at IGI Airport Delh, OCA ILS Rwy 31 at Srinagar Airport, ILS Rwy 27 at Chakeri Airport, DVOR & HPDM installed at Indore Airport, ILS-DME for upgradation to CAT-II at Lucknow Airport, ILS-DME for CAT-I at Kanpur Airport, at Chandigarh Airport., installed at Dehradun Airport, DVOR-DME, ATC Tower automation system Chennai, MSSR installed at Chennai Airport, DVOR/HPDME for approved to installed at Amritsar Airport., Commissioning of ILS CAT-I for Rwy 31 at Srinagar Airport, ILS -DME extended for three months to CAT-I at Chandigarh Airport, Commissioning of DVOR/HPDME at Chennai Airport, Commissioning of ASMGCS installed at Kolkota Airport, Extension of certification of CAT - IILS& LP DME installed at Lengpui Airport, Commissioning of ILS (CAT-I) at Agra Airport, Commissioning of ASMGCS installed at Chennai Airport, Re-commissioning of Glide path at Amritsar Airport, Commissioning of ILS at Rwy 19R Kolkata Airport, Glide Path at Varanasi Airport, ILS CAT III B Operation for Rwy 28 at IGI Airport and Commissioning of DVOR/HPDME at Katihar.

3.15 Training

3.15.1 TMODT

The Technical, Management and Operational Development Training Programme (TMODT), organized under the auspices of U.S. – India Aviation cooperation program (ACP) commenced on June 7, 2011 in Oklahoma City

(OKC) at the FAA Training Academy. As part of this training programme, 32 DGCA officers will receive training in the U.S. (Part 2) and in India (Part I). Till now 20 Officers completed training in U.S. and India in the year 2011. 10 officers are proposed to get trained in 2012 in U.S. who have already completed training in India.

3.15.2 ASTTP

Aviation Standards and Processes Technical Training Programme (TTP) is one of the technical assistance cooperation initiatives of the US-India Aviation Cooperation programmes. The programme's primary objective is to provide technical assistance in the form of a series of highly specialized technical training courses to the Indian aviation manufacturing stakeholders including, DGCA officers, Indian aviation manufacturing suppliers and manufactures. Till now 21 officers of DGCA have participated in various courses conducted in Delhi/Mumbai.

3.16 Administration

3.16.1 VIGILANCE SECTION:-

A vigilance tab has been introduced on the home page of DGCA website to facilitate online registration of complaints with the Vigilance. The details of vigilance set up and the contact details of the CVO have also been placed on the website.

Two vigilance circulars have been placed on the website giving the details of functions of the Vigilance. The information about the Public Interest Disclosure & Protection of Informer (PIDPI) Resolution has also been placed on the website to protect the interest of the complaint (whistle blower).

As per the CVC guidelines e-governance has been taken up in the sensitive areas. The online examinations for Commercial Pilot License (CPL) and Adir transport Pilot License (ATPL) have been introduced. Aircraft Maintenance Engineer (AME) examination will be conducted online shortly.

Vigilance Awareness Week was celebrated during 31 October to 5th November 2011 in the Office of the Director General of Civil Aviation



(DGCA). As per the directions received from the Commission, functions were organized in the DGCA Hqrs at Delhi and Pledge taking ceremony was held in 20 DGCA Regional Offices. During the week, the Vigilance Division at DGCA headquarters had organized various competitions like Essay, Poster and Elocution The staff and officers of DGCA actively participated in the competitions and winners were given away the prizes.

3.16.2 Hindi Section

All general orders, establishment orders and notifications were issued bilingually in the office of Director General of Civil Aviation. Air Accident Report, Statistical Report and Annual Report were brought out is bilingual form. During the year two Hindi Workshops were conducted in which 73 officers/employees were imparted training in Hindi. Various experts of other offices were invited to deliver lectures in this workshop. According to the instructions of Official Language Department, some cassettes and documentary films regarding progressive use of official language were screened in this workshop. The target of Hindi and Hindi typing training has been achieved under Government's Hindi teaching scheme. Two employees are under training of Hindi stenography. In order to promote Hindi Work on computers. Hindi software "Unicode" was made available.

During Hindi fortnight various Hindi competitions were conducted and Hindi Day was celebrated enthusiastically. The Director General gave commendation certificate and cash awards to the winners. Eight officials were given cash awards for doing their maximum work in Hindi under Incentive Scheme of Official Language Department for doing original noting/drafting in Hindi. One officer was given cash award for giving dictation in Hindi. Hindi books and magazines were purchased from library fund to ensure implementation of official language policy. Meeting of Official Language Implementation Committee were conducted regularly in every quarter. The News letter 'Nai Udan' related to the activities of DGCA is being published every quarterly.

3.16.3 Welfare of Women:

The Women Cell in DGCA addresses the issue relating to women wherein the problems of women are heard and resolved promptly. The department has a Complaints Committee for examining complaints relating to sexual harassment of women at work place including their redressal and prevention. No incident of any type of harassment to women was received during the year 2011.





4. Airports Authority of India

4. Airports Authority of India

4.1 Introduction

Airports Authority of India (AAI) has been constituted as a Statutory Authority under the Airports Authority of India Act, 1994. It came into existence on 1st April 1995 with the merger of erstwhile International Airports Authority of India and National Airports Authority. AAI was created to accelerate the integrated development, expansion and modernization of the air traffic services, passenger terminals, operational areas and cargo facilities at the airports in the country.

The main functions of the Authority are as under:

- Control and management of the Indian air space and adjacent oceanic Airspace (excluding special user air space) extending beyond the territorial limits of the country as delegated by ICAO and provision of Air Traffic Management system.
- Installation, Testing, Commissioning andMaintenance of Communication, Navigational and Surveillance Aids and ATC Automation system.
- 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.

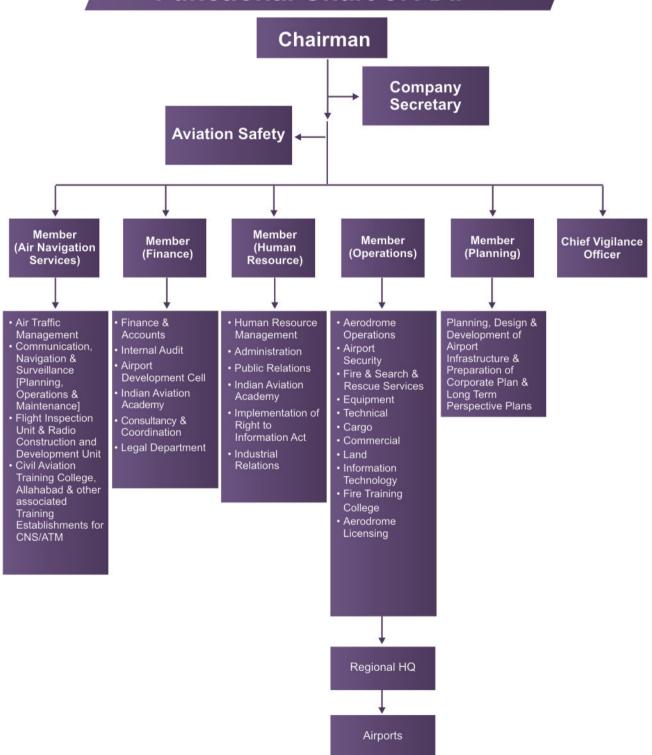
- Design, development, operation and maintenance of passenger terminals.
- Development and management of cargo terminals at international and domestic airports.
- Provision of passenger facilities and informtion systems in the passenger terminals.

AAI presently maintains 118 Airports comprising 8 International Airports, 3 International Civil Enclaves, 8 Customs Airports, 3 Customs Civil Enclaves, 46 Domestic Operational Airports, 19 Domestic Operational Civil Enclaves and 31 Domestic Non-Operational Airports. In addition, AAI also provides CNS-ATM services at 6 other Joint Venture and Private International Airports and 8 other Private / State Government / UT Airports. About 2.8 million nautical square mile area (including National Airspace) of air-space (covering Bay of Bengal and Arabian Sea) has been assigned to AAI for provision of Air Traffic Services and provision of Air Traffic Management services.





Functional Chart of AAI





4.2 Highlights

AAI has continued with its mission of expanding the airport infrastructure at various airports across the nation. Highlights of the performance of the Authority for the period April to December 2011 are given below:

- Construction of New Integrated Terminal Building at Lucknow and Indore airports.
- Construction of New Terminal Building including car park at Rajahmundry airport.
- Expansion and modification of Terminal Building at Coimbatore Airport.
- Construction / expansion of apron including link taxiway at Udaipur and Dimapur airports.
- Recarpeting of runway, taxiway and apron at Patna Airport.
- · Development of aerodrome at Jalgaon.
- Extension of secondary runway 1032m and 431m at Chennai and Kolkata airports respectively.
- ILS co-located with low power DME commissioned at ten airports. ILS/DME have been commissioned at Srinagar, Chandigarh, and Delhi runway 09, Kolkata runway 10 R, Gondia, Lengpui, Dehradun and Kanpur and replaced for Delhi runway 10 and upgraded to CATII at Lucknow.
- Dedicated Satellite Communication Network (DSCN) operationalized at 65 airports
- VOR/DME commissioned at Mysore & Dehradun; DGCA concurrence has been received for VOR/DME equipment installed at Allahabad and Rajahmundary, to be commissioned on approval of IAL procedures. For VOR/DME at Katihar flight check has been done. Installation of DVOR/DME at Porbander is completed
- ATS Message Handling System (AMHS), as part of ICAO-Aeronautical Telecommunication Network (ATN), has been put into operations at Mumbai w.e.f. 23.3.11. The system, presently linked to Singapore, is used for exchanging ATS messages over IP protocol in a more expeditious manner thereby

improving efficiency of aircraft operations. Testing is under way with Beijing and Muscat

- ASMGCS commissioned at Mumbai, Kolkata and Chennai
- · VCCS commissioned at 30 airports
- GAGAN development programme is proceeding as per plan schedule. Final Phase of Operation (FOP) has commenced in 2011. GAGAN certification process has also commenced concurrently. Technical Review Team for certification process has been constituted
- MSSRs have been installed at Chennai, Bhopal, Bellary, Porbander and Vizag.
- New integrated ATS automation system has been commissioned at Chennai w e f 01-10 2011
- Upper Airspace Harmonization at Chennai w.e.f. 01-10-2011;
 - o Chennai FIR has been redesigned to operate as one Upper ACC centre with five sectors (to be operated from Chennai) as a successful project towards achieving the objective of entire Indian Upper Airspace Harmonization.
 - New VCCS system commissioned at Chennai with a feature of cross coupling of VHF frequencies for operating Upper ACC
 - o Successful integration of nine Radars (two at Chennai, Bangalore, HAL, Trivandrum, Vishakhapatnam, Bellary, Hyderabad and Mangalore) has been completed in the Chennai ATS automation system, enabling seamless surveillance coverage of entire Chennai continental upper airspace with lower limit as FL 260 and enabling display of processed information for enhanced situational awareness through electronically networked surveillance data.
 - o Consequent to the restructuring of the Upper ACC within Chennai FIR, two new Lower Area Control centres have been established at Bangalore (LBL) and Cochin (LCC) to complement the Upper ACCs of



Trivandrum and Bangalore and to facilitate efficient Air Traffic Management in Chennai FIR.

- The airspace harmonization shall enable application of uniform radar separation throughout the FIR, allowing flights to fly optimum routes and flight levels, increasing airspace safety, efficiency and capacity.
- ATS Data link Equipment Installation completed at Mumbai, Delhi, Bangalore, Hyderabad, Chennai and Kolkata.
- RF amplifier and antenna system for oceanic VHF-RCAG commissioned at Vizag
- DATIS Equipment: Up-gradation of ATIS to DATIS at 47 sites along with AFTN link has been completed which is having both voice and data link capability.
- Standard Instrument Departure routes with specified protection from obstacles at Imphal Airport have been implemented to be effective from 28th July 2011, thereby improving safety of aircraft operations.
- RNP-1 based standard arrival departures and arrival routes have been designed for Cochin International airport.
- FIDS commissioned at Jaipur, Mangalore, Mysore, Surat, Ahmedabad, Varanasi, Madurai and Chandigarh Airports.
- BOBASMA: In order to facilitate smooth and safe implementation of Reduced Horizontal Separation in the oceanic airspace, and the necessity for a formal monitoring program on a sub-regional basis for lateral and longitudinal navigation errors in the Bay of Bengal, Arabian Sea and Indian Ocean, India accepted the responsibility of establishing an En-route Monitoring Agency (EMA) named as BOBASMA (Bay of Bengal Arabian Sea Indian Ocean Airspace Monitoring Agency) which has been established at Chennai.
- ICAO Asia Pacific office has endorsed India EMA (BOBASMA) as a competent Airspace safety Monitoring Agency for Bay of Bengal, Arabian Sea and Indian Ocean.
- ICAO Workshop, PBN Implementation Seminar and 8th meeting of the ICAO PBN

- Task Force was hosted by Airports Authority of India in New Delhi from 9th to 13th May, 2011. Representatives from Australia, Hong Kong, Thailand, New Zeeland, Nepal, Bangladesh, Srilanka, Mangolia, Vietnam, Philippines, Republic of Korea, Maldives, Fiji Islands and Papaua New Guinea and IATA participated in these events.
- Airports Authority of India took a major initiative of hosting a meeting of the neighbouring ANSPs of various States within Bay of Bengal, Arabian Sea and Indian Ocean (BOBASIO) of the Asia Pacific Region. Accordingly, the first ATS Coordination meeting of BOBASIO was held in New Delhi from 5-6 May, 2011. The meeting was inaugurated by DGCA in the presence of Chairman, AAI and attended by 41 participants including delegates from Oman, Nepal, Sri Lanka and Thailand, ICAO and IATA besides experts from AAI. The meeting unanimously extended support to institutionalise BOBASIO as sub-regional ATS co-ordination Group.
- Ground-Based Augmentation System (GBAS) is a safety-critical system that augments the GPS Standard Positioning Service (SPS) and provides enhanced levels of service. It supports all phases of approach, landing, departure, and surface operations within its area of coverage. AAI is planning for implementation of GBAS at Chennai capable of supporting multiple runway ends...

4.3 On-going Projects

- Implementation of ADS-B for 14 locations viz. Jaipur, Lucknow, Calicut, Agartala, Trivandrum, Ahmedabad, Guwahati, Nagpur, Mangalore, Coimbatore, Cochin, Varanasi, Amritsar and Port Blair is under progress.
- Implementation of Integrated ATC Training Simulator is under process
- Procurement of new integrated ATS automation system for Kolkata is under process
- Airports Authority of India is implementing Collaborative Air Traffic Flow Management (C-

ATFM) system, integrating interfaces of various stakeholders in the system to manage various operational constraints strategically and tactically in such a way that the demand and capacity are optimally balanced through Collaborative Decision making process. The C-ATFM for the Indian airspace and six major airports will be in place by end of 2012. This would provide AAI, Aircraft Operators and Airlines with significant capabilities to perform strategic, pre-tactical, and tactical ATFM and CDM.

- The project for trans-installation of CNS-ATM facilities at the new Mumbai Tower is in progress.
- Procurement for new VCCS for Kolkata airport, 5 no. of ILS, LP-DME, DVTR and HF Tx/RX system is in process

- · SITC of frangible shelters.
- Supply & erection of frangible masts for glide path antenna.
- Construction of Terminal Building and car park at Jaisalmer.
- · Extension of apron at Jammu.
- · Construction of Control Tower at Agatala.
- Construction of Doppler Weather Radar for Metrological Department at Dibrugarh Airport.
- Construction of New Modular Terminal Building at Cuddapah, Passenger Terminal Building at Pudduchery and new apron at Tirupati.
- Development of civil enclave at Bikaner and Bhatinda aerodromes.

4.4 Financial Performance

A) The Operating Results for the year 2010-11 (Actuals) and the Revised Estimate 2011-12 are as follows:

(Rs. in crores)

SI.No.	Particulars	2010-11(Actuals)	2011-12 (Provisional)
a)	Revenue	5139.21	5733.86
b)	Expenditure	3792.92	4373.68
c)	Profit before tax	1346.29	1360.18
d)	Profit after tax	566.90	850.10



B) Financial Highlights

(Rs. in crores)

SI. No.	Particulars	2006-07	2007-08	208-09	009-10	2010-11	2011-12 (provisi onal)	2012-13
a)	Revenue	3726.23	4289.21	4185.95	4615.29	5139.21	5733.86	6295.18
b)	Expenditure	2196.90	2549.84	3070.23	3386.85	3792.92	4373.68	4864.32
c)	Profit before tax	1529.33	1739.37	1115.72	1228.44	1346.29	1360.18	1430.86
d)	Provision for tax	775.99	776.07	535.57	575.65	566.90	595.08	600.96
e)	Deferred tax liability/ (Asset)	(106.51)	(118.57)	(107.06)	(59.50)	(67.00)	(85.00)	(71.00)
f)	Profit after after tax	859.85	1081.87	687.21	712.29	566.90	850.10	900.90

C) Capital Structure of AAI as on 01.04.2011 and 01.04.2012

(Rs. in crores)

SI.No.	Particulars	01.04.2011	01.04.2011(Provisional)
a)	Government Capital	655.61	668.61
b)	Reserves and Surplus	6960.97	8630.47
c)	Borrowings	1225.24	1737.45
d)	Net Worth	7616.58	9299.08
e)	Capital Employed	3891.60	4955.70

The capital outlay for the year 2011-12 is Rs. 2774.15 crores (Provisional)

D) Capital Structure of AAI

(Rs. in crores)

SI. No.	Particulars	1.4.2006	1.4.2007	1.4.2008	1.4.2009	1.4.2010	1.4.2011	1.4.2012 (provisi onal)
a)	Government Capital	449.63	463.63	501.13	573.76	623.34	655.61	668.61
b)	Reserves and Surplus	3720.23	4381.76	5299.86	5789.83	6669.24	6960.97	8630.47
c)	Borrowings	82.33	65.28	60.85	230.05	671.94	1225.24	1737.45
d)	Net Worth	3868.59	4542.99	5409.21	6209.56	7134.31	7616.58	9299.08
e)	Capital Employed	3260.70	3627.69	3606.29	3230.54	3284.98	3891.60	4955.70
f)	Working Capital	1285.81	1467.18	832.04	(313.60)	(1030.99)	(1468.55)	(2068.53)

E) Contribution to Exchequer by AAI

(Rs. in crores)

SI. No.	Particulars	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12 (provisi onal)
a)	Income Tax**	742.05	805.92	793.94	688.00	611.40	562.20	654.74
b)	FBT	11.00	13.41	14.50	18.00	0.00	0.00	0.00
c)	Service Tax	288.00	298.81	399.83	351.49	314.23	310.26	414.05
d)	Dividend paid/payable	142.52	172.00	216.38	137.40	142.50	169.30	170.02
e)	Tax on Dividend	20.82	27.45	36.77	23.35	23.67	27.46	28.89
f)	Interest payments on Loan Portion of Budget ary Support	0.29	0.54	0.30	1.44	4.77	2.77	0.17
g)	Guarantee	0.57	0.59	0.49	2.19	2.10	2.90	2.88
		1206.25	1318.72	1462.21	1221.87	1098.67	1074.89	1270.75

^{**} This represents Advance Tax paid & TD



4.5 Traffic Handled

The details of aircraft movement, passengers handled and cargo for the period April 2011 to October 2011 and April 2010 to March 2011 and for the year April 2011 to March 2012 are given below:

Traffic category	(Apr-Mar) 2010-11	Apr-Oct 2011-12 (Actual)	(Apr-Mar) 2011-2012
A/c Movements (in'00)			
International	300.19	179.16	308.37
Domestic	1093.57	712.48	1227.26
Total	1393.76	891.64	1535.63
Passengers (in lakh)			
International	379.07	229.00	39.58
Domestic	1055.23	693.35	120.05
Total	1434.30	922.35	159.64
Freight (in'000 tonnes)			
International	1496.24	878.64	1494.60
Domestic	852.20	498.99	804.27
Total	2348.44	1377.63	2298.88

4.6. Aerodrome Licensing

DGCA has issued licenses for 54 airports belonging to AAI. License in respect of one airport, namely, Patna Airport is under process for issue of license by the DGCA. AAI is coordinating with DGCA for obtaining licenses in respect of Juhu Airport in Mumbai and Safdarjung Airport in Delhi.

4.7. Facilities provided to persons with disabilities at major airports

- Free wheelchairs and ramps for physicallychallenged in the terminal building on city side and airside at the airports.
- Toilets for physically challenged in each of the facilitation area with appropriate signage and lifts for free movements of wheel chairs.
- A separate ramp and a loading dock on the airside for wheel chairs movement into the commissary truck and to remote parked aircraft.
- Allocated manned PCO booths for persons with disabilities and parking slots in the car

- parking area of airports, especially earmarked for physically challenged passengers driving their own vehicles.
- Barrier free booking facilities and security check enclosures are designed to permit movement of wheel chairs in the security check at the airports
- Disabled friendly Immigration Counter at International Airports is being designed to provide the facility.

4.8 Development Of Airports In The North East Region

AAI has worked out the consolidated long term requirement for the development of operational, non-operational and Greenfield Airports in the NER

AAI Plans to:

- (a) Upgrade Guwahati International Airport as Inter-regional Hub;
- (b) Upgrade Agartala, Imphal and Dibrugarh as Intra-Regional Hub;



- (c) Further Development of Barapani (Shillong), Imphal, Agartala, Jorhat, Dibrugarh Airports.
- (d) Construct three Greenfield Airports at Pakyong, Itanagar & Cheithu;
- (e) Operationalize non-operational Airports – Tezu & Daparizo in Arunachal Pradesh, construction of Civil Enclaves at Passighat, Ziro and Along in Arunachal Pradesh, Tura in Meghalaya, Rupsi in Assam, Kailashar (20 seater) and Kamalpur in Tripura.
- (f) AAI plans to construct four aircraft maintenance hangers at Guwahati, Imphal, Dibrugarh and Agartala airports. Detailed Project Report (DPR) for hangers at Guwahati (Rs.35 crores) Dibrugarh (Rs.22.37 crores) and Imphal (Rs.29.67 crores) has been sent to NEC for funding. The DPR for Agartala is under preparation.

4.9 Status of projects in North Eastern Region

Apart from the seven fully operational AAI Airports in NER i.e. Agartala, Barapani (Shillong), Dibrugarh, Dimapur, Guwahati, Imphal and Lilabari and four civil enclaves at IAF Airports in Jorhat, Bagdogra, Silchar and Tejpur which cater to scheduled civil flights there are the following airports which are in various stages of development in NER.

A. Airports:

- (1) Daparizo Airport Airport will be developed and operationalised by AAI for ATR-42 operations for which additional land of 34.3 acres would be required from State Govt. After land is handed over by State Govt., works can be completed in three years at an estimated cost of Rs. 130 crores.
- (2) Tezu Airport: Tezu airport in Arunachal Pradesh is being developed by AAI with the financial grant of Rs. 79 Crores from Ministry of DoNER, Govt of India as a part of PM package. The existing airport alongwith additional 108

acres of land has been handed over to AAI by the Arunachal Govt. Work for construction of boundary wall has already been taken up. Work awarded in July, 2011 for Runway extension, new apron along with link taxiway, Strengthening of existing runway and existing apron (to be used as isolation bay) alongwith link taxiway and construction of new car park. Engineering consultant appointed for new terminal building to cater 150 pax along with technical block cum control tower and electrical power sub-station. Probable date of completion is December 2013.

(3) Ziro, Along and Passighat Airport:

Ziro airport is to be developed by IAF for ATR-42 operations and AAI will construct a Civil Enclave for which 4 acres of land would be required from IAF and 7.7 acres from State Govt. After land is handed over, works can be completed in three years at an estimated cost of Rs. 80 crores.

- (4) Along airport is to be developed by IAF for ATR-42 operations and AAI will construct a Civil Enclave for which additional land of 7 acres would be required from State Govt. After land is handed over by State Govt. works can be completed in three years at an estimated cost of Rs. 80 crores.
- (5) Passighat airport is being transferred to IAF by AAI on Lease Agreement for its development and operationalization and civil enclave can be established for retaining 7.5 acres of land. After lease agreement with IAF, the time taken for construction will be three years. Project cost will be approx 80 crores.
- (6) Rupsi Airport It has been decided that Rupsi Airport in Assam be handed over to I A F by AAI, earmarking land for develop next of civil enclave by AAI. BTC has agreed to the proposal of development of Rupsi airport in lieu of new Greenfield airport in Kokrajhar provided proper road connectivity is ensured between Kokrajhar and Rupsi by the State Govt.



(7) Kamalpur: Kamalpur in Tripura belongs to AAI and can be developed for ATR-72 type of aircraft operations subject to availability of additional 50.5 acres of land already projected to the State Govt.

B. Aviation manpower training institute

An Aviation Manpower Training Institute, Lilabari has been proposed by NEC / Assam Govt. After a feasibility study, AAI has identified a suitable land near airport and Govt. of Assam has been requested for acquisition of the land. Feasibility Study report has also been forwarded to DoNER for further guidance on its infrastructure development and operations. Meanwhile AAI is preparing a DPR for establishment of the institute.

4.10. Greenfield Airports in NER

 Pakyong (near Gangtok), Sikkim – AAI is already constructing a Greenfield airport

- with all modern amenities for ATR 72 type of aircraft operations. The site is 33 Kms. South-West of Gangtok. Cost of the project is Rs 358.36 crores. The work is expected to be completed by December 2013.
- (ii) Itanagar A Greenfield airport to cater for AB-321 type of aircraft has been proposed. PIB note for government approval is under process
- (iii) Chietu, Kohima, Nagaland A Greenfiled airport to cater for ATR-72 type of aircraft in fair weather conditions has been proposed. DPR has already been prepared and being processed for Govt. approval. The DPR for Rs.1139.64 crores has been submitted to MoCA for clearance by the Govt. of India.

4.11 Human Resource Development

Representation of SC/ST/OBC PWD in AAI

Name of the Organi- zation	Total No. of emplo- yees	Total No. of SC emplo- yees	Percentage	Total No. of ST emplo- yees	Percentage	Total No. of OBC emplo- yees	Percentage
Airports Authority of India	18711	4176	22.31	1229	6.57	2321	12.40



Total number of employees and the number of persons with disabilities.

Total No. of Emplo-	Visually Handicapped	Hearing Handicapped	Orthopadically Handicapped	Total No. of PWDs	% of PWDS
18711	29	20	156	205	1.09

Online recruitment was implemented in AAI to cope up with current trend of recruitment

4.12 Progressive Use of Hindi

Hindi workshops were conducted at CHQ, Regional Headquarters and field stations to encourage the employees for the use of Hindi language. Official Language Inspection of Madurai, Agartala, Jamnagar and Trivandrum Airports have been conducted by second subcommittee of Parliament on Official Language.

To promote the use of Hindi in official work by non-hindi personnel, a special incentive scheme has been implemented under which one official shall be given air ticket for traveling anywhere in India alongwith his family.

4.13 Centralized Public Grievance Redress & Monitoring System

All the Regional Headquarters, Kolkata International Airport and Chennai International Airport have been successfully added as the subordinate office to CHQ for the purpose of online redressal of grievances through CPGRAMS software and is functioning successfully.

4.14 CSR Activities

The Corporate Social Responsibility (CSR) policy of AAI was adopted by AAI Board in May 2011. Following activities were conducted since April 2011 in coherence with the CSR policy umbrella of AAI:

(i) AAI has constructed concrete footpath (1350 m x 1.2 m) in Pakyong, in order to





improve the road connecting from Gurung turning to Dikling School from two locations. The project is going to benefit nearly 2,500 local community people including school children and teachers of Dikling School. The cost of the project is Rs.2,950,000/-.

AAI provides free medicines in the 24x7 health centre at Pakyong, Sikkim. Since 1.04.2011 free medicines worth Rs.40,000/- per month was provided. Quarterly health check-up camps are being conducted in Pakyong in partnership with Sikkim Manipal Institute for Medical Science. So far 750 patients were treated through the health check up camps.

AAI in partnership with the State Health Department has undertaken procurement and fabrication of a medical mobile unit with necessary medical equipment and services. The project is estimated to benefit nearly 5000-6000 people living near Pakyong, who do not have access to medical facility in their area. The cost of the project is Rs.2,500,000/-

- ii. The paper recycling unit is operational in Rangpuri, New Delhi, which promotes waste management and other environment friendly activities; resulting in reduction of paper waste and environmental damage; and facilitating skill development and income generation for 16 unemployed people. It has the capacity to produce nearly 80 tonne of recycle paper in a year.
- iii. Construction of two new buildings on 3500 sqm. land for Hindi and Bengali medium school in Kolkata. The existing schools are in a low line area and the old buildings are in a dilapidated condition unsafe and inaccessible for 1850 students and teachers. The cost of the project is Rs. 7 crore.
- iv. In order to provide better sanitation facilities for nearly 400 residents of Birsi village near the Gondia airport, construction of two toilet blocks with facilities of 12 toilets and 8 bath rooms has been undertaken. Total cost of the project is Rs.24,12,500/-.

- v. Under sports promotion, AAI has implemented four schemes: Scholarship scheme, Talent search, Sponsorship for tournaments and contract schemes. Total amount allocated for sports promotion is Rs.2.2 crore.
- vi. Clothes and ration for 70 inmates of old age home at Raipur was provided for Rs.2,65,000/-. Study materials and sewing machines worth Rs.66,000/- were provided to Bal Shram Sikhsa Kendara in Raipur.

4.15 Vigilance

(a) 'Integrity Pact' in AAI

Integrity Pact is being implemented in AAI from 01.04.2008. So far 48 number of projects valued at Rs.6538/- crores (approx.) are under the purview of IP. Vendor's Meet was organized on 13.04.2011 and 12.09.11 to review the progress of 'IP'. Three Independent External Monitors (IEMs) have been appointed for monitoring of these IP projects.

(b) 'Integrity Club': A Value based Education Programme

'Integrity Club' as an extra-curricular activity was developed by the Corporate Vigilance Department, AAI. It was launched by the then Central Vigilance Commissioner on 17.04.09 for inculcating human values among school children. IC is operational in all Kendriya Vidyalayas and AAI managed schools. Vigilance Department has provided the requisite material such as IC Scarf with Vogel, Badges, IC Manuals and CDs of IC Documentary film for use by the students of the Integrity Club.

(c) Vigilance Issues and Activities

In compliance to the directions issued by the Ministry of Civil Aviation, an agenda on Vigilance Issues and Activities was placed before the AAI Board in its meeting held on 27.09.2011. CVO made a detailed presentation on various vigilance issues and activities undertaken by CVD for the period (January, 2010 to September, 2011).

(d) Observance of Vigilance Awareness Week, 2011

In accordance with CVC's Guidelines, 'Vigilance Awareness Week-2011' was observed w.e.f. 31.10.2011 to 05.11.2011 in all the Units, Offices and Airports of AAI. The theme for this year VAW was 'Participative Vigilance'.

(e) CTE Type Inspections

The Vigilance Department has conducted two numbers of CTE Type Inspections of major works pertaining to Civil and Electrical works at Raipur and Rajahmundry Airports. Six more projects have been identified for intensive examination within March, 2012.

(f) Leveraging of IT

E-tendering Portal (E-TAPS) and No Objection Certificate Application Software (NOCAS) was launched in AAI on 01.04.2011 by Shri R. Sri Kumar, Vigilance Commissioner, CVC. The occasion was also graced by Dr. Nasim Zaidi, Secretary, Ministry of Civil Aviation. So far 49 projects have been processed under E-Tendering portal in the Authority. E-tendering is also been carried out for CNS procurements, Integrated ATC Simulators, Frangible, Huts and cartography equipments.

4.16 Pollution Control Measures Undertaken By AAI

Whenever AAI undertakes any airport project, it is obligatory to get all necessary clearances which include clearance from the State Pollution Control Boards. In order to meet the requirement for treatment of solid wastes, AAI has set up treatment plants for treating solid wastes generated from the Terminal Buildings. In addition, AAI has also installed Sewage Treatment Plants for treating effluents from the

airports. These Sewage Treatment Plants are eco-friendly. The treated effluent is made use of for landscaping and heating, ventilation air conditioning.

4.17 Women Welfare

- In accordance with the Government policy, AAI enhanced maternity leave from 135 days to 180 days with effect from 1.9.2008.
- It has been decided to grant exemption to women candidates from payment of fees for direct recruitment through interview to any post in the AAI.
- AAI organized awareness lectures for all the employees in a phased manner on how to prevent sexual harassment at workplace. It enlightened women employees about their rights at workplace on the above subject. In this regard, a policy vig. "Prevention & Redressal of Grievances relating to Sexual Harassment at work place" has a I s o been introduced in Airports Authority of India.
- A car rally was organized by Kalyanmayee (a women's organization of AAI) to promote the cause of car pools as an environment friendly practice and to promote the cause of use of recycled paper in day to day life.
- AAI organized a parenting workshop and health check-up camp was also organized for cervical cancer for women employees.
- A training programme on Women Empowerment & Development was conducted from 22-24 June, 2011 at Indian Aviation Academy (NIAMAR).

4.18 Citizen Charter

AAI has already prepared a Citizen Charter. A copy of the same has been placed in the website of AAI, the Public Domain of AAI.



5. Air India Limited

5.1 Incorporation

Air India Limited has its Registered Office at Airlines House, 113 Gurudwara Rakabganj Road, New Delhi and Corporate Office at the Air India Building, Nariman Point, Mumbai 400 021. Effective 24 November 2010 the name of the Company was changed to "Air India Limited". from "National Aviation Company of India Limited" National Aviation Company of India Limited (NACIL) was incorporated under the Companies Act 1956 on 30 March 2007. Consequent passing of Merger order, effective 27 August 2007, both Air India Limited and Indian Airlines Limited were dissolved without being wound up and merged into NACIL.

5.2 Board Of Directors (as On 25th March, 2012)

As on 25 March 2012, the Board of Directors of Air India comprises the following:

Shri Rohit Nandan: Chairman & Managing Director

Shri V. K. Sharma: SBU Head-MRO (Eng. & Comp.)

Shri K. M. Unni: SBU Head-MRO(Air Frame)

Shri S Venkat: Director (Finance)
Shri G D Brara: Director (Commercial)

Shri Harshavardhan Neotia: Managing Director, Bengal Ambuja Housing Development Limited

ACM Fali H. Major (Retd.): Former Chief of Air Staff. Indian Air Force.

Shri S.Machendranathan: Addl. Secretary & Financial Advisor, Ministry of Civil Aviation

Shri Prashant Sukul: Jt.Secretary,Ministry of Civil Aviation

With effect from 12 August 2011, Shri Rohit Nandan was appointed Chairman & Managing Director of the Company *vice* Shri Arvind Jadhav.

During the year following Directors ceased to be on the Board of Air India Limited:

Shri Amod Sharma: effective 1 February 2011

Shri Anup K Srivastava: effective 22 June 2011 Smt. Anita Khurana: effective 14 July 2011 Shri Arvind Jadahv: effective 12 August 2011 Shri S Chandrasekhar: effective 30 August 2011

Shri E K Bharat Bhushan:effective 2 January 2012

5.3 Awards & Recognition

- Air India was ranked as the Most Trusted Airline in the country in 2010, as per the prestigious Economic Times Brand Equity survey for the fifth consecutive year. Air India was also ranked 28th in the list of top 50 service brands, ahead of leading banks, inurance companies, food chains and airlines.
- Air India was awarded Asia's leading Airline in Economy Class and India's leading Airline at the World Travel Awards Asia & Australasia Gala Ceremony 2011 held at Bangkok on 28 September 2011.
- Air India was awarded the Earth Care Award
 2011 for Excellence in climate change mitigation and adaptation, in the category for Large Scale Enterprises from the JSW Foundation and Times of India, in association with Centre for Environment Education, on 9 September 2011.
- Air India was awarded National Energy Conservation Award – 2011(2nd prize) instituted by Bureau of Energy Efficiency (BEE) under the Department of Power.
- Air India won the STAT Trade Time award for 'Freighter Services of the Year' for the year 2010.
- Air India was adjudged the Best Airline M R O and Best Engine MRO in India by Indian Aviation and STAT Trade Times in Mumbai in March 2011
- Air India was presented Asia's leading Airline in Economy Class and India's leading Airline at the "World Travel Awards Asia & Australasia" in Bangkok.



5.4 Highlights

· Major checks carried out:

During 2010-11, number of Major Checks carried out on A310, B747-400, B777 & A330 aircraft:

- √ 5 Check '4A's & 2 Check 'C's on B747-400 fleet.
- 6 Check '3A's & 1 Check 'C' on A310-300 fleet.
- ✓ 52 Phase Checks & 6 Check 'C's on B777 fleet.
- √ 3 'A' checks were carried out during the year under review.

MRO facilities at Hyderabad :

Company's MRO (Maintenance, Repair & Overhaul) facilities and a Hangar to accommodate B787 Aircraft at Shamshabad Airport, Hyderabad is nearing completion and shall be commissioned in the next financial year. The total project cost is close to Rs.800 Millions. This infrastructure project is coming up in an area of 5 acres allotted by GHIAL on sub-lease basis for a period of 20 years. The project is in the final stage of completion.

This project comprises of a state-of-the-art pre-engineered hangar to accommodate 2 A320 aircraft or 1 wide bodied aircraft i.e. B747/777 series. The hangar will cater to major maintenance and also line maintenance facilities for all the aircraft. The annexe buildings will have various shop facilities viz. accessories overhaul, electrical, radio, instrument, wheel bay, brake assembly, storage of all tools and components required for the maintenance of the aircraft.

In addition to the above, the project will also have different ancillary buildings like HST & Oxygen, line maintenance, dope stores, plant maintenance, other engineering services, administrative offices, etc.

Facilities developed at Kolkata

An in-house facility for 10 components h a d been set up to service Airframe, Engine and APU Components and more component facilities are under process. APU Centre is gearing up for setting up in-house servicing facility for 131-9A/9B APUs and in-house servicing facility for Engine and APU Fuel and Oil components installed on new generation aircraft. Upgrading of hi-flow facility for testing of pneumatic components with higher flow and temperature is being set up.

Avionics Complex

The new building came up in Avionics Complex, Delhi where ATEC 6000 was installed to test computers of A320 family aircraft and became operational in October 2010. The existing ATEC 5000 was also shifted to this building in Test rig for WHC P/N January 2011. 416-00318-001/003 fitted on A320 was developed in the Electrical shop. A new tester was also fabricated locally for testing of aircraft clock of A320 family aircraft by the Instrument Shop. 132 circuit card assemblies were serviced by level 3 approved repair in the Radio overhaul shop resulting in substantial foreign exchange savings.

Automated Cargo Warehouse at Chennai:

An Automated Cargo Warehouse at Chennai Airport has been commissioned for the company in the month of November 2011, having an area of 2566 sqm. accommodating loading platform, canning room, Pallet weighing machine, enclosure for dangerous goods, offices for customs CCTV System Fire Fighting System with necessary lighting and power supply at a cost of Rs.4 crores (Approx.).

A320 Simulator:

The work to house a new A320 Simulator has



begun at CTE Hyderabad at cost of Rs.68 lakhs (Approx.). The work will be completed within two months subject to the arrival of Simulator.

IATA Operational Safety Audits (IOSA)

The IATA Operational Safety Audit (IOSA) is the benchmark for global safety management in airlines. All IATA Members need to have successfully undergone the IOSA audit in order to achieve or maintain IATA Membership. Airlines that qualify the IOSA Audit, demonstrate the commitment to quality and safety and the IATA membership is now a mark of quality.

The Quality Management System (QMS) was made responsible to ensure that Air India successfully clears the IOSA (IATA Operational Safety Audits). Erstwhile NACIL-A was also the first Airline in India to clear the IATA Operational Safety Audit (IOSA) in 2003. Erstwhile NACIL-A had cleared 4 IOSA audits and erstwhile NACIL-I had cleared 2 IOSA prior to their merger. Both these audits are valid till 2012.

Although, QMS had ensured in the past that both erstwhile NACIL-A & NACIL-I cleared IOSA separately, for the first time, the merged entity underwent an IOSA in September, 2011 as the combined entity of Air India. First IOSA Audit of the merged combined AOP was completed on 30th September, 2011.

Documentation Management System(DMS)

QMS is ensuring for the effective implementation of a comprehensive Document Management System (DMS) which enables proper storage of all documents and their retrieval when required. This would be a major initiative moving towards near paperless office.

A centralised Corporate Document Management System was implemented to provide creation, version management, search, retrieval and dissemination of documents over a browser to all authorised personnel based on individual rights, across all Departments and all four AOP holders and Strategic Business Units. This would reduce the need for paper and would effectively have a centralised corporate DMS to comply with IOSA standards as well as to meet the organisational requirements. This would not only generate cost savings for the Company but also improve efficiency, save time as well as save the environment.

Operational Efficiency & Fuel Management

QMS has been monitoring and ensuring quality enhancement in all areas of fuel management, implementation of green initiatives as well as emission reduction. QMS has co-ordinated with the Aviation Fuel consulting group of IATA who were entrusted with the work of conducting the Fuel Efficiency Gap Analysis (FEGA) on the consumption of Aviation turbine Fuel in Air India as well as implementation of specific cost saving opportunities. QMS has helped in identifying and implementing the recommendations of FEGA as a result of which the Company has been successful in saving fuel.

Air India has saved to the tune of Rs. 693.61 crores from the month of September, 2008 to August, 2011 due to the combined effort of variousbFuel Champions and other Fuel committee members.

Actual fuel savings achieved using the actual monthly price of fuel from September, 2008 to August, 2011 is 177 Million Kgs. Further, Air India has committed to becoming a Green airline and we have achieved a reduction of 558 Million Kgs in Carbon Dioxide emissions in the same period.

· Flight Planning System

QMS has co-ordinated and commenced trials for implementation of the New Flight Planning System which would optimise the routes and provide cost effective routing on day-to-day basis for every flight and would contribute to cost savings. The F:WZ



Flight Planning System being implemented is the most important cost saving, technical and operational integration tool. The QMS along with the navigation and flight planning team worked consistently throughout in testing the data systems, conducting live trials on the B777, B747, A320 and A330 and generated cost savings.

Full implementation was achieved on the Eastern Region in respect of Airbus A320 family. A large number of flights in the Western and Northern Region were also dispatched using F:WZ Flight Planning System. The accumulated savings upto 30 September 2011 were approximately USD 20,00,514 (approximately Rs.90 million) by using F:WZ Flight Planning System.

· Corporate Safety Management System

Corporate-wide Safety Management System Manual was approved by nthe DGCA recently. Corporate Safety Policy was also issued for the organization. Phase – 2 as per DGCA guidelines was completed and presently QMS is working on Phase – 3 of the Safety Management System.



5.5 Capital (as On 25 March 2012)

Share Capital

Authorised Share Capital

The Authorised Share Capital of the Company is Rs.11000,00,00,000 divided into 1100,00,00.000 equity shares of Rs.10/- each.

Issued, Subscribed & Paid-up Share Capital

The Issued, Subscribed & Paid-up Share Capital of the Company, is Rs.3,345,00,00,000/- divided into 3,345,0,00,000 fully paid up equity shares of Rs.10 each. During the year 2011-12, Government of India infused Rs.24000 million towards equity capital.

5.6 Subsidiary Companies

The following are the wholly owned subsidiaries of the Company:

As on 25 March 2012 the Company's investments in subsidiary Companies are as under:

Hotel Corporation of India Rs.40.60 crores

Air India Charters Ltd Rs.30.00 crores
 Air India Air Transport Rs.5.00 lakhs

Services Ltd

Air India Engineering
 Rs.5.00 lakhs

Services Ltd

Airline Allied Services Rs.2.25 crores

Limited

Vayudoot Limited Rs.36.42 crores

Name of IAL Airport Services Limited, one of subsidiary of Air India Limited was struck off wef 30 March 2011 by the Registrar of Companies, New Delhi.

5.7 Air India Air Transport Services Limited (AIATSL):

(Rs. in Million)

Particulars	2010-11	2009-10
Air India's investment in equity	0.500	0.500
Total Income	486.03	621.30
Profit/(Loss) After Tax	(1.78)	(1.59)
(X SSS 57	(/

AIATSL provides certain handling services for customer airlines at various Indian stations. A total of 2701 staff on contract have been employed to carry out the work of ground handling on behalf of the Company at various airports.

Air India SATS Airport Services Private Limited (AISATS) took over the functions of ground handling in Delhi effective 10 August 2010 and

around 210 staff of AIATSL were transferred to AISATS. All these staff have entered into a fresh contract with AISATS.

At all the stations Security Handling of all the flights is carried out exclusively by AIATSL staff, as the same is not permitted to be outsourced to any agency. The Air India Board had approved operationalisation of Air India Air Transport Services Limited.

5.8 Air India Charters Limited (AICL):

(Rs. in Million)

Particulars	2010-11	2009-10
Air India's investment in equity	300.00	300.00
Total Income	13516.6	14018.6
Profit/(Loss) After Tax	(3912.2)	(3606.9)

AICL operates a Low Cost Airline under the brand name "Air India Express". Launched on 29 April 2005 with a fleet of 3 leased B737-800 aircraft, it operated from 3 stations in Kerala to 5 stations in the Gulf.

As on 31 March 2010, AICL had a fleet of 22 B737-800 aircraft (including 4 dry leased aircraft). In May 2010, due to the unfortunate incident at Mangalore, Air India Express lost one of its owned aircraft VT-AXV. Thus, as on 31 March 2011 the Company had 21 B737-800 aircraft (including 4 dry leased aircraft) in its fleet. It operated to 12 Indian and 13 foreign on-line stations.

Due to the loss of aircraft VT-AXV, the capacity offered reduced by 7.6%. However, the Passenger Load Factor and Yield increased by

1% and 7.5% respectively during the year 2010-11. The aircraft utilization also increased by 7.2% from 9.30hrs per day in 2009-10 to 9.97hrs per day in 2010-11. The revenue shared with Air India remained almost constant at Rs.427 crores.

Air India Express ended 2009-10 with a total of 203 flights per week. Air India Express ended the Winter 2010-11 schedule with 189 flights per week. During the year 2010-11, Air India Express carried about 2.38 million passengers as against 2.55 million passengers in 2009-10. However, due to increase in fuel costs the Company made a loss of Rs.3912.20 million during the year 2010-11 as against Rs.3606.90 million during 2009-10

5.9 Air India Engineering Services Limited (AIESL):

(Rs. in Million)

Particulars	2010-11	2009-10
Air India's investment in equity	0.500	0.500
Total Income		-
Profit/(Loss) After Tax	(0.016)	(0.318)

Air India Engineering Services Limited was incorporated on 11 March 2004. The Air India Board had approved operationalisation of Air India Engineering Services Limited.



5.10 Airline Allied Services Limited:

(Rs. in Million)

Particulars	2010-11	2009-10
Air India's investment in equity	22.50	22.50
Total Income	3582.6	3686.3
Profit/(Loss) After Tax	(291.2)	(415.4)

The Company operates under the brand Alliance Air.

As on 31 March 2011 the Company had 6 B737-200 Freighters (which have since been grounded), 7 ATR-42-320s and 4 CRJ-700s leased aircraft in its fleet. B737 Freighter operations have been discontinued in April 2011. As at the end of the year, the network of the Company consisted of 29 stations within the country for passenger operations. As on 31 March 2011, the staff strength of the Company was 674 consisting of 648 employees on

contract and the rest on deputation from Air India

As per the terms of an MoU with the North Eastern Council (NEC), the Company has been operating air services in the North East. The arrangement with the NEC which was initially for a period of five years, is now being extended on year to year basis with last extension till the end of 2011. The Company has submitted the required information for renewal of arrangement with NEC and the same is expected shortly.

5.11 Hotel Corporation of India Limited (HCI):

(Rs. in Million)

Particulars	2010-11	2009-10
Air India's investment in equity	405.00	406.00
Total Income	535.25	412.85
Profit/(Loss) After Tax	(262.88)	(291.11)

Chefair Flight Catering, Mumbai

As per the approval of the Ministry of Civil Aviation, several attempts were made in the earlier years to offer the unit of Chefair Flight Catering, Mumbai(CFCM) under Management Contract by the Consultant M/s. Tourism Finance Corporation of India Limited (TFCI), who were appointed for the same. Due to uncertainty involved in taking over of the unit by Mumbai International Airports Limited (MIAL) under the airport expansion project, all efforts to offer the unit under Management Contract was failed. In view of the same, the Board advised the management to make the unit as a separate profit centre and a viability report was then submitted to the Board. Subsequently, effort is being made to make HCI as a Special Business Unit, so that it can cater to the flight catering needs of Air India for all its ex-Mumbai and Delhi flights and the same is under process.

Centaur Lake View Hotel, Srinagar:

Subsequent to the execution of Management Contract with the selected bidder M/s BD & P Hotels Private Ltd., on 15 September 2011 a Writ Petition was filed by certain unions of the CLVH (viz., Centaur Hotel Employees Union, Srinagar and Centaur Hotel Officers' Welfare Association, Srinagar) against the proposal of offering the unit under Management. The unit could not be handed over due to the Interim stay Order passed by the Hon'ble High Court of Jammu & Kashmir in the matter.



Subsequently, the State government of J&K conveyed its intention to take over the property of CLVH under its management. Accordingly, the management conveyed its acceptance for the same and reiterated that the CLVH would be transferred to the State Government on "as is where is" basis along with its employees.

In view of the change in the situation, the unit could not be given under management contract to M/s. BD & P Hotels (India) Pvt. Ltd., and the Management Contract was terminated by invoking the clause of "Force Majeure" and the Interest Free Security Deposit and Minimum Guaranteed Amount was refunded to the party.

5.12 Vayudoot Limited:

Vayudoot Limited was incorporated on 20 January 1981 with authorized capital of Rs.500 million. The Ministry of Civil Aviation, Government of India, vide its letter dated 25 May 1993 conveyed its decision to merge the company with erstwhile Indian Airlines Limited and accordingly, the entire shareholding of the company was transferred to Indian Airlines Limited whereby the company became wholly owned subsidiary of erstwhile Indian Airlines Limited.

Effective 1 April 1997, the flight operations of the company were transferred to erstwhile Indian Airlines Limited and the employees were transferred to erstwhile Indian Airlines and Air India Limited.

An application of merger with Air India Limited is under consideration of the Ministry of Corporate Affairs.



5.13 IAL Airport Services Limited:

IAL Airport Services Limited was incorporated on 27 August 2003.

As no business activity was conducted by the Company, the Board of Directors, in December 2010, directed to dissolve the company. Accordingly, necessary steps were taken for striking off the name of the Company under Easy Exit Scheme.

The name of the Company was struck off the



Register of the Registrar of Companies and the company stands dissolved with effect from 25 March 2011. As on 31 March 2011, all assets and liabilities of IAL Airport Services Limited were transferred to the books of Air India Limited. The bank account of the company has also been closed and balance has been transferred to the bank account of Air India Limited.





5.14 Fleet As on 26 March 2012, Air India has the following aircraft in its fleet:

Aircraft type	Owned	Sale &Dry Lease Lease Back	Total	
Operational Fleet				
Wide Body				
B777-200LR	8	-	-	8
B777-300ER	12	-	-	12
B747-400	3	2	-	5
A330-220	-		2	2
Wide Body Total	23	2	2	27
Narrow Body				
B737-800 (AIX)	17	0	4	21
A320	12	6	0	18
A319	19	0	5	24
A321	20	0	0	20
Narrow Body Total	68	6	9	83
Regional Aircraft				
CRJ-700	0	0	4	4
ATR42	0	0	7	7
Regional Aircraft Total	0	0	11	11
Total Operational Fleet	91	8	22	121
Non-Operational Aircraft				
Freighters				
A310-300	1^	1#	0	2
B737-200	6	0	0	6
Freighters Total	7	1	0	8
Other Grounded Aircraft				
A310-300 #	0	2	0	2
A-320 ^	9		0	9
A-320	0	2	0	2
B737-200 ^	1		0	1
DO-228	0		0	0
Non-Operational Total	17	5	-	22
Grand Total	108	13	22	143

Note: # Under return process to lessor and simultaneously on behalf of the lessor/owner Air India is also is on the process of selling these aircraft.

[^]Aircraft out of service, pending disposal

Phase out/return of aircraft:

- Out of the 11 (1989 & 1990 vintage A320 aircraft), 3 were sold during 2009-10 and the balance eight aircraft are under disposal.
- It has been decided to phase out six B737-200 freighters after completion of the Department of Post operations by April 2011. Approval was received from Ministry of Civil Aviation for phasing out these six B737-200 freighter aircraft and the same are under disposal.
- Six A320 leased aircraft were returned back to the lessor during 2010-11.
- 3 A310-300 freighter aircraft (2 owned

and 1 on sale & lease back) and 3 A310-300 passenger aircraft (on sale & lease back) were phased out from the fleet and grounded pending disposal.

5.15 Network:

 Air India and its subsidiaries Air India Express and Alliance Air currently operate to 64 domestic stations out of which 18 are connected to 33 international destinations. In total, AI operates almost 500 departures daily offering more than 78000 seats per day connecting about 150 domestic city-pairs and 125 international city pairs currently.

5.16 The pattern of operations during 2011-12 for international operation was as under:

Routes	Summer 2011	Winter 2011
India/New York	7	7
India/London (T)	21	21
		(14 Flts eff 02Feb 2012)
India/Toronto	7	7
India/Chicago	7	7
India/Frankfurt	7	7
		(5 Flts in Feb & Mar12)
India/Newark	7	7
India/Paris	4	7
	(Daily eff 1July 2011)	
India/Gulf	171	167
		(153 Flts from 15Feb-24Mar12)
India/Tokyo (T)	3	4
India/Shanghai	4	4
India/Hong Kong/Osaka	3	3
India/Hong Kong/Seoul	4	4
India/Singapore (T)	28	28
India/Bangkok	14	14
India/Yangon	2	3
India/Kathmandu	22	22
Chennai/Colombo	6	6
India/Male	14	14
India/Kabul	6	6



5.17 Extra Section Flights

• During the year 2011-12, Air India (WB Group) operated 15 VVIP flights on behalf of Government of India.

5.18 Joint Ventures and Code share Arrangements

Sr. No.	Operating Airline	Marketing Airline	Sectors	Type of Code Share
1	Kuwait Airways (KU)	Air India (AI)	London - New York v.v.	Block Space
2	Lufthansa (LH)	Air India (AI)	Frankfurt - Bangalore v.v. Frankfurt - Chennai v.v. Frankfurt - Delhi v.v. Frankfurt - Mumbai v.v. Frankfurt - Kolkata v.v. Frankfurt - Pune v.v. Munich - Delhi v.v. Munich - Mumbai v.v. Frankfurt - Berlin v.v.* Frankfurt - Munich v.v.* Frankfurt - Dusseldorf v.v.* Frankfurt - Stuttgart v.v.* Frankfurt - Amsterdam v.v.* Frankfurt - Copenhagen v.v.* Frankfurt - Oslo v.v.* Frankfurt - Stockholm v.v.* Frankfurt - Chicago v.v.* Frankfurt - Los Angeles v.v.* Frankfurt - Washington v.v.* Frankfurt - Washington v.v.*	Free Flow
	Air India (AI)	Lufthansa (L)H	Frankfurt - Detroit v.v.* Delhi - Frankfurt v.v.	Free Flow
3	Air Mauritius (MK)	Air India (AI)	Mauritius - Bangalore - Chennai - Mauritius Mauritius - Delhi v.v. Mauritius - Mumbai v.v.	Block Space
4	Austrian Airlines (OS)	Air India (AI)	Vienna - Delhi v.v. Vienna - Mumbai v.v.	Block Space
5	Air India (AI)	South African Airways (SA)	Mumbai - Bangalore v.v. *	Free Flow

Sr. No.	Operating Airline	Marketing Airline	Sectors	Type of Code Share
	South African Airways (SA)	Air India (AI)	Mumbai - Chennai v.v. * Mumbai - Delhi v.v. * Mumbai - Hyderabad v.v. * Mumbai - Trivandrum v.v. * Mumbai - Johannesburg v.v.	Free Flow
6 7	Aeroflot (SU) Turkish Airlines	Air India (AI) Air India	Johannesburg - Durban v.v. * Johannesburg - Cape Town v. Moscow - Delhi v.v. International Sectors BOM-IST VV DEL-IST VV	v. * Block Space Free Flow
			DDE-IST VV Domestic Sectors within Turke IST-ESB VV * IST-ADB VV * IST-AYT VV * IST-ADA VV * IST-DLM VV *	ey Free Flow
	Air India	Turkish Airlines	Domestic Sectors within India BOM-HYD VV * BOM-AMD VV * BOM-BLR VV * BOM-MAA VV * BOM-CCU VV * DEL-HYD VV * DEL-AMD VV * DEL-BLR VV *	Free Flow
8	Sri Lankan Airlines (UL)	Air India (AI)	DEL-BER VV DEL-MAA VV * DEL-CCU VV * DEL-ATQ VV * Colombo - Delhi v.v. Colombo - Mumbai v.v.	Block Space



Sr. No.	Operating Airline	Marketing Airline	Sectors	Type of Code Share
9	SWISS (LX)	Air India (AI)	Mumbai - Zurich v.v. Delhi - Zurich v.v.	Block Space
10	Singapore Airlines (SQ)	Air India (AI)	Singapore-Kolkata v.v Singapore-Bangkok v.v Singapore-Kualalumpur v.v Singapore-San Francisco v.v Singapore-Los Angeles v.v	Free Flow
11	Ethiopian Airlines (ET)	Air India (AI)	Addis Ababa - Mumbai v.v	Free Flow
			Addis Ababa - Delhi v.v Addis Ababa - Dar es Salaam v.v * Addis Ababa – Nairobi v.v * (eff 15Nov 2011)	
12	Air India (AI)	British Midland(BD)	Mumbai - London vv Delhi - London vv Amritsar - London vv Ahmedabad - London vv Kolkata - London vv Mumbai - Bengaluru vv * Mumbai - Kolkata vv * Mumbai - Delhi vv * Mumbai - Hyderabad vv * Mumbai - Chennai vv * Delhi - Bengaluru vv * Delhi - Hyderabad vv *	Free Flow
	British Midland (BD)	Air India (AI)	London - Aberdeen vv * London - Belfast vv * London - Edinburgh vv * London - Manchester vv * London - Basel vv * London - Dublin vv	Free Flow

 $\underline{\text{Note:}}\ \ ^{\star}\text{For carriage of through 3rd/4th freedom traffic only and subject to connectivity.}$

5.19 Financial History (as On 31 March 2011)

5.19.1 Net Worth

Net Worth of the company is Rs. (10128.79) Crores.

5.19.2 Internal Resources Ploughed Back Into Business

Balance value of assets financed from internal resources ploughed back into the business is Rs.17250.79 crores.

5.19.3 Financial Performance:

The financial performance of the Company during the year 2010-11 and 2011-12 was as under:

(Rupees in Million)

Particulars	2011-12 (provisional)	2010-11	2009 -10
Profit/(Loss) before Depreciation & Tax	(61666.7)	(51735.7)	(41621.4)*
Less: Depreciation Profit/(Loss) before tax Less: Provision for tax Add: Deferred Tax Benefit	16860.2 (78526.90) 12.00	16901.0 (68636.7) 15.0	13887.6* (55509.0) 15.4
Net Profit (Loss)	(78538.9)	(68651.7)	(55524.4)

^{*} Figures Restated





5.19.4 Physical Performance:

Particulars	Unit	2011-12	2010-11	2009-10
ASKMs (Scheduled Services)	Million	45893	45608	44723
ASKMs (Total)	Million	46410	46123	45748
PKMs (Scheduled Services)	Million	31456	30168	28965
PKMs (Total)	Million	31747	30448	29448
ATKMs (Scheduled Services)	Million	6362	6322	6053
ATKMs (Total)	Million	6421	6381	6179
RTKMs (Scheduled Services)	Million	3834	3677	3533
RTKMs (Total)	Million	3857	3700	3576
Passenger Load Factor	%	68.5	66.1	64.8
Overall Load Factor	%	60.26	58.2	58.4
No.of Pax Carried	Million	13.32	12.78	11.75
(Scheduled Services)				
No. of Pax Carried (Total)	Million	13.63	13.08	11.97
Freight Carried	Tonnes	177054	174466	154752
Aircraft Utilisation (per aircraft)	Rev. Hrs.	3565	3448	3511
Total Revenue Hours Flown	No.	331193	391401	359778

5.20 Analysis of The Physical/financial Performance (2011-12)

5.20.1 Revenue:

- Total revenue increased from Rs.142551.1 million last year to Rs.145684.2 million (an increase of Rs.3133.1 million)
- Operating Revenue increased from Rs. 139743.9 million to Rs. 145424.5 (increase of Rs. 5680.60 million)
- Passenger Revenue increased from Rs. 104438.2 million last year to Rs.114290.0 million (an increase of Rs. 9851.8 million) which was mainly due to increase in yield per PKM from 3.46 to 3.63 and increase in Passenger Load Factor from 66.1 to 68.5.

5.20.2 Expenditure:

- The total expenditure expected during the year 2011-12 (provisional) is Rs.232361.1 million as compared to the previous year's figure of Rs. 213196.5 million (an increase of Rs. 19164.60 million).
- · Operating expenses increased from

Rs.179959.1 million to Rs. 193936.0 (an increase of Rs.13976.9 million) mainly due to the following:

- Increase in fuel cost by Rs. 24379.50 millioni.e. 39.9%
- ◆ Increase in Booking Agency Commission by Rs.533 million
- Increase in interest on aircraft loans by Rs. 170 million due to induction of new aircraft
- ◆ Increase in interest on working capital loans by Rs. 5296.1 million

5.21 Measures to Improve Performance

5.21.1 Network Vision

Hubs

Delhi has been established as Air India's primiary hub effective from Winter'10 Schedule. Currently, Air India offers a total of 610 weekly flights and 1,05,600 weekly seats from Delhi to 21 international destinations and 44 domestic destinations. The Hub at T-3

provides for a flawless integration of international and domestic operations so as to provide passengers with a seamless, integrated experience. The Hub operations at Delhi have given rise to about 3000 transfer passengers per day which include sixth freedom traffic generated notably between Bangkok/Kathmandu and Europe/UK.

Central Planning & Control System (CPCS)

In early 2010, Air India signed a broad ranging agreement for establishing its Central Planning and Control IT System (CPCS).

M/s Sabre Airline Solutions who are industry leaders in this field were selected as system provider for a range of integrated state of the art systems which cover Network Planning & Scheduling, Flight Operations Control (including integrated Operations Management & Hub Management) and a comprehensive Crew Management System.

This System provides with an automated process to develop long, medium and short term plans with a systematic and organised structure for factoring all existing internal and external constraints pertaining to type of aircraft, airports, slots and other operational constraints. The System also provides an organised communication channel within various operational areas of the airline thereby facilitating information dissemination and requisite actions pertaining to schedule changes and implementations. The System supports built constraints and takes into account operational constraints, crew and fleet constraints, etc. thereby resolving congestion, bunching of flights, slots and curfew issues at various airports.

The System has the capability suggest changes to schedules as per passenger demand and also has the capability to forecast potential traffic and revenues for an input schedule.

5.21.2 Plans to turnaround performance:

Several measures were undertaken to improve the performance of the Company:

· Rationalization of certain loss making routes.

- · Return of leased aircraft.
- Induction of brand new fleet on several domestic & international routes thereby increasing passenger appeal.
- Introduction of non-stop services to USA & Canada.
- Phasing out old fleet and consequent reduction of maintenance cost.
- Reduction of contractual employment & outsourced agencies.
- Critical analysis of Fuel consumption on all flights by setting up a Fuel Council and Fuel Manager.
- Implementation of the recommendations made by IATA Group of Fuel Efficiency Gap Analysis (FEGA).
- Setting up of an Integrated Operational Control Centre (IOCC) in Delhi for close monitoring of the turnaround time of various aircraft in the fleet to optimize aircraft utilization.
- Curtailment of overtime and certain staff perks and relocation of officers from abroad to India.
- Closure of some foreign stations including offline offices.
- Increase in passenger, cargo, excess baggage revenue through aggressive sales & marketing strategy including a separate Cell for attracting Government traffic.
- Leveraging the assets of the company to increase MRO revenue as well as revenue from real estate properties.
- Introduction of Common Code through a common Passenger Service System (PSS) effective 27 February 2011 which would ensure seamless connectivity on domestic & international flights.
- Implementation of Quickwin IT Solutions including upgrade of Revenue Management System, introduction of SAP-ERP throughout the network.
- Establishment of Hub Control & Networking / Crew Scheduling System.
- · Deferment of B777-300 aircraft deliveries.



- Cabinet Note on Operationalization of Subsidiary Companies like AIATSL & AIESL and hiving-off the GH & Engineering / MRO activities to these Subsidiary Companies including at certain location to AI SATS JV, submitted to the Ministry.
- Shifting of the Hub from FRA to DEL T3, the state-of-art technology airport effective Winter 2010.
- Upgradation of FFP and Introduction of several marketing initiatives including Companion Free Schemes, Apex fare, GOI packages, Preferred Agents Partnership, Promotion of web bookings and other promotional schemes like Al Holidays, etc.

5.21.3 Infusion of Additional Equity-Linked to the Turnaround Plan of the Company:

In an attempt to adequately capitalize the Company and in anticipation of Government induction of equity into the capital of the Company, Air India had increased its authorised capital during the year 2011-12 to Rs.110000 million comprising of 11000 million equity shares of Rs.10/- each.

The Turnaround Plan (TAP)/Financial Restructuring Plan (FRP) of Air India was submitted to the Group of Ministers (GoM) in the meeting held on 22 June 2011. The GoM after consideration of the same, directed that a Committee of Senior Officers (CoO) from the Ministry of Finance will examine the TAP/FRP and come up with recommendations within a specified period of time. The TAP/FRP was prepared by the Company in consultation with SBI CAPS which was independently vetted by M/s Deloitte.

Subsequently, a Committee headed by Special Secretary Expenditure was formed by the Ministry of Finance to review the TAP/FRP submitted by Air India.

The CoO presented its report to the GoM on 28 October 2011. The report recommended a scenario which envisages a moderated growth scenario wherein the fleet strength of Air India would be 157 and those of the subsidiaries 76 in

the Financial Year 2019, the net addition to come mainly through leasing.

Committee has also prescribed various milestones for induction of equity wherein the Passenger Load Factor to be attained by Air India would be 73% by Financial year 2015 and 75% by 2020, the airline would be EBIDTA positive by 2013, cash profits positive by 2018 and PBT and net worth positive by 2020. The report also envisages an upfront support of equity infusion by Government of India in order to provide immediate relief of Rs.67500 million in Financial Year 2012 (including Rs.12000 million provided in the Union Budget), infusion of equity to fund cash deficits upto Financial Year 2021 of Rs.45520 million, equity infusion to fund the principal and interest repayments in respect of guaranteed aircraft loan - Rs.189290 million subject to achievement of milestones.

The total equity support requested for would amount to Rs.302310 million upto Financial Year 2021. Besides this, Government would also provide a buy back guarantee for Cumulative Redeemable Preference Shares (Financial Year 2027-2032) of Rs.74080 million. The FRP also involves regulatory forbearance from RBI in respect of restructuring and provisioning for which SBI have taken up the issue with RBI.

GoM has stated that the recommendation made by the CoO under the Moderated Growth Scenario may be accepted. RBI's firm views and regulatory forbearance of the TAP & FRP has been obtained following which the recommendation made by GoM is being processed for consideration by the Cabinet. The lenders have requested certain further conversions in the provisioning requirements which have been taken up with RBI. The Company has received Rs.12000 million towards equity investment for the year 2011-12.

5.22 Product Development

5.22.1 Premier Clubs

The Flying Returns Programme has four levels of membership viz. Base, The Silver Edge Club, The Golden Edge Club and the Maharajah Club. Currently the club memberships are open for members globally:

The Maharajah Club (TMC)

The Maharajah Club is the highest Tier in the Flying Returns Programme. Membership of this Club is on the basis of earning 75,000 miles in a span of twelve months. Members may also be invited to join the Club on the basis of their status. Membership of the Club entitles members to enhanced privileges which are:

30% bonus mileage points, additional baggage allowance, priority check-in, priority confirmation from the waitlist and lounge access at select airports.

The membership base as on 31 August 2011 was 4037.

Golden Edge Club (GEC)

The Golden Edge Club is the second highest Tier in the Flying Returns Programme. Membership of this Club is on the basis of earning 50,000 miles in a span of twelve months. Members may also be invited to join the Club on the basis of their status. Membership of the Club entitles members to enhanced privileges which are:

25% bonus mileage points, additional baggage allowance, priority check-in, priority confirmation from the waitlist and lounge access at select airports.

The membership base as on 31 August 2011 was 27153.

Silver Edge Club (SEC)

The Silver Edge Club is the third highest Tier in the Flying Returns Programme. Membership of this Club is on the basis of earning 25,000 miles in a span of twelve months. Members may also be invited to join the Club on the basis of their status. Membership of the Club entitles members to enhanced privileges which are:

10% bonus mileage points, additional baggage allowance and priority check-in.

The membership base as on 31 August 2011 was 28321.

5.22.2 Flying Returns Programme

Flying Returns Programme is designed to recognise and reward frequent flyers of Air India. The benefits and privileges of Flying Returns include:

- Increased check-in baggage allowance, tele check-in, personalized check-in counters at select airports, priority for confirmation from the waitlist, priority baggage handling, pooling of mileage points and wide array of special offers.
- Apart from earning and redeeming on Air India, members can also earn and redeem on airline partners - Lufthansa German Airlines and Singapore Airlines.
- Members can accrue miles while traveling on select flights of code share partner airlines.
- Members can transfer reward points from non-airline partners to Flying Returns.
- Non-airline partners are American Express, Standard Chartered, HDFC Bank, the Hong Kong Shanghai Banking Corporation (HSBC), ITC Welcome Group, Emirates Bank Group, Barclays Bank, SBI Cards, Citibank, Kotak Bank and ING Vysya Bank.

The membership base as on 31 August 2011 was 8,65,270 as under:

Region

India	5,20,759
Overseas	2,85,000
Premium Clubs	59,511
Total	8,65,270

The highlights of Flying Returns Programme are as follows:

- · Membership extended worldwide
- · Update profile details online
- · Claim missing miles online
- Redeem miles online at www.flyingreturns.co.in
- No redemption threshold limit for redemption tickets
- Purchase miles at Re.1 per mile on shortfall of redemption

5.22.3 Marketing initiatives:

■ Companion Free Scheme



Domestic

Passengers traveling on full Economy / Executive / First Class fares could take accompanying spouse/child/parent free of cost in the same class and flight, while traveling on domestic sectors by paying Passenger Service Fee/User Development Fee on free tickets.

International (IATA Fares) :

The offer was valid for travel between the following countries:

India - USA/Canada/UK/Europe (valid in both directions)

Travel originating ex India to Tokyo / Osaka / Shanghai / HongKong /Singapore/ Bangkok / Middle East

■ Special Companion Free Scheme

The Special Companion Free Scheme was launched whereby passengers buying a ticket on the highest market fares in First/Executive Class between India and all international destinations, without any incentive, would be entitled to a companion ticket at 50% of the same fare. All applicable taxes/surcharges would be payable by the companion. This scheme was not valid in First Class on the non-stop New York flights.

■ Preferred Agent Programme (PAP)

The PAP which was launched in 2009-10 was amended in 2010-11. While in 2009-10, the agents were incentivised on achieving a growth in market share on Air India, in the current year, the agents were incentivized on achieving a growth in total productivity on Air India.

■ Corporate House Scheme

A revamped Corporate House Scheme was launched under which tie-ups are done with corporates for targeted volume of yearly travel undertaken by them on AI/IC/CD coded flights. Incentives by way of credit of a given percentage on the volume of agreed business are given to the corporates and the incentive amount credited to the corporate is used for purchasing tickets on AI/IC/CD coded flights.

With a view to reduce distribution costs and encourage corporates to ticket directly with Air

India, a cut and pay incentive scheme on domestic sectors was launched for corporates whereby corporates with a travel potential of over Rs.10 million were provided a direct connectivity to Website for direct booking / ticketing, where they would be able to avail of a discount of 20%.

■ Online Travel Portals (OTAs)

Recognising the importance/growth of OTAs in India, a special segment-wise basket scheme was offered to major B2C portals in India whereby agents were incentivized on selling targeted number of segments on Air India. From 1 July 2010 to 31 December 2010, a segment based scheme was offered to all OTAs for domestic sale only whereby FOC tickets were offered to agents based on number of segments sold by them.

For international sale, eligible OTAs were offered the applicable Preferred Agent Programme.

Seamen Fares

Seamen fares were introduced for ticketing throughout the network.

Special Incentives

Special incentives were offered to the travel agents for promoting West Bound sectors aggressively.

■ E-Commerce

- ◆ In order to promote online bookings and thus reducing distribution costs, upto 10% discount on the basic fare has been offered on all sales through Air India Website upto March 2012. Additionally, Frequent Flyers earned 500 additional mileage points on every online booking made by them for self travel.
- Due to increase in fraudulent bookings made online, resulting in dispute in payments, a fraud prevention tool was integrated with E Billing Solutions (EBS) in June 2010.
- Cutover to the new merged IBE on 26 February 2011 and launching of the website in Hindi.



- Online rebooking and cancellation module introduced for bookings made for Domestic travel through the Air India website effective 26 February 2011.
- ◆ Integration with the Octopus website for making Hotel reservations online. Other ancillary services like weather and city information, passport/visa information, currency convertor and health requirements can also be accessed through the corresponding Octopus links provided on the website.
- Integration with "Car Trawler" for Car reservations online.
- ◆ Online redemption of FFP miles introduced on 26 February 2011.
- Mobile check in facility started effective 07April11.
- Ad word campaign with google analytics to generate information and statistics on area wise web sales.

· Pricing Initiatives (Domestic):

'Get Up Front' Offer – Launched from 1st November 2011 and valid until 31st March 2012, it is an airport upgrade scheme, where passengers at select domestic airports can pay a prefixed amount of Rs.4000 (distance up to 750 km) / Rs.6000 (distance above 750 km) and upgrade their domestic travel to Business class, subject to availability of seats and on First Come First Served Basis at the airport. All revenue ticket holders and passengers with FFP award tickets can avail the offer. This scheme is available from 17 domestic Airports across the country.

Super Saver Offers – Air India offers various special edition Super Saver booklets with variants of 4 coupons / 8 coupons, which are issued in Economy and Business class to cater to different market segments. As the name suggests, these are very competitively priced booklets and offer immense convenience to the users. Each coupon can be used for any city pair on a direct flight (with a few restrictions) within India, as also each coupon can be used by a different person (multiple user facility).

Holiday Packages — Air India offers a specially designed holiday product for the leisure market. A typical package consists of return air travel, hotel accommodation, airport transfers, meals and local sight seeing etc. Recently, more fare classes have been added to the spectrum to make the package pricing competitive.

Silver and Platinum Pass - It is a short-term promotional offer for unlimited travel within India by a single person for a period of 15 days from the date of the first flight. For travel in Economy class, a Silver Pass, priced at Rs.35,000, is issued and for travel in Business class, a Platinum Pass priced at Rs.75,000, is issued. The scheme was valid till 15th January 2012.

5.23 Risk Mitigation Strategies

The Company continuously monitored the risks perceptions and taken preventive action for mitigation of risks on various fronts.

5.24 Internal Control Systems

The Company continues to ensure proper and adequate internal control systems and procedures commensurate with its size and nature of business. These control systems ensure that all assets are safeguarded and protected against loss from unauthorized use and that transactions are authorized, recorded and reported correctly. The internal control system enables documented policies, guidelines, authorization and approval procedures.

The Company has an extensive system of internal controls which ensures optimal utilization and protection of resources, IT security, accurate reporting of financial transactions and compliance with applicable laws and regulations as also internal policies and procedures. The internal control system is supplemented by extensive internal audits, regular reviews by management and well documented policies and guidelines to ensure reliability of financial and other records to prepare financial statements and other data.

The Company has a well defined manual on



delegation of authority and administrative powers, based on which, the authorities exercise their powers. This manual is reviewed periodically to cope with the changes necessitated by the needs of the organization. The said manual, along with the Company's key functional process manuals, further strengthens the internal control system of the organization. The Company has independent internal audit systems to monitor the entire operations and services spanning over all locations, business and functions on a regular basis. The Company has also employed outside consultants in its various areas of functioning in order to reduce/monitor its cost platform.

5.25 Steps Taken to Develop the Activities in North-east

Merged entity Air India is operating to/from 11 operating airfields in the North East. The airfields are connected with Kolkata. Two of the station in the North East viz., Guwahati and Imphal are connected with Delhi with direct flights. One ATR-42 aircraft is night stopping at Guwahati, in order to give connectivity among various prominent city/state capitals in North East.

5.26 Other Revenue Generating Activities

5.26.1 Engineering Department

Engineering and Engine Overhaul have earned Rs.480.60 million during the year by means of third party work. This revenue is in addition to the revenue earned for technical handling of other airlines whose contracts are administered by GSD, which is approximately Rs.120 million per annum.

5.26.1 Security Department

The Security Department earned a revenue of Rs.560 million for the year 2010-11 towards rendering security and other services to customer airlines.

5.26.2 Cargo Revenue

During the year, the cargo revenue was Rs.8757.9 million, which is a 27% growth over 2009-10. Air India cargo carried 190,830 tonnes of cargo thereby registering a growth of 9% vis-a-vis 2009-10.

5.27 Future Strategy

5.27.1 Turn Around Plan/Going Concern

The main vision of the turnaround plan was to make Air India the leader in Indian aviation and India's ambassador to the world. The corporate mission is to deliver the highest quality of service around the world and be the epitome of Indian hospitality and to be India's flag carrier and provide seamless travel within India and the world.

A Turnaround Plan (TAP) was approved by the Board in July 2010 and SBI CAPS were appointed as the Lead Banker for the restructuring of the working capital loans. The TAP was vetted by an Independent Aviation Consultant, M/s Deloitte and certain modifications were carried out in the TAP to bring it in line with market realities for parameters like growth, yield and load factors. The TAP/Financial Restructuring Plan (FRP) was submitted to the Ministry of Finance and the Group of Ministers reviewed the same in the meeting held on 22 June 2011 and appointed a Group of Officers from the Finance Ministry to vet the TAP/FRP. The FRP envisages upfront equity induction of Rs.67500 million in Financial Year 2011-12 and conversion of approximately 60% working capital to long term loan (Rs.110000 million) and the balance (Rs.75000 million) into Cumulative Redeemable Preference Shares which would be repayable after 15 years guaranteed by the Government of India (GOI). The restructuring of the working capital would bring interest relief to the extent of Rs.10000 million in the initial year. Besides this, the refinancing of certain high cost aircraft loans has already brought a relief to the extent of Rs.2000 million.

The Committee of Officers (CoO) from Ministry of Finance, examining Air India's TAP/FRP have also prescribed various milestones for induction of equity by Government of India. Under the scenario recommended by the CoO, the airline would be EBIDTA positive by 2013, cash positive by 2018 and PBT & Networth positive by 2020. Based on this TAP and Government of India support in the form of equity, the Management has prepared the accounts on "Going Concern" basis

5.27.2 SBU MRO - AIESL:

The plan for merger of erstwhile Indian Airlines & Air India into NACIL envisaged the potential creation of Strategic Business Units (SBUs) as profit centres in the areas of Full Service Passenger Airline (PAX), Low Cost Carrier (LCC), MRO etc. The market for MRO business is expected to grow with the rapidly expanding Indian Aviation market.

It is therefore decided that Air India Engineering Services Limited (AIESL) which was incorporated in 2004 in erstwhile Air India would be hived off and operationalise as a subsidiary company with management independence.

Furthermore, MRO business may help Air India to monetize the value of its current assets and infrastructure to raise funds to support the parent company. Efforts shall be made for taking approval from FAA/EASA and other regulatory agencies. This will also help Air India to take third party workload.

Accordingly Air India Board on 7th August, 2010 based on the directional plan approved to operationalise AIESL and it is also a part of Turn Around Plan of Air India.

5.27.3 IT MRO Project:

Air India is in the process of implementing an Application Software Package(Ramco Aviation Solution), which shall bring the functioning of Maintenance, Engineering, Material Management Departments and related Finance functions on a common IT platform & harmonize the business processes across organization. Software aims for reducing the TAT(Turn Around Time) of various business processes, reduce inventory and increase the productivity. Project Scope covers Maintenance, Engineering, Material Management & related Finance functions in Air India, Jet Engine Overhaul Complex, Delhi, Engine Overhaul Division, Mumbai, Alliance Air and Air India Express at Delhi, Mumbai, Kolkata, Hyderabad, Chennai, Bangalore, Trivandrum and all Line Stations.

Go-live of the application is planned in April/2012.

5.28 Financing Initiative

Aircraft Financing:

During the year 2010-11, Air India availed a Bridge loan amounting to US\$473 million for financing 3 B777-300ER aircraft and 1 GE spare engine. Subsequently, this Bridge loan was refinanced through US Exim financing in August 2011 at a highly competitive interest rate structure resulting in savings of Rs.800 million p.a. by way of interest. Similarly, the loan for acquisition of Airbus aircraft amounting to Rs.55000 million led by a Consortium of Banks led by IDBI was refinanced in September 2011 with the ICICI Bond issue maturing in 15-20 years at a lower rate of interest which resulted in a saving of approximately Rs.1800 million p.a.

For the B787-8 financing, the airline is exploring a number of options including Sale and Lease Back. The US Exim Bank has already issued a Commitment Letter to support delivery financing for the first 12 B787-8 aircraft to be inducted into the fleet. As of date, bids for the first 7 B787-8 aircraft for Sale and Lease Back have already been floated and the response is awaited.

5.29 Air Safety

- A dedicated website flightsafety@airindia.in
 has been set up which aids dissemination of
 vital safety related information in a cost
 effective manner to all employees of the
 Company.
- On-line submission of operational incident, bird hit, EGPWS, TA/RA and hazard identification reports has expedited analysis of incidents and addressing safety related issues.
- Various spot checks (Surprise Field Inspections) have been introduced. Such checks contain finding which are subsequently addressed by the parent department, thus maintaining required standards.
- Cockpit and Cabin Surveillance checks are routinely carried out to monitor safe operation of flights.



- The Flight Operations Quality Assurance (FOQA) programme has been ramped up to include direct email interaction with flight crew, thus elevating safety awareness.
- Cockpit Voice Recorder (CVR) monitoring on a regular basis with crew interaction through email has commenced.
- Counselling of personnel is regularly conducted for safety enhancement and recommendations are sent to various departments requiring time bound ATRs (Action Taken Reports).
- Flight Duty Time Limitations (FDTL) for pilots and Cabin Crew are monitored with violations addressed appropriately.

- Regular PIB (Permanent Investigation Board) meetings are conducted in order to investigate incidents. Special PIBs are conducted to investigate serious incidents.
- International and Domestic Safety Audits are carried out on a periodic basis.
- An Internal Audit is conducted for safety evaluation of the airline and findings are actioned in a time bound manner. The associated report is filed with the DGCA.
- Airport Surveys/Risk Assessments are carried out before commencement of flight operations to a new airport.
- Incident data is routinely uploaded to the DGCA Website and a FSD Monthly Activity Report submitted to DGCA.

5.30 Engineering

5.30.1 Fleet Utilisation & Despatch Reliability

Utilisation in terms of average daily utilisation per aircraft in block hours and the Technical despatch reliability after considering technical delays of 15 minutes and above are given hereunder for the year 2010-11:

Aircraft Type	Block hrs flown/day/ aircraft	Tech Despatch Reliability (%)
B747-400	7.52	98.82
A310-300	4.35	97.14
A320	7.10	98.82
A319	8.50	99.61
A321	10.70	99.61
A330	7.60	98.91
B777-200LR	11.84	98.04
B777-300ER	12.95	99.50
B777-200ER	0.08	80.00

5.30.2 Aircraft Availability

On an average 90.87 % of the fleet was available for service during 2010-11

5.30.3 Equipment Serviceability

Equipment serviceability during the year under report was 91.06%.

5.30.4 Baggage Delivery

On time baggage delivery for the year 2010-11

was 93.19% and 87.39% at Mumbai and Delhi respectively.

5.31 ENGINE OVERHAUL

5.31.1 Jet Engine Overhaul Complex (JEOC)

The facility for inspection and repairs of CFM56-5B engine is being established. The facility is likely to be operational by second quarter of 2012 and the first CFM56 engine is targeted to roll out of JEOC after refurbishment in the third quarter of 2012.



5.31.2 MRO-JV with Boeing

A major portion of the Company's existing MRO facilities caters to its own fleet requirements. The Company has created a Strategic Business Unit for MRO to reduce cost, attract third party work and improve turnaround time.



Boeing had committed to invest about Rs.4700 million (USD 100 million) in the facility of Air India at the Nagpur SEZ. This investment is being contemplated to be undertaken directly by Boeing on the infrastructure, plant & machinery and tooling required for B737, B777 and B787 aircraft.

As a part of Boeing's offset obligation, these facilities would be given free of cost to Air India. This facility will have two wide body hangars, GE90/Genx engine overhaul facility, landing gear shop, seat refurbishment, components overhaul, composite repair shop, specialised engine piece part repair shop.

As a part of Boeing's commitment, MRO facility is being developed at Nagpur. Being located in SEZ area, the Nagpur MRO would be ideally suited for third party work. Agreement has been signed with Maharashtra Airport Development Corporation (MADC) for taking 50 acres of land from MADC for the setting up of the facilities.

MRO is expected to be functional by July 2013.

5.31.3 MRO JV with EADS

In accordance with the 43 new A320 family Aircraft Purchase Agreement dated 20 February 2006 entered between erstwhile Indian Airlines and Airbus Industries, France, Airbus had offered certain co-operation projects which inter alia include its willingness, together with its affiliates

and industrial partners, for establishing in India a MRO facility for A320 family aircraft.

A Business Plan on MRO Venture was jointly prepared by Air India and EADS, which was broadly acceptable to EADS but the valuations proposed by Air India were not acceptable to them. Price Waterhouse Coopers (PWC) were appointed as the independent valuer by EADS in consultation with Air India. However, the report submitted by PWC was not acceptable to Air India due to the undervaluation of Air India's contributions to the MRO compared to what was indicated in the Business Plan.

Air India conveyed to EADS that it was working on hiving off its MRO activity as a separate company – Air India Engineering Services Limited (AIESL), a wholly owned subsidiary of Air India. Air India suggested that Airbus could contribute in the development and expansion of AIESL MRO facilities for Airbus including ATR aircraft as support/investment project. The response from EADS/Airbus in this regard is awaited.

Line Maintenance Division received new Aerostretchers which are being used successfully on IFE fitted A320 aircraft for providing stretcher facility for sick passengers at short notice.

5.31.4 Engine Eco power wash:

In July 2010, Air India has signed a franchise agreement with Pratt & Whitney Line Maintenance Services (PWLMS) to offer Ecopower Engine Wash services in India. The Ecopower Wash system uses atomised, de-ionised, filtered, clean water to wash the engine flow path that results in increased on-wing engine life and reduction in fuel burn. This system is also environment friendly as there is no spillage of fuel effluents on the ramp, tarmac or parking bays, after carrying out the engine wash. In addition to carrying out Eco-power wash on own fleet engines, Air India has been performing the Eco Engine Wash for other regional operators like Indigo, King Fisher, Reliance & Essar which generated revenue of US\$ 18400/- in 2010-11.

5.31.5 On-point service agreement with General Electric (GE).

Air India, entered into an On-point service agreement with General Electric for GE90 series



Engines effective 1st January, 2010 for a period of 20 years. Under this agreement, Air India will be paying GE on engine per hour flying basis and GE will carry out all the required maintenance/ repair of these engines. This agreement provides reduced rate for a period of 3 years and stepped up rate of payment for phase 1, 2 & 3 to facilitate to Air India set up our own facility.

5.31.6 GE90 limited repair jobs

Engine Overhaul facility, Mumbai provided limited repair services to Jet Airways GE90 engines and generated a total revenue of US\$ 1,19, 253/- for the period 2008-09 to 2010-11, out of which the revenue generated for 2010-11 is US\$ 3,419/-

5.32 Ground Services

As on 31 March 2011, Air India provided Ground Handling services at 63 Indian Stations. During the period 2010-11 flights handled were as follows:

	2010-11	2009-10
Air India	1,23,845	1,23,940
Foreign Carriers	33,926	35,642
Air India Express	11,344	13,196
Other flights	273	850
Haj flights	839	846
Total flights handled	1,70,227	1,74,474

Ground Handling Revenue for the flights handled during the year 2010 -11 was Rs.5618.9 million.

Additional/New Ground Handling contracts negotiated during the year 2010-11 were with M/s Air Asia, Qatar Airways, Saudi Airlines, Silk Air, FedEx, NAS Air, Air Seychelles, Tiger Airways, Buddha Air, Etihad, East Air, Hercules Aviation, Phillipines Air, Hainan Airlines, Thai Airways, Emirates, Oman Air, Malaysian Airlines, British Midland Airways Ltd., Uzbekistan Airways.

Joint Venture Agreement between Air India Limited and Singapore Airport Terminal Services (SATS) on ground handling:

The Company has entered into a Joint Venture (JV) agreement with SATS, Singapore in the equity ratio of 50:50 to provide ground handling services to airlines at certain metro airport. This was in pursuance of Government of India Notification on the Ground Handling policy. The JV Company was formed on 20 April 2010. Prior to the formation of the Company, since the airports at Hyderabad and Bangalore were made operational on 23 March 2008 and 24 May

2008, respectively, AISATS operated under an Association of Persons (AOP).

AI SATS JV also started operations in the new terminal at Delhi T3 partly w.e.f. 20 July 2010 and then progressively from Winter Schedule 2010. The staff of Air India Delhi was transferred on deputation from July 2011.

Presently AI SATS JV is operational in Hyderabad, Bangalore, Delhi, Mangalore and Trivandrum.

5.33. Information Technology

5.33.1 Passenger Service System (PSS)

Air India has implemented PSS since 26 February 2011 consisting of Reservations, Departure Control and associated services such as internet booking engine, frequent flyer programme. The system is since then running successfully on Air India network.

As a part of PSS implementation, SITA Departure Control System (DCS) cutover was done at 61 domestic and 18 international stations.

SITA CUTE has been implemented at 15 domestic and 10 international stations.

5.33.2 IT Initiatives for Haj 2010

Department of Information Technology provided Reservation and Check-in application for NAS and AL-Wafer airlines operating Haj flights for the year 2010-11. The first flight was from Guwahati on 8 October 2010 and the last flight was from Nagpur on 7 November 2010. The following stations used this software:

Jaipur, Guwahati, Ranchi, Varanasi, Aurangabad, Mangalore, Nagpur, Bhopal and Indore.

5.33.3 Technical Enhancement

All the stations log on to the central server using secured log-in via SSL/VPN connection and do centralized Boarding Card Printing/Check-in. Due to this enhancement, the stations do not have to maintain a local server. They have to only have client PCs for the Reservation/Check-in process.

5.33.4 Projects for Vigilance Department

Following IT facilities were extended for Vigilance Awareness Week commercial from 25 October 2010:

A dedicated telephone number (26265588) was provided for the benefit of recording the complaints from internal as well as external user. Such voice recorded messages are stored in a Voice Messaging System which can be accessed by the Vigilance Department through a telephone line at any time and take suitable action.

An interactive feedback form has been made available in the corporate website in the Vigilance Section and the link is provided on the home page as well as in "about us" page. Complainant can fill up this form and the complaint is automatically sent through email to authorized Vigilance personnel for action. Complaints pertaining to vigilance only will be processed by Vigilance Department and complaints pertaining to any other services will be forwarded by Vigilance Department to relevant departments. This facility has also been introduced on CLICK portal through Intranet.

5.33.5 Secure Servers on Virtual Private Network (SOS-VPN)

Air India had implemented SOS-VPN for accessing SITA host, based on multiple favors of Internet Access (EVDO/3G/2G/Broad Band). This option of connectivity could also provide 24x7 Remote Secure Access to All Servers/Hosts connected to Air India MPLS IP Network.

5.33.6 Self Check-in facilities:

Air India introduced Web Check-in, Mobile Check-in and Kiosk check-in as part of product upgradae under hosted SITA PSS solution starting from March, 2011.

5.34 Internal Audit

All the activities of Internal Audit are being carried out in house except the Physical Verification of Assets and Stores and Transaction Audit at Mumbai which have been outsourced.

The firms appointed to carry out the Physical Verification of Assets and Stores for the biennial period 2010-12 are:

Sr. No.	Name of the Outsourced Patry	Region
1	M/s Vijay Mukesh & Co	Northern
2	M/s U.S. Aggarwal & Associates	Eastern
3	M/s Pee Dee Kapur & Co./ M/s Chhajed & Doshi Chartered Accountants	Western
4	M/s Sanjeev Shah & Associates	Southern
5	M/s Moparthy Associates	Hyderabad

The Audit Committee met three times during the year under review.



There are 12 C&AG Paras of which only 3 are pending as of date. These pending Audit Paras would also be settled shortly.

5.35 Medical

The Medical Services Department has generated revenue of Rs. 1,08,000 (up to November 2011) by way of calibrating Alcosensor IV instruments for commercial airlines for conducting pre flight medical checks.

A number of measures have also been initiated to reduce expenditure and achieve savings in Medical Services Department:-

- •Purchase of Life Saving Medicines for terminally ill patients directly from the Manufacturer resulting in savings of approx. Rs 4,50,000 up to November 2011.
- Availing institutional discounts, efforts were made to stock large quantity of medicines in house pharmacy which has resulted in saving of approx. Rs. 11, 85, 000/up to November 2011.
- Rs. 12, 86,000/-was saved on the cost of pre employment medical examination up to September 2011, as per the new policy the cost is borne by the candidates.
- Total savings by the department as of November 2011 was Rs. 30, 29, 000/-

By keeping strict control on reference to specialists and on hospitalization for treatment to both serving and retired employees an amount of aprox. 4 to 5 crores is projected to be saved for the Financial Year 2011-2012, under the Medical Benefits Scheme. This is evident from figures of last two year of updated hospitalization policy.

5.36 Sports

The Company continues to encourage participation in sports in various fields like Cricket, Badminton, Power lifting, Chess, Shooting, Carrom, table tennis, Hockey and Kabbadi as a result of which, many of our employees have excelled in different sports championships. Some of employees have also represented at the State and National level in various games.

On 29 August 2010, cricketer Ms Jhulan Goswami, kabaddi player Dinesh Kumar and chess prodigy Parimarjan Negi, were presented the Arjuna Award. With this, the number of Arjuna Award winners in the airline touched 32. The airline also has five Padma Shri and two Rajiv Gandhi Khel Ratna awardees.

Air India lifted the men's singles and doubles titles at the Federation Cup Carrom tournament held at Nagpur from 15-18 September 2010.

Five players from the Air India Hockey team – Arjun Halappa, Vikram Pillay, Gurbaj Singh, Shivendra Singh, Prabodh Tirkey and Harinder Singh (Coach) were members of the Asiad 2010 (held in China) Bronze Medal winning Indian Hockey team.

Mr Anup Kumar was part of the Asiad 2010 Gold Medal winning Indian Kabaddi team.

Mr Virendra Singh, working at Safdarjung Airport and an international hockey umpire officiated at hockey matches at the Asian Games at Guangzhou, China during 12-27 November 2010.

5.37 Security

The Security Department of the Company has a well defined security policy for safety and security of its operations. It has a professionally managed set-up headed by Executive Director-Security, who is a senior level IPS Officer on deputation from the Government, and permanent and contract security personnel through its subsidiary Companies viz. Air India Air Transport Services Limited (AIATSL), Air India Charters Limited (AICL) who are deployed for providing security coverage to all Air India flights and those of customer airlines. Officers and staff from the Security Department predominantly have an Armed Forces, National Cadet Corps (NCC) or Law Enforcement background.

The Security Department of Air India has a well defined security policy for safety and security of its operations. The safety and security of flight operations is being fulfilled through the Security Programme and Manuals based on the National Civil Aviation Security Programme (NCASP)



formulated by the Bureau of Civil Aviation Security (BCAS), Government of India. The Security Programme provides guidance on all aspects of aviation security and incorporates established security policies and procedures for flights, sets out measures to protect aircraft, passengers, crew, baggage, cargo, vital installations, etc. against acts of unlawful interference in civil aviation operations and other criminal acts perpetrated against flight operations and property.

In addition to its primary responsibility of providing security for flight operations and property, the Security Department also generates additional revenue for the Company by providing security services to customer airlines.

The Company implements the Aviation Security (AVSEC) programme appropriate to meet the requirements of the National Civil Aviation Security Programme and security measures in accordance with the Circulars and AVSEC Orders issued by the Bureau of Civil Aviation Security (BCAS) under the Aircraft Act, 1934 and Aircraft Rules 1937 (as amended from time to time) or any other applicable Act/Rules to be made by the Government of India.

The main objective of the Security Department is to safeguard the airline against acts of unlawful interference and other criminal acts perpetrated against it.Air India implements the Aviation Security (AVSEC) programme to meet the requirements of NCASP.

Quality Control Programme

A Security Quality Control Programme for Air India has been formulated to comply with the Standards & Recommended Practices stipulated in Annexure 17 to the ICAO Convention on International Civil Aviation. The primary purpose of the said programme is to achieve the best possible protection and safety of passengers, crew, ground personnel, general public, aircraft and facility of an airport serving commercial aviation services against acts of unlawful interference in civil aviation operations perpetrated on ground or in the air.

Surveys/Audits/Inspection

Security surveys, reviews, inspections and audits are conducted periodically by officials from the Security Department for the purpose of identifying and overcoming weaknesses, as also to maintain the highest levels of efficacy and efficiency of security systems for our flight operations at all times.

Investigation & Fraud Prevention Cell

The Investigation & Fraud Prevention Cell, a vital wing of the Security Department, deals with all revenue and property crimes/frauds, including policies and procedures to prevent the travel of inadmissible passengers on flights to western countries with improper documents/documentation such as stolen/counterfeit/forged passports and visae, counterfeit/ forged/stolen revenue documents like tickets, Miscellaneous Charges Order (MCO), credit card frauds, etc. Owning to this, the British Government has, through the Home Office (Her Majesty's Immigration Service), bestowed upon Air India the Approved Gate Checks status which enabled the waiver of several fines/penalties imposed by them for the carriage of inadmissible passengers (inadvertently) to the UK on a case to case basis.

5.38 Vigilance

The Vigilance Department of Air India Ltd. is responsible for

- overseeing the functioning of the Organisation to ensure that it is in accordance with laid down Rules, Regulations & Procedures.
- investigating deviations to establish whether they are bonafide/justified or malafide.
- referring to Competent Authorities for appropriate action if culpability is established
- making recommendations for system & procedural improvements

The Department is guided by the agenda set by the Central Vigilance Commission (CVC) and the key thrust areas for each year are decided accordingly. The main thrust areas currently



projected by the CVC for the year 2010-11 were:

- implementation of the Integrity Pact Programme in tenders and
- leveraging Technology through use of website for bringing in transparency and accountability in all dealings
- Curtailing delays in departmental action against officials charged in vigilance cases.
- During the year 2011, emphasis was on the following areas:

The Company has adopted the Integrity Pact Programme which covers all tenders of a value of Rs.100 million and above. With regard to the leveraging of technology to ensure transparency and accountability in all dealings, access to the Vigilance Department was restored to the front page of the Airline's online website, whereby almost all complaints received from the various external customers were being followed up by Vigilance with the concerned for quick and satisfactory disposal.

One of the focus areas promoted by the CVC at the end of the financial year 2010-11 was to concentrate on irregularities committed by officers of the top echelons of the management. Though, the CVC made this a focus area only by the financial year end, Air India Vigilance were focusing on this aspect since the start of the financial year.

During the year, besides main line investigations, the Department conducted 81 surprise checks, 5 procedural audits, 11 field studies and 4 station inspections, resulting in a direct saving of about 1.97 crores.

Vigilance Manual for Merged Entity

On the inaugural day of the Vigilance Awareness Week – 31st October, 2011 – the CMD, Air India released and uploaded onto the Air India website the first virtual edition of the online Vigilance Manual for the merged entity. While the Manual will be accessible to all concerned with Vigilance related work in the Company or any other interested person, it cannot be altered except by the designated Coordinator.

5.39 Official Language

In order to monitor progressive use of Hindi in the Office, meetings of 57 Official Language Implementation Committees constituted on all India level were held regularly.

In order to facilitate officers/employees in doing their official work in Hindi, 2 Hindi workshop training programmes were organised. 31 officers/employees were trained in these training programmes. Further, 26 employees were trained in Hindi Language (Praboth & Praveen).

The Ministry of Civil Aviation carried out inspections of Srinagar, Goa, Coimbatore, Leh, Raipur, Lucknow, Nagpur and Varanasi stations. During this period, Official Language Department of the Company also carried out inspection of 7 stations and 16 departments.

Mrs Praveena Sabnees, Security Officer was honoured with the "Aashirwad Rajbhasha Samman" for doing excellent work and dedication towards the progressive use of Hindi in day-to-day work at the 19th Rajbhasha award function 2010 organised by a well known literary, socio-cultural organization "Aashirwad" of Mumbai.

New Passenger Service System (PSS) has been made available in which facility to book a ticket in Hindi has also been provided through net. In India, Air India is the only airline which has provided this facility. "Vimanika" was awarded first prize by the Secretary, Ministry of Civil Aviation (MOCA) in the Official Language Implementation Committee Meeting held on 23 December 2010, under the category of Hindi magazines published by subordinate organizations of the MOCA.

Salary Slips are being issued in Hindi/ bilingual on All India level. Time Schedule of Air India is provided in Hindi.

5.40 Environment Protection

In keeping with the resolution to reduce fuel cost, bring down operating costs and strong commitment to go GREEN, Air India signed a 5 year franchise agreement with Pratt & Whitney (P&W) to become the first and sole authorized service provider of EcoPower Engine Wash



Service in India. The EcoPower Engine Wash System is a new generation equipment and the only one of its kind that is designed and patented by P&W to clean aircraft engine gas path in Line Maintenance. The System is used to effectively clean the engine gas path that results in a reduction of fuel burn leading to reduction in carbon emissions. Further, Engine Exhaust Gas Temperature decreases by as much as 8-12 degrees, which in turn leads to increased engine on-wing life. Thus, EcoPower Wash provides a safe and environmentally responsible solution.

The Company is committed to becoming a green airline and its efforts in this direction have been two fold - to achieve savings in fuel consumption and reduction in carbon emission. The Steering Committee for Green Initiatives monitors all issues of operational efficiency, fuel management and emission reduction.

February 12-18, 2011 was celebrated as Green Productivity Week.

Fuel Savings

Actual fuel savings achieved from September 2008 to August 2011 is 177 million Kgs thereby saving Rs.6936.1 million.

Emission Reduction

A total carbon dioxide saving of 558 million Kgs was achieved from September 2008 to August 2011.

Environment Management System

Corporate-wide Environment Management System Policy has been signed and various initiatives were introduced for reducing Carbon Dioxide emission, initiating tree plantation, commencing introduction of Document Management System to reduce use of paper in office.

EU-ETS

Various procedures were adopted in operational areas helped the Company reduce carbon emissions. The European Union Trading Scheme (ETS) had mandated for the aviation industry that all flights with origin or destination in the European Union would have to be necessarily covered by the Scheme. Air india submitted the ETS required plans for the annual

emission and tonne kilometer monitoring in August 2009.

Air India has successfully cleared the EU-ETS Audit and verification process, which was conducted by M/s Bureau Veritas (EU accredited verifier) from 22 March to 25 March 2011. The verification report and data was submitted to the Environment Agency of UK on 31 March 2011.

Emergency Response Plan

Emergency Management Manual was prepared as per the requirement of the Emergency Response Plan and STAR Alliance requirements. The integrated Plan includes checklists and actions to be carried out in a coordinated manner by all concerned including Ground Handling, Airport Managers, Operations, Engineering, Flight Despatch/Operational Control, Finance, Medical, Security and many others. Regular Mock Drills were conducted to enable the rehearsal of Emergency Response actions.

QMS organized the IATA Training across all functional areas of Air India. It ensured that the Company had a written Emergency Response Plan with structures, procedures and check lists. Air India has around 463 SAT (Angels of Air India) members and the numbers are growing. Continuous training programme for Airport Managers based in India and abroad has also been planned. The Court of Inquiry appreciated the response of Air India ERP Team for the air crash of IX-812 at Mangalore on 22 May 2010.

The fully functional Emergency Command Centre (ECC) at Mumbai was inaugurated on 6 September 2011.

Safety Management System

QMS which also looks after Corporate Safety Management System has ensured that a Corporate-wide Safety Management System Manual has been approved by the DGCA recently. Corporate Safety Policy has also been issued for the Organisation. QMS coordinates with all 3 AOPs and subsidiaries for SMS. Phase-2 as per DGCA guidelines has been completed and presently working on Phase-3.



5.41 Encouragement/Assistance to Small Scale Industrial Units

In accordance with the Government guidelines issued from time to time, the Company continued to support the SSI units/Social Welfare/charitable organisations. The procurement from SSI units during the year amounted to approximately Rs.70.5 million and the selective sourcing / procurement from social / charitable organisations amounted to Rs.0.03 million.

5.42 Welfare of Senior Citizens & Disabled

5.42.1 Senior Citizen Discount:

Air India offers 50% Discount on the Normal Economy class Basic fare, to the Senior Citizens, who have completed 63 years of age on the date of commencement of journey for travel on the Domestic Network. This discount is available to Indian nationals, residing in India. Only the Proof of age (Photo-id) and Nationality proof is required.

5.42.2 Facilities to Persons with locomotor Disabilities:

Air India offers 50% discount on the normal Economy class Basic fare for travel on the Domestic Network to physically disabled persons suffering from **locomotor disability**, with appropriate certification from designated medical officers that they are suffering from locomotor disability to the extent of 80% and above.

5.42.3. Blind Persons:

Air India offers 50% discount on the normal Economy class Basic fare to persons who are totally blind in both eyes for travel on the Domestic Network with appropriate medical certification from designated medical institutions that they are completely blind in both eyes.

5.42.4. Cancer Patients

Air India offers 50% discount on the normal Economy class fare to Cancer Patients for travelling between Place of Residence and Place of treatment. The passenger is required to

submit a form certified by a Cancer Institute / Hospital. Discount is available for travel on the Domestic Network and between India and Nepal.

5.42.5. Concessions to Armed Forces Personnel & others:

Air India also extends discount on select Economy class fares to the Armed Forces Personnel, Gallantry Award winners, Arjuna Award winners and Students too.

5.43 Human Resources Management

5.43.1 Staff Strength

The staff strength as on 1 December 2011 is 27393.

5.43.2 Long Service Mementoes

Every year all the employees of the Company who had completed 25 years of service are presented with a long service memento i.e. a wrist watch and a Certificate, on 27 August. Accordingly, this year on 27 August 2011, the Long Service Mementoes presentation function was held Region-wise and 1238 employees were felicitated.

Air india's staff strength as on 1st December 2011 was as under:

Registered Office	806
Northern India	6483
Western india	13171
Southern India	3856
Eastern India	2999
Total	27315
Local staff at foreign stations	78
Grand Total	27393

5.43.3 The Reservation Policy has been implemented as per the Presidential Directives issued in the year 1975, along with the revised Directives effective 1991 and 1996.

5.43.4 SC/ST/OBC – Number of employees as on 1 December 2011

The Reservation Policy has been implemented as per the Presidential Directives issued in the year 1975, along with the revised Directives effective 1991 and 1996.

Total no. of employees 27393

Total no. of SC employees	5556
% of SC employees	20.28
Total no. of ST employees	1894
% of ST employees	6.21
Total no. of OBC employees	1436
% of OBC employees	5.24

5.44 Training Facilities:

Engineering:

During the financial year 2010-11 the Engineering Training Division, Old Airport, Santacruz, Mumbai conducted a total of 132 courses & 3466 Engineering personnel were trained. This includes 1957 engineering personnel trained for STAR Alliance familiarisation in 57 such courses conducted.

Out of these:

- 63 courses were conducted for Aircraft Maintenance Engineers/ Shop Approval holders/ Technical officers and 1224 such personnel were trained.
- 10 courses were conducted for Service Engineers / others and 174 such personnel were trained.
- 2 courses were conducted for outside parties and a total of 10 personnel were trained.

Trainings conducted at Engineering School during the year 2011-12 include DGCA Approved CFM 56 Engine Course for Engineers, General Refreshers, Human Factors, Pilot's Transit/Pre-Flight Turnaround Trainings, ACARS Training programme, Familiarization of Marshalling Procedures for Technicians, Quality Auditors Training Programme of Engineering Personnel, Star Alliance Overview Training for Engineering Personnel, Courses were also conducted on Silk Air Documentation. From 1st April, 2011 to 30th November, 2011 a total number of 41 courses were conducted and participants were to the tune of 662.

Security

Trainings conducted at Security Training Centre were Basic Aviation Training, Induction and Refresher Courses for Security staff. Also

Aviation Security training for Cabin Crew/ Refreshers were conducted. Total number of Security trainings conducted during 1st April, 2011 to 30th April, 2011 are 24 and total participants are 464.

Cabin Crew:

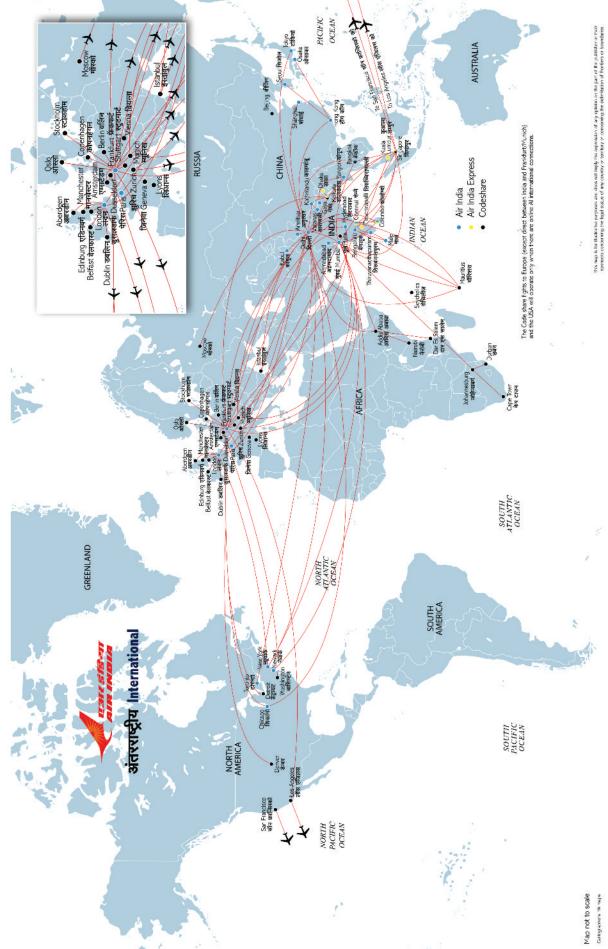
Cabin Crew Training School conducts training for newly recruited Cabin Crew, Annual Refreshers, Extended Refreshers, Differences Training for A 319 / 320 / 321, Dangerous Goods Training and Cabin Crew Incharge Training. Cabin Crew Training School also undertakes training for outside parties.

Vigilance:

During the Vigilance Awareness Week, interactive Workshops on 'Tender Procedures' were conducted by Vigilance Officers at Mumbai, Delhi, Chennai and Kolkata for the benefit of officers dealing with procurement activities.

Marketing Training

- Marketing Training College, Hyderabad has successfully completed the PSS Training and the cut-over carried out smoothly at all Stations enabling migration to the new SITA system. Training on the new Cargo LMS System has also commenced and is in the final stages of completion. In addition, regular training programmes were also carried out to equip the Officers/Staff with requisite skills and knowledge.
- MTC has entered into tie-up with ACAAl-Tamil Nadu, Kerala, Gujarat, Kolkata and Mumbai Chapters for DGR Training programs. In addition, regular training programs are also being conducted for employees of Al-SATS, BLR and HYD. As a result of the tie-up an amount of Rs.22.4 lakhs has been earned so far. The college is also in touch with various agencies involved in the travel trade for imparting training in various subjects so that more revenue could be earned. ■







6. Bureau of Civil Aviation Security

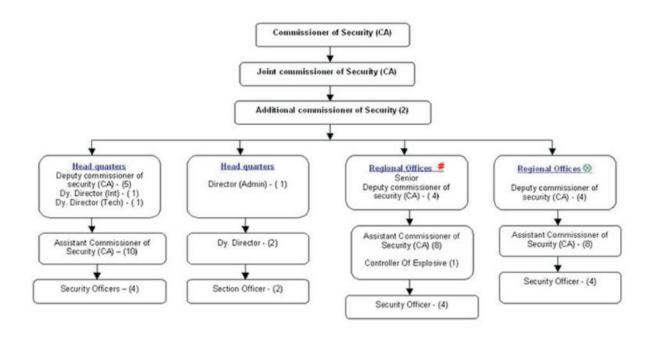
- 6.1 The Bureau of Civil Aviation Security (BCAS) is an attached office of the Ministry of Civil Aviation. The Bureau is responsible for laying down the standards for preembarkation security and anti-sabotage measures in respect of civil flights and ensuring their compliance through regular Inspections and Security Audits. The aim of BCAS is to safeguard civil aviation operations against acts of unlawful interference.
- 6.2 BCAS has its Headquarters in New Delhi. It is headed by an IPS Officer of the rank of Director General of Police, designated as Commissioner of Security (Civil Aviation), who is the "Appropriate Authority" to ensure development, maintenance, updation and implementation of National Civil Aviation Security Programme for India and fulfil all international obligations in this context. The Bureau is the regulatory authority for discharging all relevant national and international requirements in respect of coordinating, monitoring, inspecting and training the personnel in Aviation Security matters, implementation of AVSEC quality control programme and upgradation of technology for securing civil aviation.
- 6.3 The Bureau has eight Regional Offices at Delhi, Kolkata, Mumbai, Chennai, Hyderabad, Ahmedabad, Amritsar and Guwahati, each under a Deputy Commissioner of Security (Civil Aviation), regulating, monitoring and conducting regular Security Inspections and Audits of the airports in their areas of jurisdiction..
- 6.4 Bureau has set broad targets for
- (i) Initiatives to improve airport security: By recommending various security procedures, technology up-gradation and modernization of Security related equipments and schemes.
- (ii) Modernisation:
 - (a) Adopting IT and electronics equipments and systems;

- (b) Redesigning and updation of BCAS website.
- (iii) R&D database development: For EDP on security audits, incident investigations and feed back, reports, technology adopted / identified/ available for security related equipment and systems etc.
- 6.5 The Bureau also works towards mandated targets regarding progressive use of Official Language, dealing with Staff Grievances, Pollution Control, Women's Welfare activities, ensuring prescribed quota representation of SCs/STs and OBCs etc.

A. MAJOR INITIATIVES TAKEN TO IMPROVE SECURITY AT AIRPORTS

- (i) After the attack on Colombo Airport on July 24,2001, a team from India headed by Commissioner of Security(CA) visited the Colombo Airport in order to study the methodology adopted by Srilankan Terrorists. After detailed study of the incident, 'Quick Reaction Teams' have been positioned in all the metropolitan airports, major airports of Jammu & Kashmir and all airports manned by CISF to pre-empt any similar move at Indian airports by terrorists.
- (ii) In the aftermath of September 11, 2001 incident in USA, steps were taken to increase the number of flights in which Sky Marshals are deployed. Sky Marshals are now being deployed on all routes on random basis, including on the private airlines.
- (iii) It has been decided to induct CISF in all airports in the country to bring in cohesion and uniformity in procedures and practices in regard to security at Airports. At 58 Airports in the country, CISF has already taken over the security duties. For the remaining airports, it is being inducted in a phased manner.
- (iv) The Bureau has a contingency Plan to deal





Regional Offices

Delhi, Mumbai, Kolkata, Chennal

Regional Offices

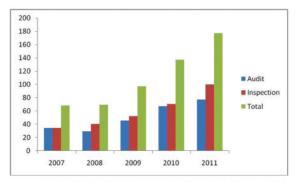
Ahmedabad , Amritsar, Guwahati, Hydrabad





with emergencies arising out of hijacking and other acts of unlawful interference to Civil Aviation operations. Among other things, it provides for the establishment of Aerodrome Committee at each airport. Crisis Management Procedures are activated immediately on the occurrence of any emergency, like security threats to the Civil Aviation, Terrorism, hijacking, unlawful seizure of aircraft etc. Keeping in view the operational requirements, in the changing AVSEC scenario, the Contingency Plan has been suitably modified and issued to all concerned.

- (v) AVSEC Manual on handling Aircraft Hijack Situation has been finalized and issued to all concerned.
- (vi) In order to test the efficiency of Contingency Plan and Operational preparedness of the concerned agencies, mock exercises are being conducted regularly at the airports.
- (vii) A comprehensive schedule has been drawn up for audits, inspections, surprise checks and dummy checks for ensuring compliance of all AVSEC Orders, Acts and Instructions at all airports to detect weakness in the security system implementation and the same are being taken up for remedial action with concerned

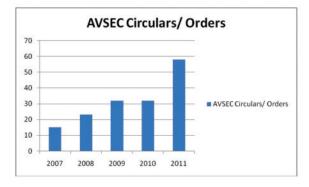


agencies. For the current year, 69 audits, 110 inspections, 179 surprise checks and 179 dummy checks have been carried out by BCAS. During the current year, audit of Indian carriers at foreign airports has been started, beginning with Changi airport, Singapore.

(viii) 5 national documents have been prepared/ updated in the current year.

- * National Civil Aviation Security Program
- National Civil Aviation Security Training Program
- National Civil Aviation Security Quality Control Program
- Contingency Plan Anti hijacking
- * Contingency Plan Bomb threat
- (ix) Regulations are enforced through AVSEC orders and AVSEC circulars pertaining to different aspects of aviation security. 2 5 AVSEC orders and 30 AVSEC circulars have been issued this year. The break up is as below:

Access Control : 9
Unlawful Interference : 20
Cargo Security : 2
Training : 4
Equipment : 9
Quality Control : 8
Miscellaneous : 3



- (x) Four new regional offices of BCAS have been opened and operationalised in 2011 at Amritsar, Guwahati, Hyderabad and Ahmedabad.
- (xi) 12th Edition of Annex 17 is being implemented since 01-07-2011.
- (xii) Random screening of passengers at entry gates of terminal buildings has been introduced.
- (xiii) Airline security program and airport security program templates have been put up on website. 44 airlines security programs and 35 NSOP security programs have been approved this year.
- (xiv) CCTV has been made mandatory for all



areas of all operational airports. Hypersensitive and Sensitive airports were taken up in the first phase. Survey of all airports regarding location of the cameras has been completed.

6.7 Modernisation

BCAS has formulated an IT Plan for modernization and automation of Office Procedures. Computerization work is in progress in the BCAS. All the staff members have been trained for basic operation. All documentation both in Hindi and English is being done on computer; leading to the development and administration of Database and Electronic Data Processing.

RF link from NIC Headquarters to Bureau is being utilized to enable quick and easy access to Internet and NICNET. E-mail facility has been extended to senior officers. Internet connectivity has been provided to enable access to international databases and various websites of Aviation Security Organizations.

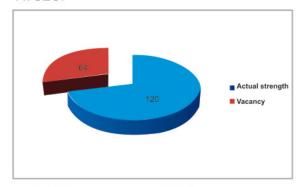
All officers of the BCAS have been provided with an official e-mail ID which is being utilized by them for all forms of correspondences. It has resulted in greater savings in terms of time and efforts. BCAS web-site has been made user friendly for travelling passengers by including relevant information for them.

Apart from the above, BCAS has installed Video Conferencing System for better interaction between the Hqrs and its regional offices. Issue of AEPs has been automated.

6.8 Structuring/strengthening of BCAS

70 additional posts in various grades have been created. Four new Regional Offices at Amritsar, Guwahati, Hyderabad and Ahmedabad have been created. Steps are being taken to fill up the posts and operationalising the new Regional Offices fully. Apart from the above, a complete restructuring plan based on ICAO recommendation has been prepared. The plan envisages 28 field officers, 2 training academics and BCAS presence at all operational airports with manpower of 2120 in addition to a

dedicated Aviation Security force under DG, AVSEC.



6.9 R&d Database For AVSEC:

All officers of BCAS are maintaining details of Inspection Reports, follow-up action, feedback reports, Security Audit Reports, detailed documentation of Incident Investigations etc on the server through networked desk station. In due course of time, Bureau proposes to accumulate reliable database for EDP and R&D purpose

6.10 Pollution Control

Pollution test for all vehicles is ensured and the Pollution Under Control Certificate is pasted visibly on the windscreens of all BCAS vehicles. All office buildings of BCAS ensure clean and green working environment through employees' own initiatives and contribution to the efforts towards a pollution free atmosphere. BCAS ensures that all new vehicles are "Bharat-II" Certified. Bureau also provides a "Smoke – free Environment" to its employees.

6.11 Women's Welfare

Problems of the women employees, as and when reported, are promptly attended to and resolved, keeping in view specific requirements of Government Policy on the subject. A Complaints Committee has been set up to enquire into complaints of sexual harassment at workplace.

6.12 Representation of SC/ST And OBC

The Bureau adheres to the prescribed Government policies on the subject. Position of representation of SC/ STs and OBCs as on

31.12.2011 is given below:-

Name of the Organi- gation	Total No. of emplo- yees	Total No. of SC emplo- yees	Percentage of employees	Total No. of ST	Percentage of ST employee	Total OBC emplo- yees	Percentage
1.	2.	3.	4.	5.	6.	7.	8.
BCAS	120	21	17.50	4	3.33	26	21.66

6.13 Training

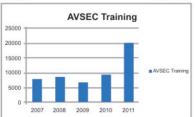
The important training activities conducted during the year 2011 are as below:-

- Indian Aviation Academy was recognized by ICAO. This will be the training hub for aviation security in Asia.
- (ii) The NCASTP was reviewed in the light of latest trends and requirement of Aviation Security and approved by MCAin 2011.
- (iii) Two days AVSEC workshop was organized at New Delhi on 16/17 Feb 2011 in the collaboration with ICAO team. 44 officers from MCA, DGCA, BCAS, CISF and various Airlines/Agencies attended the workshop.
- (iv) Four Aviation Security Training Institutes (ASTI) were approved during the year 2011 to meet the requirement of Aviation Security.
- (v) In addition to scheduled programme for 2011, additional Basic Avsec Courses and X-Ray Screeners Certification Test were allotted to CISF, Air India and private Airlines.
- (vi) Question paper of Basic AVSEC Courses for Security personnel have been made objective type and are being evaluated with OMR system to achieve greater transparency.
- (vii) Details of Training programme organized by BCAS for Security Personal in Aviation Sector during the year 2011 w.e.f. Jan to November are as under.

AVSEC Awareness Training - 1day 13239 AVSEC Training

(Different courses) 2-12 days 19818

Grand Total 33057



6.14 Implementation of Official Language

During the year, a "Hindi Pakhwara" was organised in September 2011. During this period, Hindi Typing, Hindi Dictation, Hindi Essay, Noting & Drafting and Quiz Competitions were organized for all officers and staff of this Bureau.

Hindi Workshops for the Officers and Staff were also organized. Inspections were carried out at four Regional Offices to ensure the progressive use of Hindi in the Regional Offices of the Bureau.

Official Language Implementation Committee meetings were held in time, in the Bureau's Headquarters and its Regional Offices. Parliamentary Committee on Official Language inspected this office on October 28, 2011.

6.15 Staff Grievances Cell

In pursuance of Government instructions, a Staff Grievances Cell operates in this Bureau with the Addl. Commissioner of Security, Civil Aviation as Staff Grievances Officer, to deal with the grievances of officers/staff working in this Bureau. The grievances of BCAS staff, if any, are promptly attended to.



7. Airports Economic Regulatory Authority

7.1 The Parliament of India, enacted "The Airports Economic Regulatory Authority of India Act, 2008" (the 'Act'), inter-alia,, to establish a statutory authority called the Airports Economic Regulatory Authority (hereinafter referred to as the 'AERA') to regulate tariff for the aeronautical services, determine other airport charges for services rendered at major airports and to monitor the performance standards of such airports. The provisions of the said Act came in to force w.e.f. 1st January, 2009 (All provisions except Chapter III and VI) and 1st September, 2009 (provisions of Chapter III and VI). AERA has its headquarters in New Delhi. The Statutory functions of the AERA in respect of major airports are specified in section 13 of the Act.

7.2 Sharing of information

For ensuring effective dissemination of information to its stakeholders and the general public, AERA has operationalized its website (http://aera.gov.in) w.e.f 22.05.2010. The Authority has also received the Tariff proposals

from all the five private airport operators (Delhi, Mumbai, Cochin, Hyderabad and Bangalore) as well as AAI airports of Ahmedabad, Trivandrum, Kolkata, Chennai, Jaipur, Lucknow, Calicut and Guwahati. The Authority is presently examining the proposals received. The rate of Development Fee to be levied by DIAL at IGI Airport, New Delhi has been determined by the Authority. So far AERA has issued 32 Orders and 2 Directions in the matter of tariff determination during this year 2011 under the provisions of the Act.







8. Commission of Railway Safety

8.1 Brief History

The institution of Commission of Railway Safety deals with matters pertaining to safety in rail travel and operation and for this purpose performs certain statutory functions laid down in the Railways Act, 1989 and the rules framed thereunder. Formerly called the RAILWAY INSPECTORATE, it functioned under the control of the Railway Board till May, 1941 when the Inspectorate was separated from the control of Railway Board to secure its independence from the authority administering the Railways. This separation was carried out pursuant to the recommendations of a committee called the 'Pacific Locomotive Committee' which was endorsed by the Central Legislature. After its separation, the Inspectorate was attached to the Air Wing and placed under Department of Communications. It came under the administrative control of the Ministry of Tourism & Civil Aviation in May, 1967, subsequently redesignated as the Ministry of Civil Aviation.

While, the Railway Board in the Ministry of Railways are the safety controlling authority and are responsible for laying down and enforcing safety standards for the Indian Railways, the main task of the Commission is to direct, advise and caution the railway executives through its inspectional, investigatory and advisory functions and thereby assist them in ensuring that all stipulated measures are taken in regard to the soundness of rail construction and safety in train operation.

8.2 About The Organisation

The Chief Commissioner of Railway Safety is the head of organization. CCRS is also the Principal Technical Adviser to the Government of India in all matters concerning Railway Safety. The headquarters of the Commission is located at Lucknow. The Chief Commissioner directs the technical activities and issues instruction for the guidance of Commissioners of Railway Safety in respect of holding statutory inquiries into serious

railway accidents, inspection of new lines including electrification of existing lines prior to their opening for public carriage of passengers, and sanction for running of new locomotives/rolling stock. He also co-ordinates the work of the Commissioners in their dealings with the Railway Board and the Railway Administration. He communicates his views, whenever necessary, to the Ministry of Railways (Railway Board) on design, standards, specifications and procedures for construction, working and maintenance of assets in all branches of railway engineering and operation including civil, mechanical, electrical and signal engineering etc. The Chief Commissioner is assisted by a Deputy Commissioner of Railway Safety (General).

There is also a Technical Wing attached to the Chief Commissioner of Railway Safety at his headquarters which has four Deputy Commissioners of Railway Safety drawn from the mechanical, electrical, signalling & telecommunication and operating disciplines of Indian Railways.

There are 9 circle offices viz. two with headquarters at Mumbai, 3 with headquarters at Kolkata and one each with headquarters at Bangaluru, New Delhi, Lucknow and Secunderabad. Each circle office is under the charge of a Commissioner. There are two Deputy Commissioners of Railway Safety (Signalling and Telecommunication) headquartered at Mumbai and Kolkata. Each Commissioner is an independent statutory authority under the Railways Act, 1989.

8.3 Duties & Responsibilities

The Commissioners carry out the duties/functions assigned to them under the Railways Act, 1989, rules framed thereunder and instructions issued from time to time. A gist of main-functions are as follows:

 To inspect new lines with a view to determining whether they are fit to be



opened for the public carriage of passengers, and to sanction their opening after inspection on behalf of the Central Government.

- (ii) To sanction the execution of all new works and installations on the running track affecting the safety of the traveling public such as rebuilding of bridges, remodelling of station yards, line capacity works, resignalling works, etc.
- (iii) To conduct statutory inquiries into serious railway accidents and suggest safeguards.
- (iv) To make periodical inspections of railways and report to the Central Government on any condition which may endanger the safety of the travelling public and make recommendations.
- (v) To examine the technical aspects of new rolling stock, advise on their introduction on open lines and to sanction their running on other section(s) and increase in speeds.

- (vi) To authorize the carriage of oversized consignments stipulating the conditions for their movements.
- (vii) Torecommend and sanction infringements to the schedule of dimensions prescribed by the Government of India.
- (viii) To grant dispensation from general rules under approved special instructions subject to stipulated safeguards.
- (ix) To oversee the accident prevention efficacy of the zonal railway administrations by reviewing the reports of departmental enquiries into less serious accidents.

The Chief Commissioner submits an annual report on the activities of the Commission in the preceding financial year as required under Section 10 of the Railways Act, 1989 which is laid on the table of both the Houses of Parliament.

8.4 Activities/achievements

A gist of main activities performed during the years 2010-11 and 2011-12 (upto 29th February, 2012) is as under:-



	MAIN ACTIVITIES	2010-11	2011-12 Upto Feb - 2012
(1)	Statutory inquiries held into serious railway accidents.	23	34
(ii)	Lines inspected and authorized.(in kms.)		
(a)	New Lines	445.116	409.120
(b)	Double Lines	580.543	233.637
(c)	Sections Electrified	602.238	548.574
(d)	Conversion of Gauge	1370.174	345.276
(iii)	No. of applications New Minor	4259	3379
	works sanctioned		
(iv)	Periodic inspection conducted	15,410.570	18084.460
(v)	New types of locomotives/rolling stock recommended/sanctioned for introduction.	202	229
(vi)	Applications for condonation of infringements dealt with.	43	32
(vii)	No. of over-dimentional consignments authorized for movement.	14	19

8.5 Role in monitoring safety on Urban Transportation System (Metro Rail)

The institution of CRS apart from its statutory functions regarding investigation and inspection which are performed under the Railway Act has also been actively involved in monitoring the safety aspects of the Metro Railways.

Delhi Metro is governed by Delhi Metro Railway (O&M)Act, 2002.

The Annual Report for the activities on Delhi Metro under section 12 & 13 of Act is prepared and forms the appendix of Annual Report of the Commission.

The upcoming Mumbai, Bangaluru & Hyderabad Metro systems' safety certification would also be undertaken by the strengthened CRS.

8.6 Progress In Use Of Hindi

In pursuance of the annual programme of progressive use of Hindi, achieving the target of

100% Hindi correspondence in the year 2011-12 has been stressed upon. Upto December, 2011, the 'A', 'B' & 'C' region circle offices of the Commission had corresponded 97.4%, 98.6% and 98.8% in Hindi respectively. The Commission published its 2011 edition of Hindi Home Magazine 'Suruchi' on 14th September, 2011 at the commencement of Hindi Fortnight. The Western Circle of Commission was awarded with the Rajbhasha shield due to First position for its outstanding work in Hindi. Southern Circle and N.F. Circle were awarded with Second & Third prizes respectively.

All the Circle Offices of the Commission observed the Rajbhasa Day in the month of September, 2011 in which Rajbhasha Medals were distributed. Dy. CRSs are awarded with cash award of Rs.1,000/- for doing their work in Hindi.



'NARAKAS', Lucknow awarded the Technical Wing on 26.08.2011 and 14.02.2012 with a Shield and a Certificate as it stood Vishisth (June,11 & December,11-Half years) among the 140 Central Govt. Offices located in Lucknow. The Commission also published a 'News Letter on the Commission'.

8.7 Pollution Control

All possible steps are being taken to control pollution in the offices of Commission of Railway Safety. The office premises are kept always neat and tidy. Smoking is strictly prohibited in the office premises. The vehicles used by the Officers and Staff are free from pollution.

8.8 Audit Paras

No Audit para is outstanding in the Commission of Railway Safety.

8.9 Public Redressal Grievances Machinery

CRS has usually no public dealings. However, Right to Information Act,2005 has been fully implemented.

8.10 Issues Relating To Developmental Activities Taken Up In The North East

The CRS does not undertake execution of any work. Its role is inspectorial and investigatory.

8.11 Vigilance Activities:

CRS monitors & co-ordinates vigilance activities of the Circles under its administrative control.

REPRESENTATION OF SCHEDULED CASTES, SCHEDULED TRIBES AND OTHER BACKWARD CLASS EMPLOYEES IN THE COMMISSION OF RAILWAY SAFETY AS ON 29.02.2011:

Name of the Organi- gation	Total No. of emplo- yees	Total No. of SC emplo- yees	Percentage	Total No. of ST emplo- yees	Percentage	Total OBC emplo- yees	Percentage
Commis sion of Railway Safety	113	22	19.46	06	5.30	11	9.73





Indira Gandhi Rashtriya Uran Akademi (IGRUA)

9.1 Introduction

Indira Gandhi Rashtriya Uran Akademi was set up at Fursatgani near Raebareli (Uttar Pradesh) to bring about a quantum improvement in the standards of flying and ground training of Commercial Pilots in the country. The Akademi is equipped with most modern and sophisticated trainer aircraft, up-to-date audiovisual training aids and other facilities for effective ground training. It employs qualified flying and ground instructors, with long experience in the field of aviation and flying training. The aim at IGRUA is not only to train to make a pilot but also to make him an effective systems manager in aeronautics. The flying trainees of the Akademi acquire the standards required for their transit with ease into the cockpits of the airlines.

The Akademi has made remarkable expansion of its existing infrastructure, viz. doubling the capacity of hostel from 72 fully furnished rooms to 144 including a 20 room girls' hostel and renovation of hostel rooms, construction of additional 'C' & 'D' Type of Residential Quarters, renovation of all the existing residential quarters, institutional block & Engineering office buildings, re-carpeting of roads, installation of Solar Water Heating System in hostels, installation of Airconditioning plant having capacity of 60 TR X 3, laying of additional bore well to meet the enhanced requirement new water supply lines, renovations of Sports Complex, Recreation Centre, Mess Kitchen, etc. are the other major infrastructure up-gradations carried out in the institutional area. In the airport side, runway recarpeting, taxi-track re-carpeting, installation of new runway lights, renovation of two existing old hangars, building a third hangar, expansion of Apron, installation of high mast lighting, etc. were also carried out. The Akademi's infrastructure, such as exclusive Runway & ATC, Night Flying facilities including Nav. Aids like Instrument Landing System (ILS) & Precision Approach Path Indicator (PAPI) are the hallmark of a flying training institution that matches contemporary international standards.

IGRUA is managed by the Global Aviation Giant – CAE, Canada to scale up the standards at par with international Standards since 1st March 2008 in pursuance to the management contract between the Ministry of Civil Aviation and CAE, Canada.

9.2 Objectives

The objective of the Akademi is to conduct airline oriented flying training courses to the level of contemporary international standards. The courses offered are:

- a. Ab-Initio to CPL Course on fixed wing aircraft.
- b. CPL training course for PPL Holders on fixed wing aircraft, i.e. Zlin, TB-20, DA40 & DA42.
- Multi Engine Endorsement Course.
- d. Instrument Rating Course.
- e. Refresher Course for Certified Flying Instructors and Pilot Instructors of Flying Training Institutes.
- f. Courses for Assistant Flight Instructor Rating (A) and Flight Instructor Rating (A).
- g. Skill Tests for renewal of Licence for Exstudents of IGRUA on requirement basis.
- h. To provide Simulator training & checks and other facilities to outside aviation agencies for their Pilots Selection & Interview.
- i WOMBAT Pilot Aptitude Test for beginners.
- j Practical Training on aircraft to Diploma Holders in Aeronautical Engineering.



Of the above, course at (a) above is conducted on regular basis and the others on request

9.3 Organisation

The Akademi is an Autonomous Body under the control of the Ministry of Civil Aviation. The Governing Council with Secretary, Civil Aviation as its Chairman is the highest body of the organization.

The Akademi is headed by a Director who is assisted by Departmental Heads, e.g. Manager Operations, Manager-HR, Manager-Services, Manager-Finance, Chief Flying Instructor, Chief Ground Instructor & Chief Engineer.

9.4 Ground Training

(a) BASIC TRAINING

On arrival at the Akademi, the students in the initial phase undergo Ground Training in Basic Aviation Science subjects along with the subjects specific to the aircrafts like Zlin, TB-20 aircraft, **DA40** and **DA42** Aircrafts which they are likely to fly.

The Ground Training in Aviation subject comprises 570 hours of Class Room Lectures. (410 hours for CPL and 160 hours for ATPL Course)

This sets a sound foundation for the Line Oriented Flying Training (LOFT) which follows, thus preparing the Pilot Trainees to adapt to fast developing needs of Aviation Industry.

(b) AUDIO VISUAL AIDS

To impart ground training effectively, the Akademi has modern audio-visual aids including a large number of video training films and slides, working and schematic models of various aircraft components and systems, Computer Based Training (CBT) system and Pilot Aptitude Test trainer (WOMBAT)

9.5 Flying Training

(a) **PRE-FLYING GROUND TRAINING (PFGT)**

PFGT is carried out by experienced

flying instructors. Group briefing on important exercises is carried out over and above through personal briefing and debriefing prior to and after each flight.

(b) SIMULATOR TRAINING

Single engine training is carried out on two Diamond DA40 flight simulators with CAE visual system having 180 degree field of view.

The Akademi also has two single engine TB-20 flight simulator with visual system for initial flying training and instrument rating exercises. For multiengine training a Diamond DA42 flight simulator with CAE visual system having 180 degree field of view is available.

(c) AIRCRAFT

- The Akademi has 14 DA40 aircraft equipped with glass cockpit.
- ii) The Akademi also has 05 Trinidad TB-20 aircraft. TB-20 aircraft is a piston single engine aircraft with variable pitch propeller, retractable undercarriage and is equipped with modern Nav Aids.
- iii) In addition, the Akademi has 04 Zlin Z242L aircraft. It is a piston single engine aircraft with fixed under carriage and is equipped with modern Navigational Aids.
- iv) The Akademi has two DA 42 aircraft. The final stage of training is carried out on this aircraft. This is a twin-engine aircraft. The aircraft is equipped with modern and sophisticated radio & navigational aids. Particular attention is paid to Line Oriented Flying Training. The students graduate with multi-engine endorsement and instrument rating on their Commercial Pilot Licence.

(d) FLYING TRAINING SYLLABI

Single Engine

For Ab-initio to CPL trainees - 20.00 hrs. training on Cockpit Procedure Trainer/Flight

Nav. Procedure Trainer

- 185.00 hrs on anyone of Single Engine aircraft- TB-20

or ZLIN 242L or DA-40.

Multi-Engine Training

After completion of single engine training Flight Cadets are taken up for 20 hrs on DA-42 simulator followed by 15 hrs. of flying on DA-42 aircraft. The trainees are graduated with CPL, Instrument Rating along Multi-engine rating endorsement of DA-42 aircraft.

9.6 MAIN ACHIEVEMENTS

The details of pilot's trained/under training in the Akademi during the last 7 years are as follows:

Particulars	Total No. of Trainees				
	Completed (2004-05-2010-11)	Under Training			
Fixed Wing (CPL/IR/ME)	274	169			
Multi-engine endorsement (other than regular trainees)	41	01			
TOTAL	315	170			

Flying training of 170 trainees is in progress





NUMBER OF HOURS FLOWN DURING THE LAST 07 FINANCIAL YEARS (APR – MARCH)

Year (April to March)	Hours Flown
2004-05	2499:35
2005-06	8395:25
2006-07	7551:35
2007-08	9557:05
2008-09	10756:25
2009-10	11993:25
2010-11	16231:35
2011-12	16443.15
(upto 27/03/2012)	

The standard achieved by the students during their training at the Akademi is comparable to international standards. The performance of the graduates of the Akademi, who have joined Air India, Indian Airlines and other private Airlines has been appreciated by their respective employers.

(a) TALON

Flight training at IGRUA is managed through a web-based training management system called TALON. It is a system which offers unprecedented tools for managing scheduling, curriculum, security, student records, resources, planning tools, flight following/operations and more.

(b) Internet/LAN facility

In order to improve the communication facility as well as to keep updating all aviation related matters which could be a part of training curriculum, IGRUA has provided internet facility in almost all important official location and the facility of training data sharing is also provided through the Local Area Networking (LAN).

(c) Web Camera

To facilitate better management of the

man and machinery by improving the surveillance/safety over the different functional areas in the Akademi, Web Cameras are installed at all important locations like Aircraft Tarmac and aircraft maintenance workshop, Class Rooms, Flight Operations, Messing Area, Airport/Institutional exit areas, etc

9.7 Pollution Control

Maintenance of aircraft and its equipments/spares is being done in the Akademi, which does not involve any production/manufacture. However, the following steps are being taken in the Akademi for pollution control:

(a) Control of Ambient Air Pollution:

- (I) Vehicle engines are properly maintained within the prescribed limits of emission.
- (ii) Solid waste is burnt in a manner as to cause minimum fumes.
- (iii) Forestation is actively pursued to maintain a green environment in the Akademi

(b) Waste Water Disposal:

The Akademi has proper under ground

drainage system and an efficient sewage plant to ensure that the water sources are not polluted in any manner.

(c) Solid Waste Disposal:

The bio-degradable solid waste materials collected from Mess Kitchen & from residential area are processed in a newly established Vermiculture Yard. The manure is being used in various gardens of the Akademi.

9.8 Citizen Charter

Citizen Charter of IGRUA has been prepared and uploaded on our web site. A Citizen can visit the website of IGRUA at www.igrua.gov.in. Citizens can make request to our PIO Mr. R.K. Dwivedi and Appellate Authority (Director IGRUA) for any information under RTI Act.

9.9 Women's Welfare

IGRUA has Ten women employees (3 Regular + 7 Contractual) and their welfare is being looked after through normal administrative channels. A committee comprising two members namely Capt. Shivani Yadav, Assistant Flying Instructor, Mr. R.K. Dwevidi, ARME and Ms Rekha Naresh, Stenographer-III is also looking after the women

welfare issues pertaining to sexual harassment.

9.10 Steps Taken To Improve Public Grievence Redressel Machinery

The nature of operation of the Akademi is such that it hardly involves any public dealing. However, an officer namely Maj. Vineet K Johny, Manager HR is available in the Akademi to look after the public grievance and at present no public grievances exist.

9.11 Issue Related To Development Activities Taken In North East

Akademi is an Autonomous Body having its Headquarter at Fursatganj, Rae Bareli (UP) only and hence there is no such issue.

9.12 Welfare of Senior Citizen

In accordance with the guidelines issued by Ministry of Social Justice & Empowerment, as envisaged in the National Policy on Older Persons, instructions have been issued to all concerned to ensure prompt, fair and humane treatment for older persons. As a welfare measure we engage senior citizens on contractual bases for liberal and instructional duties.

9.13 Representation of Scs/sts/obcs

The details of representation of SC/ST/OBC as on 31/03/12 is given in the chart below:

Name of Organisation	Total No. of Emp.	Total No. of SC Emp.	%age	Total No. of ST Emp.	%age	Total No. of OBC Emp	%age
1 Indira Gandhi Rashtriya Uran	2	3	4	5	6	7	8
Akademi	197	41	20.81	01	0.50	79	40.10



9.14 Implementation of official Language

The Akademi continues to take necessary steps for ensuring the implementation of all provisions of the Official Language Act & Rules. Employees are being trained in Hindi, Devnagri Typing etc. Incentives are given to employees for successfully qualifying Devnagri Typing Test. Computers have been modified with special Hindi Software for use of Hindi and one Hindi software has been purchased for Akademi and it is in operation. Efforts are being made to implement Hindi as medium of instruction.

9.15 Sports Facilities

IGRUA has indoor and outdoor sports facilities for games like squash, badminton, basketball, volleyball, football and well equipped gym with multi-gym equipments and pool table. A swimming pool is in the planning stage.

9.16 Cultural Activites

IGRUA has a Musical Instruments Room. Cultural programs are periodically organized to encourage extra-curricular activities. To facilitate organizing such functions an Auditorium is also being constructed.

9.17 Implementation of Persons With Disability (PWD) Act 1995

In accordance with the guidelines issued by Ministry of Social Justice & Empowerment on Persons with Disabilities has been implemented and due consideration is being given to disabled persons.

IGRUA is a flying training institute where the nature of job in Group A, B and some of the C posts is highly technical in nature and there is no possibility to appoint disabled person in these groups. However, a total number of TWO disabled persons are working in IGRUA.

IGRUA have no separate Scheme, Budget Allocation and Expenditure for persons with

disability but their welfare is being looked after by the Administration/Liaison Officer.

9.18 Upgradation of Indira Gandhi Rashtriya Uran Akademi

Re-commencement of helicopter training and acquisition of helicopters for IGRUA is under serious consideration at MoCA.

The following infrastructure programs initiated during the previous year are completed/nearing completion in the current year:-

- Construction of 03 Blocks of C Type Residential Accommodation
- Renovation of Existing Residential Quarter, Old Boys' Hostel, Mess & Kitchen
- Refurbishing of two Old Hangars and Workshops
- Up gradation of Ground Lighting facilities and provision of simple approach light
- Installation of new NDB

The following are the infrastructure upgradation programs that are on the anvil:

- Construction of Swimming Pool
- Conversion of Simulator Hall into Auditorium including furnishing

9.19 Future Plans

In the next five year plan period, MoCA has planned to upgrade the Akademi to an Air University, the only one of its kind in India. Further, it has plans to establish MRO and Cargo Hub in IGRUA, besides re-introduction of CHPL Course.

Establishment of AME School and enhancement of Pilot Trainee intake from 100 to 200 per year is also in the anvil.





10. Pawan Hans Helicopters Limited

10.1 Organisation

Pawan Hans Helicopters Limited (PHHL) was incorporated in October, 1985 (under the name of Helicopter Corporation of India Limited) as a Government Company under the Companies Act, 1956 with the primary objective of providing helicopter support services to the oil sector in offshore exploration, operate in hilly and inaccessible areas and make available charter flights for promotion of travel and tourism. The Registered Office of the Company is located at Safdarjung Airport, New Delhi and its Regional Offices are at Mumbai and New Delhi. PHHL shifted its Corporate Office to its new office building at C-14, Sector-1, Noida in April, 2010.

The main objectives of PHHL on incorporation are as under:-

- Providing helicopter support services to meet the requirement of oil sector.
- Operating in hilly and remote terrain, connecting inaccessible areas.
- Providing charters for promotion of travel and tourism.

The Company has recently added objectives of setting up of Heliport, helipads, training institute and safety institute.

10.2 Capital And Organisation Structure

The Company's authorized capital has been increased from Rs.120 crores to Rs.250 crores on 3.12.2010. The paid up share capital of the Company has also been increased on 14.02.2011 from Rs.113.766 crores (Rs.89.266 crores in the name of President of India and Rs.24.50 crores in the name of ONGC) to Rs.245.616 crores. Out of the total paid-up capital of Rs.245.616 crores has been subscribed in the name of President of India (51%) and Rs.120.35 crores in the name of ONGC Ltd. (49%).

ONGC has converted loan amounting to Rs.95.85 crores into equity and equity shares allotted on 14.2.2011.

The Board of Directors comprise of Company's Chairman-cum-Managing Director and other 5 part-time directors (JS-MOCA, AS&FA-MOCA, DGCA, Director (Offshore)-ONGC and ACAS (T&H)-Air Force). It has a team of dedicated highly motivated and skilled manpower comprising of pilots, engineers, executives, technicians and support staff.

10.3 Fleet Profile

Pawan Hans is engaged in providing helicopter support services to the oil sector in offshore exploration, operate in hilly and inaccessible areas and make available charter flights for promotion of travel and tourism. PHHL has emerged as one of Asia's largest helicopter operators having a well-balanced own operational fleet of 42 helicopters at present.

The Company's operational fleet as on 31.03.2012 is as follows:-

Helicopter type	Passenger Seats	No. of helicopters
Completed Dauphin SA365N	11	18
Dauphin AS365N-3	11	14
Bell-407	6	4
AS350B3	6	2
Bell 206L4	6	3
MI-172	26	1
Total	66	42



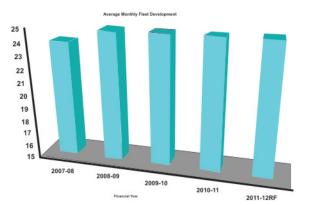
The Company has Operation & Maintenance Contracts of 2 Dhruv helicopters owned by ONGC and 4 Dhruv helicopters owned by BSF (MHA). Further, the Company has signed in December 2010 another contract with HAL for operation & maintenance of 4 more Dhruv helicopters of BSF. The Company has provided one Dhruv helicopter taken on lease from HAL to Government of Maharashtra for Anti-Naxal activities at Gadcharoli, Maharashtra.

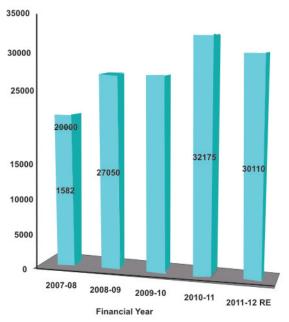
The Company achieved flying of more than 5.13 lakhs hours and 19 lakhs landings on its fleet since its formation.

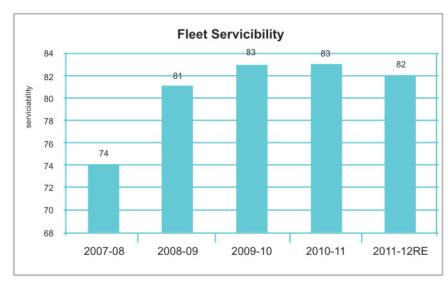
10.4 Operational Milestones

The Company was able to secure long-term contracts with Institutional clients mainly in the Oil Industry and Government Sector.

The revenue hours and average monthly deployment of helicopters was as under:-









10.5 Fleet Augmentation

The Company had signed agreements with the Helicopter manufacturers for purchase of 10 nos. Dauphin N3, 3 nos. AS350B3 and 2 nos. Mi-172 helicopters with an estimated project cost of Rs. 635 crores. The Company has acquired 5 nos. New Dauphin N-3 and 3 nos. AS350 B3 helicopters till 31.3.2011. Subsequently, 2 more new Dauphin N3 helicopters were received in April/ May, 2011 and 3 Dauphin N3 were received in February, 2012. Two Mi-172 helicopters are on order and delivery of these helicopters is expected in May, 2012

10.6 Funding for Acquisition of New Fleet.

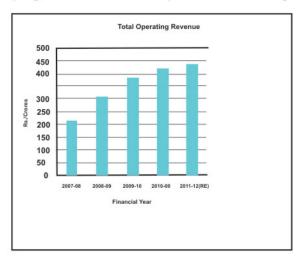
The Company has funded the acquisition of 3 AS350 B3 helicopters with its internal resources and the remaining new Helicopters on a debtequity basis of 80:20. The Company had signed agreement with ONGC on 13.8.2010 for term loan of Rs.275 crores being 80% of the estimated cost for purchase of 07 new Dauphin N3 helicopters at the rate of interest based on SBI base rate plus 150 basis points. The loan is repayable in 60 monthly installments from the date of drawal of loan for each helicopter. ONGC has funded Rs.261 crores, being 80% cost of 7 numbers Dauphin N3 helicopters. ONGC had subsequently converted part of this loan (Rs.95.85 crores) into paid up equity capital in the Company. NTPC has funded the cost of one Dauphin N3 amounting to Rs.52.56 crores with long term charter lease of the new helicopter for 10 years with loan @ 6% p.a. repayable in 10 years. The Company has availed terms loan of Rs.82.42 crores from Exim Bank for financing 80% cost of 2 Dauphin N3 and would avail term Loan of Rs.95.18 crores from Vijaya Bank for financing cost of 2 Mi-172 helicopters (with loan tenor of 10 years) which are expected for delivery in May, 2012. The Company had appointed M/s. SBI Capital Services Ltd. as Advisors and Arrangers for

Syndication. The Company is also arranging fund based limits of Rs.40 crores from Vijaya

Bank for working capital requirements.

10.7 Mid-Life upgrade programme of Dauphin fleet.

With a view to meet the requirements of DGCA and ONGC contract for Aviation Standard-4 (AS-4) compliant helicopters, retrofit programme for the Dauphin fleet is being



undertaken in a phased manner. This retrofit programme has been undertaken for better safety and improved serviceability of Dauphin fleet in view of on-time monitoring of all dynamic components and engines by the technical personnel of the Company. Presently, 19 nos. AS-4 Dauphin helicopters after upgrade programme are available.

10.8 MOU with Ministry of Civil Aviation

PHHL signs MoU with the Ministry of Civil Aviation every year after Task Force negotiation meeting in Department of Public Enterprises. In respect of the Financial Years 2007-08 and 2008-09 the Company has achieved MOU rating of "Good" and "Very Good" respectively as per DPE norms. Further, for the Financial Years 2009-10 and 2010-11, the MOU rating is "Excellent" and "Very Good" respectively.

10.9 Deployment of The Helicopter Fleet

Operations for ONGC

Since October, 1986 Pawan Hans has been providing helicopter support for offshore



operation of ONGC for carrying its men and vital supplies round the clock to drilling rigs situated in Bombay off-shore platforms. PHHL operates to ONGC's Rigs (mother platforms and drilling rigs) and production platforms (wells) within a radius of 130 nm. from the main land at Mumbai. At present 16 Dauphin N & N3 helicopters are on contract with ONGC out of which 2 Dauphins are stationed overnight at the main platforms in addition to a dedicated Night Ambulance to meet any emergency evacuation.

Other Customers including North East States

PHHL has provided helicopter support services to several State Governments namely, Arunachal Pradesh, Nagaland, Meghalaya, Tripura and Sikkim. The Company has provided three Dauphin helicopters to the Administration of Andaman & Nicobar Islands and two Dauphin helicopter to Lakshadweep. It is also providing helicopter services to Ministry of Home Affairs (MHA) at Guwahati, Oil India Limited and GAIL.

· Passenger Services

PHHL runs the helicopter services from Phata to the Holy Shrine of Kedarnath during the May-June and September-October seasons every year. The Company was able to achieve record revenue from operations at Phata during two seasons, namely May-June '2010 and September-October, 2010 by carrying 19182 passengers. PHHL has also been awarded contract by Shri Amarnath Shrine Board for operating "Helicopter services for the Shri Amarnathji Yatra 2010 and 2011" on Baltal-Panjtarni-Baltal sector. Pawan Hans started helicopter passenger services at Baltal-Panjtarni sector w.e.f. 1 July 2010 with 2 Bell 407 helicopters. The Company has been successfully operating helicopter services at Mata Vaishno Deviji from Katra to Sanjhichat under competitive conditions and has carried 1.91 lakhs passengers in 2010-11, 2.05 lakhs passengers during financial year 2009-10 and

1.24 lakhs passengers in the financial year 2008-09. The Company has been awarded contract for next 3 years by the Shrine Board of Mata Vaishnodeviji w.e.f. 1st April 2011 under significant competitive environment after being declared the lowest bidder.

The Company has been awarded contract by M/s. Gujarat State Petroleum Corpn. Ltd. for charter hire of one Dauphin N3 helicopter for 3 years w.e.f. 26 Nov 2010.

The Company has carried out operations for Border Road Organization at Arunachal Pradesh w.e.f. 18 Nov 2010 for 8 months with one Mi-172 helicopter taken on lease.

PHHL introduced seaplanes for first time in India for promoting heli tourism in A&N Islands on 50:50 profit/loss sharing basis. One Cessna 208 A amphibian Seaplane was taken on wet lease for a pilot project of 6 months initially w.e.f. 27.12.2010.

10.10Key Initiatives

a) Pawan Hans Helicopters Training Institute at Mumbai (PHTI)

The Company has set up in September, 2009 DGCA approved Helicopters Training Institute at Mumbai conducting DGCA approved Basic Aircraft Maintenance Engineering Licence preparatory course for the purpose of acquiring AME licence.

b) National Institute of Aviation Safety & Services at Delhi (NIASS)

The Company has started in June 2010 National Institute of Aviation Safety & Services at Delhi for Safety Management System and Safety Awareness in the country. The Institute aims to cater to emerging safety standards and audit compliances in helicopter industry in India and to provide consultancy in conducting audits for various aviation set-ups of PSUs / State Govt. / Pvt. Operators. The Institute would also provide consultancy services to other clients, new start-ups and audits of various helipad / heliport / offshore installations.

c) Heliport/Helipad in Delhi



DDA on 1st June, 2009 has allotted 25 acres land near Rohini in the name of Ministry of Civil Aviation for construction of First integrated Heliport in the Country. Further, DDA has earmarked one hectare land for construction of helipad at Commonwealth Games Village site and PHHL completed the Helipad in October, 2010. PHHL has also created basic infrastructure facilities/Parking and Helipad at Rohini and have now received environmental clearance. The Company plans to award work for construction of Heliport.

d) Training Academy and Heliport at Hadapsar, Pune

PHHL is planning to develop a Helicopter Training Academy cum Heliport at the existing Gliding Center at Hadapsar, Pune which is owned by DGCA. Project has been approved by Ministry of Civil Aviation and the DGCA has released an amount of Rs.10 crores as GBS for the purpose. PHHL signed MOU with DGCA on 17th May, 2010 for using land and other infrastructural facilities for this purpose at the Gliding Centre, Pune on behalf of DGCA.

e) Joint Venture for Maintenance of helicopters of HAL

PHHL has signed MOU on 23.7.2010 with HAL for exploring through the marketing efforts of both the Companies to create business opportunity for taking up the activities of Operations and Maintenance (O&M) Services in respect of Helicopters viz. Dhruv ALH Helicopter, Cheetah/Chetak Helicopters or any other Helicopter manufactured by HAL operating in India and abroad. A preliminary feasibility study has already been carried out for JV for setting up MRO facilities for Chetak/Cheetah and Dhruv helicopters. The Boards of HAL and PHHL have given inprinciple approval for setting up of the said JV of 50:50 and further discussions are in progress.

10.11 ENGINEERING / MAINTENANCE ACTIVITIES

The Company has established state-of-the-art maintenance facilities in Mumbai and New Delhi approved by DGCA for maintenance of its fleet of

helicopters. Meticulous maintenance checks on helicopters are carried out and extensive workshops with in-house facilities provide the back up. Maintenance capability has been upgraded to carry out major 'G' Inspections on Dauphin helicopters totally in-house without any foreign assistance which leads to saving of foreign exchange on account of lower cost of repairs/inspections. The scope of approval of maintenance facilities at Mumbai have been extended to include 'G' inspection (Airframe overhaul at 6000 hours) on Dauphin N3 helicopters during the year under review. A total of 28 inspections consisting of T/2T/5T(600 hrs./1200 hrs./3000 hrs.) inspection and 3 'G' inspection (5400 hrs.) on Dauphin helicopters was carried out by the Company from within its resources.

The enhancement in workshop facilities is a continuous process with every extension in scope a milestone. During the year in addition to extension in scope to cover 'G' inspections on the Dauphin N3 helicopters, the workshop facilities have extended scope to cover some of the Dauphin N3 instruments for bench check. Further, major maintenance inspections and major component changes of the Bell helicopters at Bases was also continued during the year.

10.12 Materials Management

By fixing of inventory levels all procurements have been made based on joint review by Engineering and Material Departments and spares are ordered on forecasted projections. During the year the Material Management functions have gone online through integrated computerization. Processing of demand and supply has become efficient. Data has became transparent and available to users across the network in all regions and bases. Inventory management through timely alerts has enhanced the efficacy of supply chain Manual on Policies and management. Procedures for purchase of Goods and Services was issued during the Financial Year 2010-11.

10.13 Information System & Technology Plan

In order to implement Information System & Technology Plan in the critical functional areas of



Operations, Engineering, Materials & Finance, the integrated software developed by M/s..Tata Consultancy Services Ltd. would enhance efficiency, effectiveness and customer satisfaction. Further integrated LAN/WAN infrastructure for NOIDA, Safdarjung Airport and Mumbai Offices has been implemented. An integrated Voice Communication for Corporate Office, Regional Offices and Detachments has also been implemented. The Company has also commenced e-ticketing in respect of its passenger services operations for Mata Vaishno Deviji, Kedarnathji and Amarnathji. The Company's new website http://pawanhans.co.in has been launched.

10.14 ISO 14001 and 18001 Certification

Pawan Hans has transited from its Quality Management Systems under ISO 9001:2008 standards to ISO 14001 and 18001 Certification which is known as Integrated Management System covering Environment and Safety aspects.

10.15 Human-Resources Development

a) Manpower

The staff strength of regular and contractual employees as on 31st March 2012 was 967 as against 989 as on 31st March 2011.

b) Industrial Relations

Industrial relations during the period continued to be cordial and regular meetings with employee's representative bodies were held. The issues concerning employees were resolved through discussion. Presently, the new wage settlement due w.e.f. 1.1.2007 has been signed with AICAEU (non-technical union) and implemented. Wage settlement is under finalisation with Technical union/ Guild.

c) Training

Training of all employees i.e. Executives, Pilots, Engineers, Technicians and Support staff continued to receive high priority. Lectures on different subjects of Managerial Skills have been conducted regularly. The Company has also

been nominating employees to specialized training programmes and in-house training. The resources of Aviation Training School were utilized for conducting various refresher courses for Pilots, Engineers and Technicians on regular basis. The Company has also undertaken Simulator training for 40 pilots in the last one year at M/s. Helisim, France for Dauphin fleet. Due to a number of retirement / resignation of pilots as well as to meet requirement of fleet expansion, action has been taken for recruitment of experienced and young pilots and their training.

10.16 Safety Initiatives

Helicopter accidents during the financial year 2011-12 and Safety measures undertaken by the Company:-

- i) One Mi-172 helicopter VT-PHF had crashed on 19.4.2011 at Tawang, Arunachal Pradesh while landing at the Helipad in which 19 persons (including 3 crew members, namely, 1 pilot, 1 engineer and 1 flight attendant) died.
- ii) One AS350B3 helicopter VT-PHT had crashed on 30.4.2011 at Arunachal Pradesh while on route to Itanagar in which 5 persons (2 pilots of PHHL and 3 passengers including Hon'ble Chief Minister of Arunachal Pradesh) died.

The investigation of the accidents is being carried out by the Committees appointed by the Government of India. PHHL has undertaken Safety Initiatives to upgrade the operation and maintenance systems to avoid recurrence of such incidents. The safety initiatives undertaken are listed below:

- a. PHHL has decided to implement Safety Management System for its operations and maintenance activities as per ICAO/DGCA guidelines. The system is to be implemented in a phased manner during three years and PHHL has already completed Phase – I of implementation.
- b. A new Safety Oversight department has been created in PHHL which will be directly

responsible to CMD and carry out a comprehensive Safety Oversight of PHHL. The department has already started functioning.

- c. A Voluntary Reporting System and Hazard Reporting System has been introduced in the company for confidentially reporting of any hazardous activity, occurrence or situation in maintenance and operations of helicopters.
- d. System has been strengthened to monitor compliance with pre-flight medical, pre-flight briefing, meteorological briefing, standard operating procedures, loading of helicopter and other safety measures etc.
- e. Extensive internal audit procedures have

- been introduced in the company to find out any non compliance with rules and rectify the same before they become serious.
- f. The company has introduced FOQA (Flight Operations Quality Assurance) system in its operations to analyse and monitor operation of helicopters. FOQA, though applicable only to scheduled operators, has been introduced for a better and comprehensive safety oversight of operations. Random analysis of CVR and FDR recordings is carried out for ensuring compliance with procedures.
- g. Incident reporting, investigations and follow up systems have been strengthened to ensure compliance with every recommendation of PIB investigations.

10.17 Financial Performance

The financial performance during the period from 2006-07 to 2011-12 (RE) is as under: -

(Rupees in crores)

Particulars	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12 (R.E.)
A) Total Revenue	233.79	243.41	328.82	396.09	430.45	445.75
B) Expenditure	180.38	183.53	254.44	310.38	335.12	366.51
I) Operating & non- Operating expenses						
ii) Depreciation	25.67	30.36	36.20	38.11	46.53	58.30
Total	206.05	213.89	290.64	348.59	381.65	424.81
C) Profit before prior period/ extraordinary Adjustments	27.74	29.52	38.18	47.50	48.80	20.94
D) Prior Period/ Extra-ordinary adjustment	(9.13)	0.65	9.77	7.64	0.66	15.95



Particulars	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12 (R.E.)
E) Profit/(Loss) after Adjustment	18.61	30.17	47.95	55.14	49.46	36.89
F) Provision for Income Tax/ Deferred tax liability	9.09	7.00	22.83	19.55	30.96	34.39
G) Net Profit after tax	9.52	23.17	25.12	35.59	18.50	2.50

Note: Net profit after tax in 2011-12 RE is lower due to significant provision required to be made towards deferred tax liability as per the requirements of Accounting Standard 22 of Institute of Chartered Accountants of India and interest cost for borrowings during FY 2011-12 RE on account of large capital cost of the acquisition of new fleet.

Claim to Government of India

In respect of pending issue of Government of India claim, the Ministry of Civil Aviation submitted a proposal to Ministry of Finance in December, 2007 that the Government may reconsider the claim by Ministry of Finance and waive off the total amount of Rs.470.22 crores (Principal amount Rs.130.91 crores and interest upto 31.03.2001: Rs.339.31 crores) claimed from the Company so that the existing funds could be utilized for fleet expansion and other capital outlay programmes which are essential for the survival of the Company under the competitive environment prevailing in the Civil Aviation industry in India. The Ministry of Finance has not agreed to this proposal and has advised that the Company be asked to deposit the said amount in Government Treasury. The Board of Directors of the Company on 21/08/2008 decided that the Company may pursue with the Ministry of Civil Aviation for full waiver of the claim of Ministry of Finance and appointed a Financial Advisor to examine the matter along with other related issues. The Financial Advisors submitted their Report on the impact of claim of Gol on valuation of the Company and recommended some options. According to this Report, payment of the amount claimed by Ministry of Finance is not a viable option for the Company. The Company has submitted in January, 2009 a draft Note for Committee of Secretaries to Ministry of Civil Aviation seeking waiver of the claim of Gol aggregating Rs.470.22 crores from PHHL. The matter is under consideration of the Government.

The Company had earlier made provision of Rs.339.31 crores during the financial years 1999-2000, 2000-01 and 2002-03 towards interest and other charges upto 31.3.2001 as claimed by the Ministry of Finance and the same is being carried forward.

10. 18 Emerging Scenario

Pawan Hans is the largest helicopter Company in India and its operating and maintenance standards are of a high order. The Company's relentless pursuit continued in achieving excellence by effecting all round improvement in safety and performance.

10.19 Women Welfare

Women Cells and Sexual Harassment Committee have been set up separately for all Offices of the Corporation. The Company has been making consistent efforts to promote all round development and ensure provision of all essential amenities for them. The Corporation has also been sponsoring women employees for in-house training as well as to outside specialized institutions for their skill upgradation.

10.20 Steps Taken To Improve Public Grievance Redressal Machinery

Pawan Hans mainly has long term contracts with selected customers like ONGC, State Governments and PSUs etc. Therefore complaints received are minimal and are being dealt with promptly within the stipulated time. Pawan Hans has a prescribed public grievance procedure including PGRAM to settle any public grievance. Further there exists a Public Grievance Redressal Machinery dealing with the complaints by Director at Corporate Office and Grievance Officer at Regions.

10.21 Representation of Sc/st As on 31.03.2012.

Name of the Organisation	Total No. of Emps.		%age	Total ST Emps.	%age	OBC Emps.	%age	
1	2	3	4	5	6	7	8	
Pawan Hans Helicopters Ltd.	520	82	15.76	40	7.69	47	9.03	

Pawan Hans has also employed persons with disabilities.

10.22 Implementation of Policy Statement For Abatement of Pollution.

Pawan Hans is endeavoring to maintain a pollution free environment and has been planting trees around its office premises in Delhi and Mumbai.

10.23 Vigilance

The Company has an independent Vigilance department headed by a Chief Vigilance Officer. Regular inspections, greater interface with the staff and periodic counseling has helped in streamlining procedures and imparting greater transparency and accountability in decision making. A sincere attempt at preventive vigilance has also exerted a healthy influence in promoting ethical work culture, imparting better control and discipline within the system, and in motivating the honest and committed employees. Conscientious functioning of the Vigilance department has added to the efficiency and image of the organization as well as to the code of accountability.

10.24 Use of official Language

More than 80% of our Officers and staff members possess working knowledge of Hindi and as far

as possible most of them do their official work in Hindi. Hindi dictionaries and other help literature have been provided to officers and staff to facilitate their working in Hindi. All documents covered under Section 3(3) of the Official Languages Act were issued bilingually i.e. both in Hindi and English. Provisions of Rule 5 of the Official Languages Rules were also complied with.

10.25 Citizen Charter/welfare Of Senior Citizens

PHHL has main cliental such as ONGC, various State Governments etc. The State Governments in various States in the North East have been utilizing the services of PHHL for running passenger services in their States. Pawan Hans is also providing helicopter services to passengers for Mata Vaishno Devi and Kedarnathji. Citizen Charter has been provided in the web site i.e. http://www.pawanhans.co.in. PHHL has been looking after Welfare of Senior Citizens by providing assistance to them wherever required.

10.26 Pending Audit Paras

Replies to Audit paras have been submitted to Ministry of Civil Aviation.

10.27 Corporate Social Responsibility

The Company is following Corporate Social





Responsibility role assigned to it as per the MoU for the year 2010-11 and 2011-12 and as per the CSR Guidelines issued by DPE. PHHL is preparing plan for skill development of economically weaker section of North East and financial assistance for education of economically weaker section in North East.

The Company has in September, 2010 framed Corporate Social Responsibility and Sustainability (CSRS) Policy based on the guidelines framed by Department of Public Enterprises.

10.28 Silver jubilee Celebrations

The Company celebrated completion of 25 years of commencement of helicopter operations from October 1986. Cultural show, award ceremony, Corporate film and launching of Road Map for growth of helicopter industry in India were organised. As part of celebration of 100 years of Civil Aviation in India, the Company organised painting and essay competition at the National level and awards were given.







11. Aero Club of India (ACI)

Aero Club of India (ACI), established in 1927 and registered under the companies Act 1956, is the apex body of the flying clubs, gliding clubs and aero sports organizations in India, which are engaged in powered Flying, Glider Flying, Skydiving, Hang Gliding, Ballooning, Microlight Flying, Parasailing, Aeromodelling and such aero sports activities. Aero club of India and its 22 member flying clubs are basically non-profit and non commercial organizations engaged in the

task of basic training of Pilots and Aircraft Maintenance Engineers. ACI is also engaged in promotion of Aerosprots in the country through its 22 Associate members.

ACI is being provided Grant-in-aid by Ministry of Civil Aviation, Govt. of India for procurement of trainer aircraft, simulators and Aerosports equipment for allotment to its members for promotion of flying training and Aerosports in the country.









12. Accounting System in the Ministry

12.1 The Secretary is the Chief Accounting Authority of the Ministry. Financial Advisor, Economic Advisor and the Financial Controller assist him in this task. The Financial Controller looksafterthe accounting organisation, with the assistance of an Assistant Financial Controller and seven Pay & Accounts Officers (PAOs). Accounting organisation comprises of the Principal Accounts Office, Internal Audit Wing, two Pay & Accounts Offices at Delhi and three outstation Pay & Accounts Offices at Mumbai, Kolkata and Chennai. The Principal Accounts Office consolidates the accounts of the entire Ministry and other related matters, apart from coordinating the administrative functions of all the Pay and Accounts Officers. The Principal Accounts Office also compiles Appropriation Accounts, Finance Accounts and Statement of Central Transactions, pertaining to the Ministry; arranges internal inspection of payments and the accounting records maintained by the various subordinate formations and conducts inspection of records pertaining to transactions of the Ministry.

The Internal Audit Organisation of the Ministry is headed by Financial Controller who is assisted by one Assistant Financial Controller, one Senior Accounts Officer and Four Assistant Accounts Officers. In addition to this, one Senior Accountant and one Accountant perform the miscellaneous duties pertaining to Internal Audit. This wing is responsible for internal inspection of accounts maintained by the Ministry and its subordinate / attached offices located across the country. Audit is carried out in accordance with the instructions and procedures laid down in the Internal Audit Manual

12.2 Audit Paras

A total of 27 paras included in the reports of the C&AG are outstanding as on 17.1.2012. Action Taken Notes (ATNs) have been sent to audit in

respect of 17 paras. Of these 17 paras, vetted remarks of audit have been received in respect of 12 paras and replies of audit in respect of remaining 5 paras are awaited. Further action in respect of those paras where remarks of audit have been received, is being taken. Organization-wise break-up of pending audit paras is as under:-

Name of Organisation	Number of pending paras	f
Ministry of Civil Aviation	4	
Airports Authority of India	10	
National Aviation Company		
of India Limited	11	
Pawan Hans Helicopters		
Limited	1	
Mumbai International Airport	1	
Private Limited		
Total	27	



Details of Pending Audit paras included in C&AG Reports (Civil)

S.No	No. & year of the	No. of paras/PAC	Details of the Paras/PAC Creports on which ATNs are		
	report	reports on which ATNs have been submitted to PAC after vetting by Audit	No. of ATNs not sent by the Ministry to the audit even for the first time	No. of ATNs sent but returned with observations and audit is awaiting their resubmission by the Ministery	No. of ATNs which have been finally vetted by Audit but have not been submitted by the Ministry to PAC
1	2	3	4	5	6
1	Para No. 3.1 of Report No. 9 of 2010-11 (Civil)	-	Four	-	-
2	Para No. 3.3 of Report No. 9 of 2010-11 (Civil)	-	-	-	-
3	Para No. 2.12.7 of Report No. 1 of 2010-11 (Civil)	-	-	-	-
4	Report No. 18 of 2011- 12 (Civil)	-	-	-	-



Most recent and important audit observation

S.No	Para No./ Report No.	Title of the para	Status as on 31.3.2012
1.	Report No.18 of 2011-12 (Civil)	Performance Audit of Civil Aviation in India	ATN is being prepared.
2.	Para No.21 of Report No. CA 3 of 2011-12	Management and Execution of Terminal Building Construction Projects.	ATN is being prepared.
3.	Para No. 2.2 of Report No. CA 3 of 2011-12	Procurement of Communication, Navigation and Surveillance Equipments.	ATN is being prepared
4.	Para No. 2.3 of Report No. CA 3 of 2011-12	Implementation of Operation, Management and Development Agreement (OMDA) entered into by Airports Authority of India with Delhi International Airports (P) Limited (DIAL).	ATN is being prepared.
5.	Para No. 2.4 of Report No. CA 3 of 2011-12	Injudicious investment on development of airport of Coochbehar.	ATN sent to audit on 26.12.2011. Vetted remarks of audit are received on 16.2.2012. Further action is being taken.
6.	Para No. 2.5 of Report No. CA 3 of 2011-12	Unauthorised withdrawal from the Escrow Account held in a fiduciary capacity on behalf of the Government of India by MIAL.	ATN is being prepared
7.	Para No. 2.6 of Report No. CA 3 of 2011-12	Idle investment on cargo handling equipment.	ATN sent to audit on 21.12.11. Vetted remarks of audit received on 16.2.12. Further action is taken.









13. Welfare of Women

13.1 Introduction

In accordance with the instructions of the Ministry of Women and Child Development, a Cell headed by a Women Director as Nodal Officer, is functional in the Ministry of Civil Aviation, for overseeing the work relating to women's welfare and for taking suitable measures to provide convenient and hassle free working environment to the women members of the staff. Further, as per the guidelines of the Hon'ble Supreme Court of India, a Complaints Committee has also been constituted to examine complaints relating to sexual harassment of women at work places and to suggest remedial measures to prevent such harassment. All the organizations under the Ministry have also set up similar Cells and Complaints Committees. Instructions received from Department of Women and Child Welfare, National Commission for Women etc. from time to time, are circulated to all concerned for necessary implementation. The position of women's welfare/ cases of sexual harassment in the Ministry and its organisations is being monitored periodically and necessary action is taken wherever called for.

The International Women's Day (8th March) was celebrated by this Ministry in a befitting manner as a part of the Centenary Celebrations at Vigyan Bhawan, New Delhi. A three-member Committee was constituted to recommend individuals and groups who have contributed significantly to the development of civil aviation in India, to be honoured on the occasion. Smt. Ambica Soni. Minister of Information and Broadcasting was the Chief Guest and Smt. Jayanthi Natarajan, Member of Parliament was the Guest of Honour. Shri Vayalar Ravi, then Union Minister for Civil Aviation presided over the function. The following individuals were honoured on the occasion for their outstanding contribution to the civil aviation sector, namely, Late Capt. Prem Mathur, Smt. Durba Bannerjee, Smt. Chanda Budhabhatti, S/Smt Bhavwanshree Gautam, Harpreet A De Singh, Capt. Aruna Kandarpa,

Sonica Chhabra, Tulsi Mirchandaney, Shobha Mani, Tuhinanshu Sharma, Aryam Sanyal, Kalpana Sethi, K. Hemalatha, R. Vasundara, Sapna Menon, Rajni Chandrasekhar, Kalpana Mazumdar and Tara Debnath.

On the eve of the International Women's Day also i.e. on 7th March, 2011 astreet play directed by Shri Arvind Gaur and presented by Ashmita Theatre Group, Delhi was organized in the main lawn of Rajiv Gandhi Bhawan by the Ministry. The Street Play attempted to portray the "Prejudices as well as stereotypes prevalent in the Society against Women". The Hon'ble Minister graced the occasion.

13.2 Gender Budgeting Cell

To look after the welfare of women in the Ministry, a Gender Budgeting Cell headed by a Director is functional in the Ministry. The broad functions of this Cell are:

- (i)To identify and ensure implementation of women welfare projects, laws and policies relating to women;
- (ii) To look after various aspects concerning working women in the Civil Aviation sector so as to examine the need for formulation of any specific schemes for welfare of women;
- (iii) Co-ordination with the Department of Women and Child Welfare and other concerned agencies in respect of budgeting exercise and allocating resources for women welfare programmes /schemes:
- (iv) To review Plan schemes and other programmes of the Ministry of Civil Aviation to ensure that the aspects of women's welfare, development and empowerment are promoted through the programmes/schemes;
- (v) Interaction with various organisations in the Civil Aviation sector on the Gender



Budgeting issues; and

(vi) Dealing with all matters relating to Gender Budgeting and inclusion of Gender issues in the Annual Report/Programme Budget.

13.3 Director General of Civil Aviation

The Women Cell in DGCA addresses the issue relating to women wherein the problems of women are heard and resolved promptly. The department has a Complaints Committee for examining complaints relating to sexual harassment of women at work place including their redressal and prevention. There is no incident of any type of harassment to women was received during the year 2011.

13.4 Bureau of Civil Aviation Security

Problems of the women employees, as and when reported, are promptly attended to and resolved, keeping in view specific requirements of Government Policy on the subject. A Complaints Committee has been set up to enquire into complaints of sexual harassment at workplace.

13.5 Commission of Railway Safety

The offices of the Commission are generally located in Railway Office Complexes and the facilities provided therein such as toilets, creche, tiffin room etc. are availed by the female employees of the Commission as well. The women employees also participate in Mahila Samiti (the women's welfare organisation of railways). The instructions on welfare of women employees, issued by Government of India from time to time are being implemented.

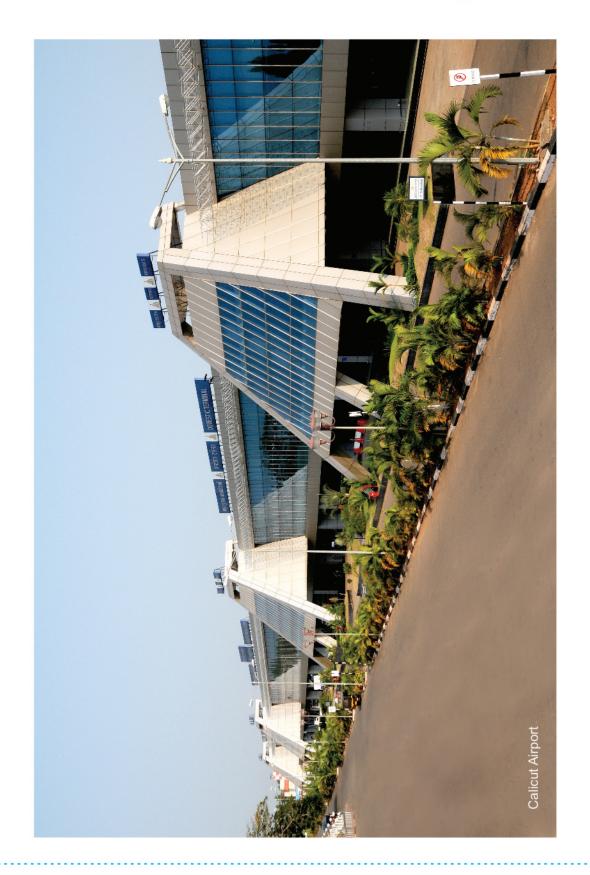
13.6 Air India Limited

The interests of women employees are safeguarded by the Air India Limited in various ways. There is a Women Cell in Welfare Section of HRD and in each of the regions where women can represent if they have any grievance. These Cells are functioning effectively.

A Committee on prevention of sexual harassment headed by a senior women executive of the company has been constituted. Further Committees have also been formed at the Departmental level to look into the grievances regarding sexual harassment of women employees. Also, suitable amendments have been carried out to the Air India Employees' Service Regulations as well as to Certified Standing Orders by including sexual harassment as one of the misconducts. The company is nominating its women employees to various training programmes/ seminars and conventions both in India as well as abroad. Air India also nominates its women employees to various conferences and seminars organized by WIPS (Women in Public Sector).

13.7 Pawan Hans Helicopter Limited

Women Cells and Sexual Harassment Committee have been set up separately for all Offices of the Corporation. The Company has been making consistent efforts to promote all round development and ensure provision of all essential amenities for them. The Corporation has also been sponsoring women employees for in-house training as well as to outside specialized institutions for their skill Upgradation.







14. Facilities to persons with disabilities

14.1 Implementation of Guidelines

The guidelines issued by the Government on implementation of provisions under the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 from time to time are strictly followed. The Directorate General of Civil Aviation has also issued instructions through Civil Aviation Requirement (CAR) relating to Carriage by Air of Persons with Disability and / or Persons with Reduced Mobility for compliance.

Directorate General of Civil Aviation (DGCA) has issued a Civil Aviaiton Requirement (CAR) on 1.5.2008 regarding carriage by Air of Persons with Disability and/or Persons with Reduced Mobility. This Car is available on the website of DGCA i.e. dgca.nic.in. As per the provision of CAR no airline shall refuse to carry persons with disability or persons with reduced mobility. DGCA has issued instruction to all scheduled domestic airlines to formulate a detailed policy for carriage of disabled persons or persons with reduced mobility including blind and publish the same on their respective website. All the airlines are also directed to make the above facilities available at different airports and also sensitize their employee in this regard.

14.2 Schemes / Budget Allocation

Although there are no separate schemes/budget allocations for the benefit of Persons with Disabilities, however all facilities are provided as per the existing guidelines of the Government, like reservations in the posts, special conveyance, concessions etc.

14.3 Facility to Disabled Passengers / Persons

- Free wheelchairs and ramps for physically challenged in the terminal building on city side and airside at the airports.
- Toilets for physically challenged in each of the facilitation area with appropriate signage and lifts for free movements of wheel chairs.
- · A separate ramp and a loading dock on the

airside for wheel chairs movement into the commissary truck and to remote parked aircraft.

- Allocated manned PCO booths for persons with disabilities and parking slots in the car parking area of airports, especially earmarked for physically challenged passengers driving their own vehicles.
- Barrier free booking facilities and security check enclosures are designed to permit movement of wheel chairs in the security check at the airports
- Disabled friendly Immigration Counter at International Airports is being designed to provide the facility.
- The Ministry has undertaken to review the existing guidelines providing facilitation to persons with disability/reduced mobility. A Committee has been constituted under the Chairmanship of Asok Kumar, Joint Secretary, with members from organizations involved with disability/reduced mobility, DGCA, AAI, BCAS, private airport operators, airlines and other stakeholders. The committee will look into aspects, such as study best practices in the world on the matter, latest UN/ICAO guidelines etc. dealing with persons with disabilities and come with a report for the appropriate modifications of the existing Civil Aviation Requirement (CAR).

14.4 Concession in Air journey

14.4.1 Facilities to Persons with Disabilities

Air India offers 50% discount on the normal Economy class Basic fare for travel on the Domestic Network to physically disabled persons suffering from **locomotor disability**, with appropriate certification from designated medical officers that they are suffering from locomotor disability to the extent of 80% and above.

14.4.2 Blind Persons

Air India offers 50% discount on the normal Economy class Basic fare to persons who are totally blind in both eyes for travel on the



Domestic Network with appropriate medical certification from designated medical institutions that they are completely blind in both eyes.

14.4.3 Cancer Patients

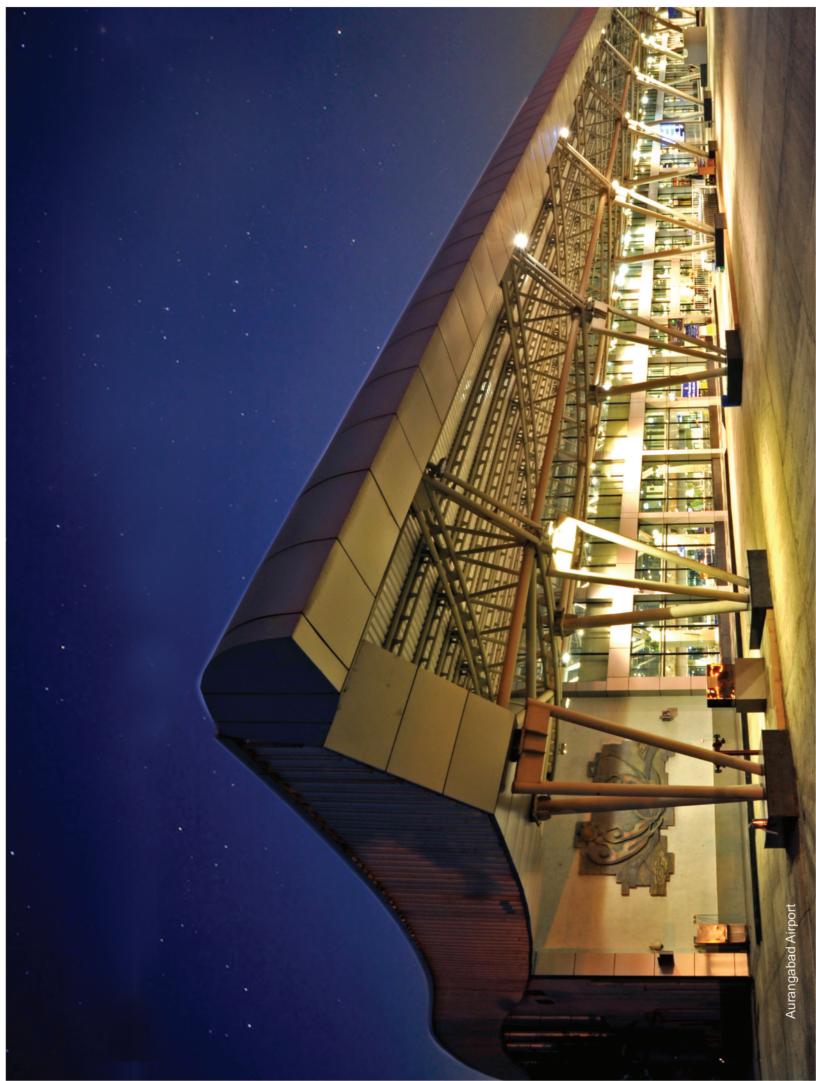
Air India offers 50% discount on the normal Economy class fare to Cancer Patients for travelling between Place of Residence and Place of treatment. The passenger is required to submit a form certified by a Cancer Institute / Hospital. Discount is available for travel on the Domestic Network and between India and Nepal.

14.4.4 Armed Forces Discount

On the Domestic Sectors, Air India offers50% Discount, on all levels of instant purchase Economy class basic fare, to the Armed Forces Personnel and related Categories. The discount is made available against the official ID Card issued by the Government of India. Related categories consist of Active Military Personnel and their Family members, Active Personnel of General Reserve Engineering Force and their family members, War Disabled Persons and their family members, Recipients of Bravery Award Level I & II and War Widows.







Representative of India (ROI) on the Council of ICAO for 2011

15.1 Aims and Objectives of ICAO

- The International Civil Aviation Organization is a specialized agency of the United Nations created with the signing in Chicago, on 7 December 1944, of the Convention on International Civil Aviation. ICAO is the permanent body charged with the administration of the principles laid out in the Convention.
- The ninety six articles of the Chicago Convention establish the privileges and restrictions of all Contracting States. The Convention accepts the principle that every State has complete and exclusive sovereignty over the airspace above its territory and provides that no scheduled international air service may operate over or into the territory of a Contracting State without its previous consent.
- The aims and objectives of ICAO, as contained in Article 44 of the Chicago Convention, are to develop the principles and techniques of international air navigation and to foster the planning and development of international air transport so as to:
- o ensure the safe and orderly growth of international civil aviation throughout the world:
- o encourage the arts of aircraft design and operation for peaceful purposes;
- o encourage the development of airways, airports and air navigation facilities for international civil aviation;
- meet the needs of the peoples of the world for safe, regular, efficient and economical air transport;
- o prevent economic waste caused by unreasonable competition;
- ensure that the rights of Contracting States are fully respected and that every contracting State has a fair opportunity to operate international airlines;

- o avoid discrimination between Contracting States:
- o promote safety of flight in international air navigation;
- o promote generally the development of all aspects of international civil aeronautics

15.2 Governance Structure of ICAO

- ICAO has a sovereign body, the Assembly comprising of 191 countries as Contracting States and a governing body, the Council. The Assembly meets at least once every three years and is convened by the Council. Each Contracting State is entitled to one vote, and decisions of the Assembly are taken by a majority of the votes cast except when otherwise provided for in the Convention. At these sessions, the complete work of the Organization in the technical, economic, legal and technical cooperation fields is reviewed in detail, and guidance is given to the other bodies of ICAO for their future work.
- The Council is a permanent body responsible to the Assembly and is composed of representatives from 36 Contracting States elected by the Assembly for a three year term. In the election, adequate representation is given to States of chief importance in air transport (Part I), States not otherwise included which make the largest contribution to the provision of facilities for international civil air navigation (Part II) and States not otherwise included whose designation will ensure that all the major geographic areas of the world are represented on the Council (Part III) (Annexure 1).
- The Council and its subsidiary bodies set the continuing direction of the work of the Organization. One of the major duties of the Council is to adopt International Standards and Recommended Practices (SARPs) and to incorporate these as Annexes to the Chicago



- Convention. SARPs are detailed in the 18 Annexes to the Chicago Convention that cover all aspects of international civil aviation.
- Although the Council is responsible for the adoption of SARPs, the principal body concerned with their development is the ICAO Air Navigation Commission. The Commission is composed of 19 persons qualified and experienced in the science and practice of aeronautics. Its members are nominated by Contracting States and are appointed by the Council. They act in their personal expert capacity and not as representatives of their nominators. The Commission is assisted by small groups of experts nominated by Contracting States and international organizations and approved by the Commission.

15.3 Secretariat of ICAO

• The Secretariat, headed by the Secretary General, is comprised of five main divisions: the Air Navigation Bureau, the Air Transport Bureau, the Technical Cooperation Bureau, the Legal Bureau and the Bureau of Administration and Services. There are seven Regional Offices around the world. In order for the work of the Secretariat to reflect a truly international approach, professional personnel are recruited on a broad geographical basis.

15.4 President and Secretary General

- The Council has a President and three Vice-Presidents who are elected by the Council. The President is elected by the new Council soon after its election in the Triennium Assembly and appointed for a period of three years.
- Mr. Roberto Kobeh Gonzalez (Mexico) has been elected as the President of the Council for a period of three years from October 2010.
- The Secretary General is elected and appointed by the Council for three years.
 Mr Raymond Benjamin from France was

- appointed for the first term of three years with effect from July 2009. The process of appointment of SG for 2012 -2015 is under process and Mr Benjamin has sought to be reelected for another term.
- ICAO works in close collaboration with other specialized agencies of the United Nations such as the International Maritime Organization, the International Telecommunication Union and the World Meteorological Organization. The International Air Transport Association, the Airports Council International, the International Federation of Airline Pilots' Associations and other international organizations participate in many ICAO meetings.

15.5 Strategic Objectives and Business Plan of ICAO

ICAO has developed a Business Plan for the period of 2009-2015 to support implementation of the three Strategic Objectives:-

- o Safety Enhance global civil aviation safety
- Security Enhance global civil aviation security
- Sustainable Development of Aviation and Environmental Protection

Enhance the efficiency and maintain the continuity of aviation operations and minimize the adverse effect of International civil aviation on the environment.

15.6 India and ICAO

 India attended the Chicago Conference in 1944 and since ICAO's inception, has been a member of its Council. India has maintained a Permanent Delegation comprising of a Permanent Representative of India with other staff. India participates in ICAO's organisational and governance activities in a very cooperative, constructive and positive way. India, upon election, and in pursuance to Assembly Resolution A4-1, is under obligation to participate fully in the work of governance of

ICAO through its Representative.

- India is elected as member of the committees on Finance, Air Transport, Technical Cooperation, Working Group on Efficiency and Edward Warner Prize Committee for the year 2011-12. India also is Chairman of Finance Committee for 2011-2012, as well was Coordinator of Forum a group of all Developing countries in the Council of ICAO.
- India has been making regular annual and voluntary contributions to regular and other specified significant activities of ICAO. During 2011, India made following contributions:

Regular Annual : CAD\$ 340,000/-Contribution US\$ 195,687/-

15.7 Functions of ROI to ICAO

- To represent India in the Council of ICAO and attend all Sessions of the Council, various subordinate bodies of the Council, Working Groups, Special Groups, etc; participate actively and effectively in the governance of ICAO in taking policy decisions relating to Budget & Management of ICAO, Safety, Security, Environment, laying down /amending Standards and Recommended Practices (SARPs).
- To maintain diplomatic and social contacts with all delegations of states to ensure reelection of India to the Council and also network for common stand on various policy matters.

- To maintain close and cordial contacts with the President/Secretary General and senior Secretariat officials of ICAO for flow of information between ICAO and Government of India.
- To systematically obtain advice of the Ministry/DGCA on major policy issues coming up for discussion in the Council and other bodies.
- To send reports on various sectors of civil aviation such as airport infrastructure, airlines, safety, security, etc. summarising overall trends and developments in global civil aviation, suggestions regarding important issues and initiatives for consideration of the Government and to keep the Government informed about major conferences/seminars/workshops training courses in which participation of officials of different levels from India may be useful.
- To visit the Ministry to hold discussions with different authorities/PSUs, make presentations on global developments of preceding period, and sensitise officials regarding follow-up action and discuss various pending matters with authorities.

15.8 Highlights of 2011

Council Sessions

 Following sessions of the Committee phase and the Council were held:

	Committee Phase	Council Phase
192 nd Session	17 th Jan-04 th Feb 2011	28th Feb-18th March 2011
193 th Session	02 nd May-20 th May 2011	13 th June-30 th June 2011
194 th Session	19 th Sept-07 th Nov. 2011	31 st Oct-18 th Nov. 2011



Meetings of the Air Navigation Commission were held in parallel during the Committee phase to prepare Papers on Technical matters for the Council phase.

State Letters

 A total of number of 62 Electronic Bulletins and 80 State Letters were issued by ICAO.
 The response of India to these State Letters improved remarkably as compared with previous years. All actionable State Letters were responded by concerned authorities in India.

ROI's Periodic Reports

 ROI submitted detailed reports to the Ministry on all major follow up decisions of the 37th Assembly, Council, Conferences, Seminars, Workshops, Special Groups and Symposia including Mission Reports of ROI visits to India for follow-up actions at appropriate levels in the Government.

Amendments to Annexes

The Council adopted 10 amendments in the following Annexes:

Amendment 170 to Annex 1

Amendment 86 to Annex10, Vol.1

Amendment 10 to Annex 18

Amendment 10 & 17 to Annex 16, Vol 1 & 2 respectively

Amendment 22 to Annex 9

Amendment to foreword to Annex 9

Amendment 35 to Annex 6 (Part I)

Amendment 30 to Annex 6 (Part II)

Amendment 16 to Annex 6 (Part III)

Amendment 103 to Annex 8

India is in the process of legislating upon these amendments for harmonized application by concerned stakeholders.

Aviation Security Panel Meeting

The Aviation Security Panel (AVSEC) held its twenty-second meeting from 26-30th March 2011. The Aviation Security Panel (AVSECP) was established by the ICAO Council in 1986. The composition and size of the Panel has changed a number of times since then, and

currently comprises 27 members including representative from India. The Panel's Terms of Reference require it, for example, to develop SARPs and procedures for the purpose of safeguarding civil aviation against acts of unlawful interference, to identify and examine new and emerging threats against civil aviation and to develop and recommend appropriate countermeasures against such threats, to provide advice to the Council on policy development on aviation security issues, and to work closely with the International Explosives Technical Commission (IETC), the Ad Hoc Group of Specialists on the Detection of Explosives (AH-DE) and other technical bodies. The Panel meeting was attended by MR G S Malhi, Commissioner of BCAS and two other officials of BCAS.

The Panel meeting produced recommendations to strengthen and support the ICAO Aviation Security Programme, including enhancements to international standards and recommended practices. The Panel stressed that it was desirable to explore innovative uses of passenger data and its impact on enhancing security and expressed strong support for adopting and fully implementing existing means of achieving close international cooperation, including the sharing of threat information. This panel's proposed strategy comprises seven focus areas: addressing new and existing threats; promoting innovative, effective and efficient security approaches; promoting the sharing of information amongst member States; promoting global compliance and establishing the sustainable aviation security oversight capability of States; improving human factors and security culture; promoting the development of mutual recognition for aviation security processes; and emphasizing the importance of security amongst States and stakeholders.

15.9 Conferences of 2011

Regional Conference on Aviation Security, New Delhi:-

The first Regional Conference on Aviation Security was organized by the Ministry of Civil Aviation in New Delhi with the support of ICAO

on 14-15 February 2011. The Conference inaugurated by the Minister for Civil Aviation saw the participations of Ministers and senior officials from Afghanistan, Bangladesh, Bhutan, India, Maldives, Malaysia, Mauritius, Nepal, Pakistan, Saudi Arabia, Singapore, Sri Lanka, Thailand, United Arab Emirates, observer States (Australia, United Kingdom and the United States of America), the European Commission on behalf of the European Union as an observer, the Secretary General of the International Civil Aviation Organization (ICAO), and Representatives of the International Air Transport Association and Airports Council International. The two day conference considered progress toward strengthening aviation security in accordance with the Declaration on Aviation Security adopted unanimously by the ICAO Assembly at its 37th Session in Montréal, in October 2010. A Joint Declaration was prepared which prepared the action points related to nine areas of Aviation Security and concluded that the signatories would support further action at an international level, through the auspices of ICAO, to ensure consistent and mutually recognized development of the action items. To this end, the high-level aviation security meeting of all ICAO Member States planned by ICAO for the second half of 2012 would ensure that the Declaration be implemented to the fullest extent possible.

Global Runway Safety Symposium (GRSS)

The Global Runway Safety Symposium was held in Montreal from 24-26th May 2011, It was attended by a delegation from India led by DGCA, India and other officials from Airports authority of India. The Symposium was attended by over 430 participants from around the world and was a great success.

The objective of the symposium was to be part of a unique event that will bring together experts from diverse professional domains to determine a multidisciplinary approach to improving runway safety outcomes worldwide and to learn about different mitigation strategies already in use and the latest research and developments in this sector. These sectors included:

- Regulators
- · Aircraft operators
- · Air navigation service providers
- Aerodrome operators
- · Aircraft manufacturers.

The Global Runway Safety Symposium (GRSS) successfully addressed the following issues:

- Highlight the evolution towards a more integrated safety management approach in ICAO's runway safety programme.
- Coordinate a global effort for improving runway safety by identifying what a State can do to improve runway safety outcomes.
- Identify a common framework for the enhancement of runway safety.
- Promote and gain commitment from partners to deliver regional runway safety workshops across the globe.
- Identify content and format for subsequent runway safety workshops.

Fatigue Risk Management Systems (FRMS) Symposium and Forum

ICAO hosted the first ever Fatigue Risk management Symposium from 30-31st August 2011, followed by Third annual meeting of FRMS forum from 01st- 02nd September 2011 at ICAO Head Quarters, in Montreal, Canada. It was well attended by about 500 participants consisting of experts in the fields of Fatigue Management, Aviation Medicine, Airline Industry, Regulators. India was represented by officials from DGCA and Air India. The Symposium addressed themes related to the oversight and implementation of FRMS. It examined the scientific principles that should form the basis of both prescriptive and nonprescriptive fatigue management regulations and focused on the more controversial issues for States and operators, including the role of biomathematical models in FRMS, and relationship between FRMS and safety management systems (SMS).

India presented Dr Nasim Zaidi Committee report on Flight Duty Time Limitations (FDTL) and rest requirements for flight crew members in



India, which was in line with the FRMS approach of ICAO, which was appreciated.

After the Symposium, the Third Annual Meeting of the FRMS Forum took place, The FRMS Forum provided a vehicle for industry specialists to share knowledge and experiences of creating, implementing and overseeing an FRMS. The meeting further developed themes related to the regulation and implementation of FRMS with a more hands on approach, and included comparisons of various fatigue modelling software and a sharing of best practices for various operational contexts. The content had high relevance to operators and regulators alike.

Twentieth Meeting of the Technical Advisory Group on Machine (TAG - MRTD/20) Readable Travel Documents was held on 7-9 September 2011 in Montreal.

Seventh Symposium and Exhibition on ICAO MRTDs, Biometrics and Security Standards 12th-15th September 2011

This important annual event addressed ICAO MRTD standards and specifications, identity management best practices and related border security issues. The 2011 MRTD Symposium marks the tenth anniversary of the 9/11, which serves as a reminder that terrorism remains a serious ongoing threat to aviation and national security. This year's Symposium focused on the role of MRTDs and border controls in combating and preventing terrorism and related transborder crime, also links with aviation security which is being redefined and broadened, made more intelligence-led; paying increasing attention to the details and patterns of travellers, which relies on robust identity management.

Global Air Navigation Industry Symposium Preparation (GANIS)

ICAO hosted the Global Air Navigation Industry Symposium Preparation (GANIS) from 20-23rd September 2011 at ICAO Head Quarter, Montreal, Canada.

The Symposium provided an opportunity to discuss emerging issue and to chart out the next steps to achieve a seamless global air navigation system which were the primary objectives of the

global event. It was particularly relevant to the Aviation System Block Upgrades and the Communications, Navigations and Surveillance Roadmaps leading up to the Twelfth Air Navigation Conference, which will take place in 2012. The widely attended symposium with over 500 participants from all over the world also covered important topics like Air/Ground and Ground/Ground communication, Enroute and Terminal Navigation System, Aerodrome Surveillance and Industry perspective on ICAO CNS/AIM and Avionics Roadmaps. India was represented by a team from Airport Authority of India which gave a presentation in the symposium on India's plans on the Aviation System Block Upgrades, which was very well received and appreciated by ICAO secretariat.

ICAO Air Services Negotiation Conference (ICAN/2011), Mumbai, India 17-22 October 2011

Ministry of Civil Aviation hosted the 4th IVAO Civil Aviation Negotiation Conference 2011 (India-ICAN 2011) in Mumbai during 17-22 October 2011. President of India HE Mrs. Pratibha Patil inaugurated the conference which was held under the aegis of the International Civil Aviation Organization (ICAO). The venue of the conference was Hotel Tal Mahal Palace, Mumbai. In this conference, approximately 350 delegates from more than 68 countries participated. Earlier conferences were held in Dubai, Istanbul (Turkey) and Jamaica. Such conferences are held to improve efficiency of bilateral negotiations and processes, which also provide an opportunity for countries to hold a series of bilateral negotiation at one place with considerable saving of time and travel. These Conferences has been extremely successful with the number of participating countries increasing each year. The ensuing conference has attracted the highest participation with a record number of bilateral agreements signed during this event.

ICAO Symposium on Regional Safety Oversight Organization (RSOOs)

ICAO hosted the Symposium on Regional Safety Oversight Organization from 26-28th October



2011 at ICAO Head Quarters, Montreal, Canada.

The purpose of the Symposium was to bring together all parties that have a stake in the establishment and management of RSOOs (including the COSCAPs), in order to, as mandated by the Assembly Resolution A37-8, to promote the concept of regional cooperation for the purpose of enhancing safety oversight in the regions. The proposed themes covered such areas as the ICAO's existing Policy and Framework for Regional Cooperation and the challenges facing RSOOs over the current ICAO triennium. The latter included topics such as the RSOO's role in respect to new ICAO strategies and programmes, to include the continuing Monitoring Approach, the development and implementation of State Safety Programmes and the role to be played by RSOOs in the ICAO Regional Aviation Safety Groups. A related topic was on the need for ICAO and the RSOOs to collaborate on the development and implementation of work programmes, in order to ensure alignment with the ICAO strategic objectives. In addition, matters relating to the sharing of safety information and data and the creation of common database were also the topics for discussion. The need for RSOOs to develop sound business plans and funding mechanisms that will sustain them in the long term and the role to be played by the donor community and financial institutions, were also the topics for discussions. India was represented by AAI.

ICAO Aviation and Sustainable Alternative Fuel Workshop

Building upon the achievement of the ICAO Workshop and Conference on Aviation and Alternative Fuels held in 2009, and the result of the 37th Session of the ICAO Assembly in 2010, the ICAO workshop in Montreal from 18th to 20th October 2011 provided a forum for the exchange of information on the state of worldwide activities on sustainable alternative fuels for aviation. Among others, discussions revolved around the states of the global harmonization of life cycle analysis methodologies, sustainability criteria, and legal and regulatory frameworks which

ensure the availability of supplies of sustainable alternative fuels for aviation.

15.10 EU ETS in Aviation

Regardless of non-EU States' obligations and concerns, the EU unilaterally passed the regulation to include aviation in the European Union Emissions Trading Scheme (ETS). The EU ETS affected all aircraft operations (as defined by their ICAO designator, or if none is available, their aircraft registrations numbers) regardless of where they are based, provided that they operated flights departing from and/or arriving at an aerodrome in the EU. The inclusion of international civil aviation in the EU ETS is a unilateral measure and in contravention to the articles of the Chicago Convention and its Preamble.

The inclusion of international civil aviation in the EU ETS is a marked-based measure (MBM) affecting non-EU States and their operators which has been put in operation without any concurrence of ICAO or the non-EU Members States who are affected by this scheme. ICAO Member States in the 37th Assembly held in September –October 2010 (Resolution A37-19) decided that ICAO Council will develop a framework for MBMs (which includes ETS) and present it before the 38th Assembly. Implementation of the EU ETS has pre-empted this resolution of the last Assembly which was duly supported by all ICAO Member States, including EU Member States.

A group of Council and other Member States of ICAO met in New Delhi on 29 and 30 September 2011 to discuss implications relating to inclusion of international civil aviation in the EU ETS. The group adopted a Joint Declaration urging the EU and its Member States to refrain from including flights by non-EU carriers to/from an airport in the territory of an EU Member States in its Emissions Trading Scheme.

A working paper was presented by the Representative of India to ICAO in the 194th session of ICAO Council on 2nd November 2011. This paper was supported by the following 26 Countries: Argentina, Brazil, Burkina Faso, Cameroon, China, Colombia, Cuba, Egypt,



Guatemala, India, Japan, Malaysia, Mexico, Morocco, Nigeria, Paraguay, Peru, Republic of Korea, Russian Federation, Saudi Arabia, Singapore, South Africa, Swaziland, Uganda, the United Arab Emirates and the United States. The ICAO Council adopted the New Delhi Declaration and urged the EU and its Member States to refrain from including flights by non-EU carrier to/from an airportin the terriotory of an EU.

Member States in its emission trading system. The Representative of India in ICAO is leading the 26 non EU member States of ICAO Council to convince the EU States in ICAO to withdraw the application of scheme for non-EU carriers and work with ICAO to develop a global framework for market based measures as mandated by ICAO Assembly in 2010.

15.11 Technical Cooperation Projects between ICAO and India

The following projects were under implementation or completed in 2011:

 IND/07/816-Enhancement of safety Oversight Capabilities (value US\$491,000)-DGCA

The objective of this project was to review the flight safety oversight system and to bring aboutsystemic chances as required.

 IND/08/0802-Navi Mumbai Master Plan/detailed project report/preliminary design review (value US\$368,100) - DGCA

This project was to assist City and Industrial Development Corporation of Maharashtra Limited (CIDCO) in the review of the NMIA Master Plan, Detailed Project Report and preliminary designsbeing developed by CIDCO's Prime Consultant. ICAO reviews were to focus primarily on assuring compliance of the plans/ documents with ICAO Standards and Recommended Practices (SARPs) contained in the relevant Annexes to the Convention on International Civil Aviation, guidance material contained in Manuals and State Letters, DGCA issued Civil Aviation Requirement (CAR) and

Bureau of Civil Aviation Security issued guidelines.

 IND/08/0802 – TEFS for establishment of new international airport at Chennai (Value US\$941,900)-AAI

Under this project ICAO would assist AAI in the preparation of a techno-economic feasibilities study for the construction os a second international airport for Chennai including study on dual airport operation. The study would establish a basis for the Government of India to take a decision on the establishment for a second airport formetropolitan Chennai at the proposed site near Sriperumbudur and guiding its growth from inception to ultimate development considering, inter-alia, its simultaneous operation with that of the existing Chennai International Airport (CIA). A strategy will be proposed for the operation of the two airports, providing guidance on the subject of traffic split between the two and on the timeframe for the development of the second airport considering the current proposals of the Government to expand and modernize CIA ti its ultimate capacity. A Master Plan for the second airport and proposal for the first phase development of the Master Plan will be prepared.

 IND/08/810-Establishment of ANS Regulatory and Safety Oversight Capability(Value US\$ 1,062,100) - DGCA

The objective of the project is provide assistance to the Directorate General of Civil Aviation in the establishment and effective functioning of an ANS Directorate in the performance of its ANS regulatory and safety oversight duties, functions and responsibilities and in the implimentation of the Corrective Action Plan of the state prepared to address the ICAO USOAP Audit observation and recommendation.

 RAS/04/901-Study of Aviation Security Arrangements and Procedures in India (Value US\$ 123,200)

This project funded by the Ministry of Civil Aviation, the Government of India, is carried

out under Annex 1 to the Cooperative Aviation Security Programme Asia/Pacific (CASP-AP) PhaseII Project. Annex 1 was signed in September 2010.

The objective of this project is to provide assistance to MoCA in the development of a plan for the restructuring of administration of the Bureau of Civil Aviation Security, for the setting up of a dedicatede aviation security, and for alternative mechanisms to discharge non-core functions. The Terminal roport was delivered to MoCA in August 2011.

15.12 Members States of International Civil Aviation Organisation

Part I (11)	Part II (12)	Part III (13)
States of chief importance to air transport	States which make the largest contribution to the provision of facilities for international civil air navigation	States ensuring geographic Representation
Australia	Argentina	Cameroon
Brazil	Egypt	Guatemala
Canada	Denmark	Chile
China	India	Cuba
France	Mexico	Morocco
Germany	Nigeria	Malaysia
Italy	Saudi Arabia	Swaziland
Japan	Singapore	Republic of Korea
Russian Federation	South Africa	Slovenia
United Kingdom	Spain	Burkina Faso
United States	Belgium	UAE
	Colombia	Uganda
		Paraguay





ANNEXES TO THE CONVENTION

Annex 1—Personnel Licensing

Annex 2-Rules of the Air

Annex 3—Meteorological Service for International Air Navigation

Annex 4—Aeronautical Charts

Annex 5—Units of Measurement to be Used in Air and Ground Operations

Annex 6—Operation of Aircraft

Annex 7—Aircraft Nationality and Registration Marks

Annex 8 — Airworthiness of Aircraft

Annex 9—Facilitation

Annex 10—Aeronautical Telecommunications

Annex 11—Air Traffic Services

Annex 12—Search and Rescue

Annex 13—Aircraft Accident and Incident Investigation

Annex 14—Aerodromes

Annex 15—Aeronautical Information Services

Annex 16—Environmental Protection

Annex 17—Security C Safeguarding International Civil Aviation Against Acts of Unlawful Interference

Annex 18—The Safe Transport of Dangerous Goods by Air



Civil Airports of India

