

Chapter 5

Passenger Facilities Infrastructure

5.1 ICAO has laid down standards and recommended practices on 'Facilitation'. From an airport administration's point of view, the two important areas of facilitation which require to be closely monitored are the entry and departure of passengers and their baggage and the facilities and services available for the passengers in the airport.

5.2 *Capacity saturated in major airports*

One of the objectives of the Policy on Airport Infrastructure was to provide capacity ahead of demand in order to handle an increasing volume of air traffic and to garner maximum share of traffic in the region. The Authority was unable to achieve the objective in many of the airports. The Authority conducted surveys in selected airports during 2004-05 in areas like check-in, immigration, customs, security and baggage delivery. An analysis of the surveys revealed that the above facilities were either already saturated or inadequate for future passenger demands. In 11 out of the 18 airports surveyed (Ahmedabad, Amritsar, Bangalore, Chennai, Goa, Delhi (except Terminal 1A), Khajuraho, Madurai, Mumbai (except Terminal IA and IIC), Trichy and Varanasi), both the departure and arrival capacity were already saturated. In the remaining seven airports (Coimbatore, Hyderabad, Jaipur, Lucknow, Kolkata, Ranchi, and Thiruvananthapuram) these would be saturated between 2006-07 and 2018-19.

5.3 *Fall in customer satisfaction level*

The Authority carried out customer surveys at 40 airports through the Agricultural Finance Corporation during 2004-06 on the facilities and services provided by the Authority, expectations of customers, feedback on introduction of new services and reasons for dissatisfaction. Audit examined the report of the second round of survey conducted during April-May 2005. The overall customer satisfaction index during the second round was 74 per cent against 75 per cent in the first round conducted during October-November 2004. Audit observed that in some of the services the ratings were even below 70 per cent in the second round in a number of airports as shown below:

Facility	Airports
General comfort	Bangalore, Chennai, Kolkata, Bhopal, Calicut, Chandigarh, Dibrugarh, Imphal, Indore, Rajkot, Silchar, Srinagar, Trichy, Varanasi and Visakhapatnam.
Toilets	Ahmedabad, Amritsar, Bangalore, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai, Bhopal, Calicut, Chandigarh, Coimbatore, Dibrugarh, Imphal, Indore, Madurai, Patna, Rajkot, Silchar, Srinagar, Trichy and Visakhapatnam.
Flight information system	Ahmedabad, Amritsar, Bangalore, Chennai, Guwahati, Kolkata, Agartala, Bhubaneswar, Chandigarh, Dibrugarh, Imphal, Indore, Madurai, Pune, Rajkot, Silchar, Srinagar, Trichy, Varanasi and Visakhapatnam.
Trolley accessibility	Ahmedabad, Amritsar, Bangalore, Chandigarh, Dibrugarh, Imphal, Srinagar and Visakhapatnam.

5.4 Delay in commissioning of Flight Information Display System

During 2002-03, the Authority installed Flight Information Display System (FIDS) at 14 domestic airports. Based on further urgent requirement from seven airports for nine systems, the Authority called for global tenders (October 2003) pending administrative approval and expenditure sanction of Rs.4.07 crore. The tender action was subsequently (November 2003) cancelled and regions were directed to initiate procurement at their level. No action for procurement was however initiated and the proposal was again taken up at Headquarters and sanction was accorded for Rs.8.25 crore (December 2005). Tender action had since been initiated (March 2006). The Management stated (September 2006) that as the procurement at regional level did not materialise, action was taken at Headquarters for consolidating the requirement and this exercise took time. Audit observed that in the earlier proposal (October 2003), tender action was initiated even before approval and sanction on the grounds that the installation was to be completed within three to four months. The delay of over two years in again taking up the proposal was unwarranted not only on account of the doubling of cost (from an estimated Rs.4.07 crore in October 2003 to Rs.8.25 crore in December 2005) but also on account of denial of facilities to the passengers as they had to depend on other flight information systems like public address system, closed circuit TV etc. which had their inbuilt deficiencies.

5.5 Planning and Managing Terminal Facilities

5.5.1 Inappropriate distribution of flights between terminals

The distribution of flight handled by the two departure terminals 1A and 1B at **Delhi** was not optimal. A study conducted by the Authority (June 2005) revealed that more than 35 per cent of Terminal 1A was underutilised whereas Terminal 1B was already saturated. Terminal 1A was exclusively being used by Indian Airlines and from April 2005, it allowed a private operator, Kingfisher Airline to use Terminal 1A as the latter entered into a ground handling agreement with the former. Audit observed that as per projections, Terminal 1A would be saturated only in 2016-17. The congestion now witnessed at Terminal 1B could have been at least minimized with a more appropriate distribution of flights between the two terminals.

5.5.2 Non utilisation of Terminal and Infructuous expenditure on project

Terminal II B at **Mumbai** airport was closed for operation on commissioning of Terminal II C in September 1999. The Authority approved (March 2003) proposal for extension of Terminal II B at a cost of Rs.48.60 crore and further modification and upgradation at a cost of Rs.45.50 crore. The works were, however, not taken up due to the proposed restructuring of the airport. Terminal II B, closed for operations in September 1999, remained idle upto June 2005. The Management stated (August 2006) that the terminal had been made fully functional by integration of operations at different levels. However, the Terminal II B was not used for passenger handling between September 1999 and June 2005.

The work relating to a new taxi stand at Mumbai airport was completed during September 2004 at a cost of Rs.2.53 crore. However till March 2006, the taxi stand was lying vacant. The Management stated (August 2006) that the new taxi parking had been planned to cater to the future modification of car park. Since the modification works of existing car park could

not be taken up due to restriction by the Ministry on taking up major schemes, the shifting of the taxi park could not take place. Non use of the new taxi stand amounted to denying better facilities to the passengers and rendering the amount spent on construction (Rs.2.53 crore) infructuous.

5.5.3 Non synchronisation of project activities

The work of construction of new domestic departure building at **Ahmedabad** awarded in June 2002 for Rs.11.93 crore with scheduled date of completion as December 2003 was completed in August 2005 at a cost of Rs.14.81 crore involving time overrun of 20 months and cost overrun of Rs.2.88 crore. The construction of the building included a cost of Rs.3.67 crore towards civil and electrical works for aerobridges and related facilities. Although the civil and electrical works for the aerobridges had been completed, the required aerobridges were yet to be procured (March 2006). Non synchronisation of the procurement of the aerobridges with the construction of the building thus kept the related facilities created at a cost of Rs.3.67 crore lying idle since August 2005. The Management stated (September 2006) that the procurement of aerobridges was under finalisation.

5.5.4 Delay in completion of upgradation work

The proposal for upgradation and development of the airport at **Amritsar** including construction of terminal building was approved (November 2000) at a cost of Rs.79.27 crore. The work was planned for completion within 36 months.

After a delay of 27 months since the approval of the project, the work of construction of the new terminal building was awarded (February 2003) to M/s HSCL for Rs.16.80 crore with a time schedule of 12 months for its completion. As the performance of the contractor was poor, the contract was rescinded (September 2003) and the remaining work was re awarded at the risk and cost of HSCL to M/s TLBT (May 2004) at a negotiated rate of Rs.16.34 crore with scheduled completion by March 2005. The amount recoverable from HSCL at this stage worked out to Rs.1.40 crore. The work was yet to be completed in full (March 2006). As regards recovery of the additional cost of Rs.1.40 crore from HSCL, the Management stated (August 2006) that the matter had gone for arbitration and the case was in the preliminary proceedings stage.

5.5.5 Capital investment in project with negative IRR

The work relating to expansion and modification of terminal building at **Srinagar** airport was awarded (October 2004) at a cost of Rs.36.15 crore. The work commenced in November 2004 and was expected to be completed by September 2006. Upto March 2006 however, only 30 *per cent* of the work had been completed. Audit observed that Srinagar was a loss making airport and the internal rate of return (IRR) for the project was negative. Therefore taking up the project without reimbursement of cost by the Government was not in accordance with the Policy on Airport Infrastructure. The Management stated (August 2006) that it had already requested the Ministry for providing grant for development of the airport. The Authority was yet (November 2006) to get any funds from Central or State Government to support the unviable project.

5.5.6 Delay in commencement of work after issue of award

The construction of the terminal building at **Agartala** commenced in April 1998, 33 months after award of work for preparation of detailed engineering, execution and project management to M/s RITES in July 1995. The project was expected to be completed by December 1999 in two phases, but was actually completed after a delay of one year for Phase-I (February 2001) and three years for Phase-II (August 2002). The delays were mainly due to delay in handing over of the entire site and belated decision of the Authority to aircondition the entire building. Phase-II also suffered due to delay in release of funds by the Authority. This necessitated revision in the project cost from Rs.18.45 crore to Rs.27.61 crore. Increase in total cost was due to additional works of Rs.5.76 crore and Rs.3.41 crore due to cost escalation. Against original sanction of Rs.13.15 crore for eight work packages, RITES had reassigned the packages to sub-contractors for an amount of Rs.16.24 crore without obtaining the Authority's prior approval for increase in cost as required under para 3.12 of scope of work of the agreement. On account of this increase, the Authority also had to bear additional Project Management Fee payable to RITES amounting to Rs.22.29 lakh. The Management replied (August 2006) that as per contract agreement project management fee was payable.

5.5.7 Delay in rescinding contract

The work of construction of new terminal building at **Porbandar** was awarded (February 2000) at a cost of Rs.5.28 crore and was scheduled to be completed by August 2001. The progress of the work was very slow from the beginning due to non availability of drawings from the consultants appointed by the Authority. The contractor stated (July 2000) that the whole process of execution of work would be jeopardised due to this. Extension of time upto February 2003 was then granted. Though the drawings were made available to the contractor by February 2002, the progress achieved upto December 2002 was only 22 *per cent*. The work was stopped by the contractor unilaterally from December 2004 even though further periodical extension of time was given by the Authority till March 2005. The Authority issued notice of termination to rescind the contract. But the contractor replied that the agreement between the parties had already expired in October 2004 and there could be no termination of an already expired contract. After filing a caveat the contract was finally rescinded in August 2005 and the work was re tendered in December 2005 and awarded to another contractor at the risk and cost of the first contractor. The work was in progress (March 2006). Audit observed that after considering the slow progress of work, the project in charge recommended (January 2003) rescinding of the contract but there was inordinate delay in taking the decision. The Authority also did not take action to renew the performance guarantee of the first contractor (Rs.26.38 lakh) which lapsed on 7 December 2004. In addition to the work relating to the terminal building, various work orders relating to air conditioning, sub-station equipment etc. were completed by other contractors. As the terminal building was not ready, these equipment valuing Rs.79.31 lakh remained idle. The Management in its reply (September 2006) did not dispute the Audit findings.

5.5.8 Terminal Buildings lying idle for want of flights

The terminal Building at **Gaggal** constructed at a cost of Rs.2.66 crore during April 2003 was lying idle without any use. Equipment such as baggage X-ray machines, door frame metal detector and conveyor belt installed in the new building at a cost of Rs.74.34 lakh were also lying idle as there was no scheduled flight operation in the airport.

Similarly the terminal building for the **Pathankot** airport completed at a cost of Rs.3.28 crore was lying idle since December 2003. The Management replied (August 2006) that the developmental works at Gaggal airport was taken up on the request of the Himachal Pradesh State Government and funded by them. However, the Authority was not able to recover the extra expenditure incurred on the project from the State Government (**Para 2.4.1 supra**). As regards Pathankot project, the Management stated (August 2006) that it was taken up on socio economic consideration for the benefit of the States of Punjab and Himachal Pradesh, since the airports at Bhuntar, Gaggal and Shimla were unable to cater to the operation of bigger type of aircraft. The reply is not acceptable as the Amritsar airport is situated very close to Pathankot and it can handle large aircraft.

5.6 Delay in shifting of Yellow Fever Hospital

During December 1997, it was suggested to shift the Yellow Fever Hospital (YFH) at Delhi airport from the existing location to an alternative location to augment the car park capacity at the Terminal – IA. Alternative locations were also suggested. However, after a lapse of seven years the proposal to shift the hospital was yet to be implemented. Audit observed that the traffic flow-revamping scheme undertaken at the airport also required clearance of the hospital area for implementation of the unidirectional movement pattern. The inordinate delay in shifting the YFH deprived the Authority of sizable non traffic revenue. The Management replied (September 2006) that the proposal involved relocation of many structures which was not found possible at that time and the experts were again requested to work out the traffic pattern to ease traffic flow at Terminal I B and II keeping in view the existing constraints. The traffic flow had however not eased as of September 2006.

Recommendations

- Terminal capacity should be created ahead of demand as contemplated in the Policy on Airports Infrastructure taking into consideration realistic passenger forecast, business potential and linkage with other airports.
- Adequate availability of aerobridges, passenger baggage trolleys, flight information systems etc. in good working condition may be ensured.