

Civil Aviation

37. Domestic air services in the country are provided by the Indian Airlines Ltd. and private airlines (scheduled and non-scheduled), while international services are provided by Air India Ltd. and Indian Airlines Ltd. Pawan Hans Helicopters Ltd. provides helicopter services to the petroleum sector and the NorthEastern region of the country. Infrastructural facilities at airport terminals are taken care of by the Airports Authority of India (AAI).

38. At present 5 scheduled private operators are providing domestic air services along with Indian Airlines in the public sector. There are also 22 air-taxi operators providing air-taxi/non-scheduled air transport services. Around 34 per cent of the domestic air transport is being presently catered to by private operators with the number of passengers availing private air services having increased from 15,000 in 1990 to 49.1 lakh in 1996.

39. Indian Airlines continues to be the major player in domestic air transport services. The company reduced its net losses to Rs 14.6 lakh in 1996-97 from Rs 110 crore in 1995-96. At the same time, it registered an operating profit of Rs 135.3 crore in 1996-97. The number of passengers carried by Indian Airlines grew by

5.6 per cent in 1996-97. The company has also lately introduced 4 new international services and also a few new domestic traffic routes. The Airlines Allied Services Ltd. has been revitalised as Alliance Air.

40. In 1996-97, the Airports Authority of India (AAI) earned a net profit of Rs 132.1 crore as against Rs 145.2 crore in 1995-96. The lower level of profit is mostly attributable to higher scale of pay and allowances and increase in maintenance and other input costs. The number of passengers carried and cargo handled, however, increased in 1996-97 as compared to 1995-96.

41. A new policy for private investment in the civil aviation sector has been announced allowing for 100 per cent NRI/OCB equity and 40 per cent foreign equity participation in domestic airlines. However, equity participation by foreign airlines, directly or indirectly, has not been permitted. Several projects like modernisation of air traffic services in Mumbai and Delhi airports, installation of air surveillance radars at certain airports, development of 12 model airports for upgradation of facilities and improvement in quality of services have been taken up. Independent projects have been initiated in the NorthEast as well.