

All five international airports have comparatively good traffic density. The restricted international and the major domestic airports have good traffic density, and the 16 minor domestic airports have sufficient density to justify additional development.

Out of 116 airports wholly or partly managed by the NAA, 57 receive Indian Airlines flights and 43 receive Vayudoot flights (In May 1993, Vayudoot was merged into Indian Airlines). The NAA assesses that only 25% to 30% of the airports receiving Indian Airlines flights have adequate traffic density to make them financially viable. In 1992, domestic passenger traffic was approximately 18.6 million. This was down from a peak of 21 million in 1989. In 1992, 98% of domestic traffic was handled by Indian Airlines. This percentage has now dropped to 90%, as private air taxi operators have made their presence felt.

Forty international airlines operate scheduled passenger service to India. Approximately 56% of domestic traffic is handled at IAAI airports. In 1992, the five international airports handled 18.7 million passengers, of which 8.2 million were international passengers. Another 180,000 international passengers were handled at airports under NAA jurisdiction. These traffic figures are down from the peaks of 19.9 million total passengers in 1989 and 8.22 million international passengers in 1988.

The above traffic figures, however, must take into account disruptions to domestic and international traffic from 1990 to 1992. In the wake of the Gulf War and global economic recession, international travel suffered dramatically and is only now starting to rebound. In India, strikes by pilots and engineers at Indian Airlines and Air India, and communal unrest have contributed to fewer travellers, especially in the tourist segment.

In a recently-completed detailed analysis of traffic trends, the IAAI has projected an annual growth rate of 11-12% for domestic traffic and approximately 9% for international traffic over the next decade. By 2000, total domestic and international traffic is projected to be 60 and 28 million passengers respectively.

For international cargo, IAAI projects that growth will be in the range of 14% per annum. There is currently five times as much air cargo being shipped out of India as is being imported. This trend is likely to become more pronounced over the short term as India expands its exports of products such as electronics, fresh fruit and flowers, and garments. To meet the rising demand, the Government has implemented a policy of granting operating licences for cargo carriers on an almost automatic basis.

As the Indian economy continues to expand, there is likely to be a decentralization of industry outside of the major commercial centres. These cities are served by smaller airports and have infrequent flights. While the runways and air space are adequate to meet increased flights, there is a need to upgrade the passenger, baggage and cargo handling facilities. It is probably accurate to say that the inverse is true for the major airports.

EXPECTED POLICY CHANGES

Policy Direction

In 1988, the Planning Commission of the Government of India constituted a Working Group to prepare a report on "Upgradation of Infrastructure at Airports". In a note dated 29th April, 1988 appointing the Group, one gets a glimpse of the Government's thinking on the subject:

- a) There ought to be greater involvement of the private sector in airport development.
- b) There is need for long term planning beyond the five year period; the time horizon suggested 10 to 15 years.
- c) Airports require technological upgradation.
- d) Some airports should be selected and developed to relieve the pressure on the present international airports.
- e) Airport management should strive toward financial self-sufficiency."