



## “New policy will Generate Momentum for Economy”

**Adun Saraban, Managing Director, ITD Cementation India Limited** shares his views on the impact of recent new aviation policy on Indian aviation sector in an interaction with **CT**.

**The government has recently approved new civil aviation policy. According to you, how will it generate momentum in the sector?**

The new aviation policy is excellent for the regional connectivity that will enable the average Indian to fly from an unserved airport to a served airport. It will help to make it progressive in this fast growing business.

We have also witnessed phenomenal growth in the aviation sector during the last decade, where the passenger movement at all Indian airports has been doubled. The current growth of nearly 20 percent makes it quite attractive and this new aviation policy will augment and generate momentum for economy.

**There is large untapped potential for growth in the Indian aviation industry. Can you please apprise us about the infrastructural requirement for the sector to tap this growth?**

Airport Authority of India (AAI) has initiated the process for capacity enhancement of passenger terminals at Chennai, Guwahati, Jaipur, Srinagar, Lucknow, Leh, Trichy, Patna, Pune, and many such airports.



The new Civil Aviation Policy is in the direction of creating infrastructure and it will boost the growth and regional connectivity. Ceiling on air fares of Rs 2,500/- per hour which is less than a II-tier A/C railway ticket makes it affordable for middle class people to fly. Recently, Air India (four hours before departure) has brought in air fares equivalent to Rajdhani fare for all metro connectivity and this was another excellent way to spur the growth, thus making it competitive for aviation business.

**The government is developing no frills airports. What kind of opportunities has it generated for the sector overall?**

Reviving and developing some air strips or airports on regional connectivity is an important development undertaken by AAI.

This policy will focus on regional connectivity with ceiling on air fares and asking the airlines to place certain percentage of their metro flights on remote routes like north-eastern region, pilgrimage & tourist centers, Andaman & Nicobar Islands, Jammu & Kashmir, etc.

**What are the reasons due to which many projects tend to get delayed or stalled? Is there a huge chunk of delayed projects that the sector is dealing with?**



To make this new policy effective from regional connectivity, fast track clearances are paramount including the environmental clearances, etc. The benefits of subsidising the air fares may not necessarily accrue until the projects are completed on schedule with attitude of co-operation between various stakeholders of state and central bodies.

**What solutions would you suggest to overcome these hurdles?**

The projects, which are already identified by the Government under the AAI expansion program should have a clear timeline to boost demand for the aviation sector. It will help to realise the target of growing domestic travel traffic.

Since the new policy is on the theme of connecting the unconnected and serving the unserved, it is necessary to get fast clearances or decisions to attract infrastructure companies to take up and make this business more viable for project execution.

**What steps would you expect from the government to make the Public Private Partnership Model viable in the sector?**

On a short term basis, we would like to see the quick expediting and awarding of Navi Mumbai Airport and Mopa, Goa which will be catalytic to align new aviation policy to boost demand that will grow 4-5 folds to 300 million passenger traffic by 2020.

**What changes in terms of reforms or policies would you expect from the**

**government for bringing the sector on growth path?**

Policy should focus on competition, consumers, connectivity and regional airlines so that the common man can fly, thus boosting demand for the aviation sector.

**What are the projects in pipeline?**

- Navi Mumbai Airport
- Mopa, Goa
- Agartala Airport
- Lucknow Airport
- Guwahati Airport
- Leh Airport
- Pune Airport
- Srinagar Airport

**India aims to become the third-largest aviation market by 2020 and the largest by 2030. So, what kind of opportunities do you look forward for your company?**

We have built many iconic airports for example, modernization of Kolkata Airport, Ahmedabad Airport. Our parent company has constructed Suvarnabhumi Airport, Bangkok and many more airports in South East Asia.

We are keen to participate and create the required infrastructure in order to become a part of growth story under the new policy and vision of the Aviation Ministry. ■

