

Case Study



The Indian Scene, circa 1975

Typical scene at metro airports in the early years of Indian Airlines : DC-4 on the tarmac as DC-3 takes off

So, what has changed? Vayu Aerospace Review flies readers back to the early seventies on India's endeavour to start regional air connectivity which rationale was understood and promoted for nearly a decade before Vayudoot, India's regional or third-level airline, came into being in January 1981. Successive ministers for civil aviation had periodically announced that the government was studying the possibility of establishing such air services to link hitherto unconnected points, particularly in the North-East, that various options as to the kind of air carrier were being examined

and that various suitable aircraft types were being evaluated. In fact, it was after the fifth successive committee's report that such an airline took formal shape, assumed a name and began air services, albeit with borrowed feathers so to speak. It was upto the sixth committee to select the most efficient and cost-effective aircraft to match the nation's objectives.

Read on : As stated in Indian Airlines' Annual Report for 1974-75, the Corporation achieved the transformation of a budgeted loss of Rs 16.5 crores to a surplus of Rs 1.01 crores basically because it revised the

route system that resulted in the closure of 16 out of 70 stations (emphasis added) and re-deployed its aircraft to sectors where the demand, and hence the earning potential, was greater. Hence, the overall load factor of 66.5% was exceeded by two points, closure of the sixteen stations and augmentation of capacity on routes with higher traffic potential resulting in a net reduction of Available Tonne Kilometres by 7.1% but an increase in Operating Revenue per ATKm. by 15.3%. Yet, as the Report continued, "the Corporation was not guided only by the profit motive and continued to operate



Douglas DC-4 Skymaster of Indian Airlines