

Revamping of civil aviation sector in the country

488. DR. R. LAKSHMANAN : Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether any necessity was felt by Government to completely overhaul/revamp the civil aviation sector in view of the entry of many private players in civil aviation sector;
- (b) if so, the steps taken by Government in this regard; and
- (c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI K.C. VENUGOPAL) : (a) to (c) Civil Aviation is a Dynamic sector which requires continuous adjustment according to global and domestic needs. The Government has constantly been responding to changing scenario and undertaking sector specific measures to facilitate and enable growth of the sector. Government has taken several measures to revive the aviation industry and ensure long-term viability of the sector, which include:

- (i) The issue of rationalization of VAT on ATF, has been taken up with the State Governments.
- (ii) Director General of Foreign Trade has allowed direct import of ATF by airlines on actual user basis.
- (iii) Foreign airlines have been allowed to invest in the equity of domestic carriers up to 49 per cent.
- (iv) ECB upto \$ USD 1 billion has been permitted for the airlines to meet their working capital requirement.
- (v) Government has laid down Civil Aviation Authority Bill in Parliament.

Smuggling of red sandalwood by airlines staff

489. DR. NAJMA A. HEPTULLA : Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the attention of Government has been drawn towards the increasing instances of smuggling of red sandalwood out of the country by airline staff;
- (b) if so, the Government's reaction thereto;
- (c) the number of cases of sandalwood smuggling by airline staff which have come to light during the last year and current year, airline-wise; and