

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 36
(TO BE ANSWERED ON THE 21st July 2025)**

AIRPORT INFRASTRUCTURE DEVELOPMENT

36. SHRI AYODHYA RAMI REDDY ALLA

Will the Minister of CIVIL AVIATION be pleased to state:-

- (a) the manner in which Government envisions the future of airport infrastructure development in the country, and strategic initiatives proposed to be undertaken to ensure that airports are equipped to handle increasing passenger traffic and cargo volumes; and
- (b) the details of the financial modelling approach used to evaluate the viability of a Rs. 25,000 crore airport expansion project, including the key assumptions, inputs, and outputs used to assess potential returns on investment, such as IRR, NPV, and payback period?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION

(Shri Murlidhar Mohol)

(a): The Government has taken various steps to handle the increasing passenger traffic and increasing cargo volumes in the country, which, inter-alia, include grant of 'In-Principle' approval for construction of new Greenfield airports, upgradation and modernisation of existing airports by Airports Authority of India, Development/revival of unserved/underserved airports under Regional Connectivity Scheme (RCS) - UDAN (Ude Desh Ka Aam Nagrik) and promoting private investments in existing and new airports through the Public Private Partnership (PPP) .

So far, Government of India has accorded 'In-Principle' approval for setting up of 24 Greenfield Airports across the country. Out of which, 12 Greenfield airports viz. Durgapur, Shirdi, Kannur, Pakyong, Kalaburagi, Orvakal (Kurnool), Sindhudurg, Kushinagar, Itanagar, Mopa, Shivamogga and Rajkot have become operational.

Further, Modernisation and development of infrastructure facilities at the existing airports is a continuous process, which is undertaken by the AAI or the Airport Operators/Developers concerned depending upon traffic demand, commercial

feasibility, operational requirements for safety of aircraft operation and demand from airlines etc. Development works are taken up in a phased manner depending upon availability of land and viability, as well as other facilities with reference to intended aircraft operations.

To improve the airport infrastructure in the country, AAI and PPP Partners have incurred a CAPEX of more than Rs. 96000 crore during FY 2019-20 to FY 2024-25, Out of this, more than Rs. 28000 crore has been incurred by AAI on part of capital expenditure and the remaining by private airport operators/developers under PPP mode.

The total number of operational airports in the country have been increased to 162 with the capacity to handle more than 540 Million Passengers Per Annum (MPPA).

(b): No specific financial modelling approach has been adopted. However, depending upon traffic demand, commercial feasibility, operational requirements for safety of aircraft operation and demand from airlines etc., Airports Authority of India (AAI) or the Airport Operators/Developers concerned incur the required expenditure for expansion works at the existing airports.
