

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 3616
(To be answered on the 10th August 2023)**

PROFITABILITY OF AIRPORTS

3616. SHRI BENNY BEHANAN

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) whether the Government has taken action to reassess costs and ensure the profitability of airports run by the Airports Authority of India (AAI) and if so, the details thereof; and
- (b) whether efforts are being made by the Government to reduce inordinate delays in granting required clearances for greenfield airports and if so, the details thereof?

ANSWER

Minister of State in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री

(GEN. (DR) V. K. SINGH (RETD))

(a): Government has undertaken significant steps to reassess costs and ensure the profitability of airports operated by Airports Authority of India (AAI). These include augmentation of non-aeronautical revenue via Master Concessionaires, optimum utilization of commercial space, city side development, Revenue Share Model for select commercial contracts and airport charge enhancements. Additionally, AAI is optimizing costs through utility enhancements such as LED replacements and solar panel installations, while also implementing automation of airport systems and outsourcing of non-core activities, to achieve cost-effective management. These measures collectively aim to ensure sustainable profitability and improved services at airports.

(b): Government of India (GoI) has formulated a Greenfield Airports (GFA) Policy, 2008 which provides detailed guidelines, procedures and steps related to construction of Greenfield airports across the country. Under the GFA Policy, the project proponent- an airport developer or the respective State Government willing to establish a Greenfield airport is required to send a proposal to the Ministry of Civil Aviation (MoCA) in the prescribed format for 2-stage approval process i.e., 'Site Clearance' followed by 'In-Principle' approval. The timelines for obtaining the necessary clearances are contingent

upon the adherence of the respective airport developers to the prescribed guidelines. The responsibility for ensuring compliance with the guidelines rests with the concerned airport developer, including the respective State Government (in case the State Government is the project proponent). Government of India (GoI) has accorded 'In-Principle' approval for setting up of 21 new Greenfield Airports. Out of these, 12 Greenfield airports have been operationalised.
