

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:3300

ANSWERED ON:24.08.2006

COMMERCIAL ACTIVITIES AT AIRPORTS .

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Will the Minister of CIVIL AVIATION be pleased to state:

- (a) Whether the Government has taken any steps to start commercial activities at the loss making airports in order to mitigate their losses;
- (b) If so, the details thereof; and
- (c) The extent to which these steps have helped in reducing the losses of these Airports?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a) Yes, Sir.

(b) The following steps have been taken up to start commercial activities at the loss making airports:

- (i) Licensing of the airside and city side advertisement rights at some of the airports,
- (ii) Induction of innovative commercial facilities such as fast food outlets, advertisement on balloon, Wi-Fi Services, licensing of Plasma TV display,
- (iii) Realization of royalty @ 11% of the gross turnover from the parties providing ground handling / aircraft maintenance services at all the airports,
- (iv) Setting up of Duty Free Shops by way of global tenders at the non-metro airports,
- (v) Privatisation of money exchange counters at non-metro airports and domestic airports and
- (vi) Baggage wrapping service at the international airports.

(c) The increase in the non-traffic revenue has helped in reducing the losses at these airports to the tune of 10% to 15% approximately.