

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:177

ANSWERED ON:24.11.2014

LOSS-MAKING AIRPORTS

Chavan Shri Harishchandra Deoram;Muddahanumegowda Shri S.P.

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether a large number of airports in the country have been incurring huge losses for the past few years;
- (b) if so, the details of such airports, State/UT-wise including Lucknow and Delhi along with the reasons therefor and the losses incurred by them during the last three years and the current year; and
- (c) the steps taken or being taken by the Government to make these airports viable and profitable?

Answer

Minister of State in the Ministry of CIVIL AVIATION (Dr Mahesh Sharma)

(a) & (b): Yes, Madam. The details of airports which have incurred losses during the last three years are at Annexure-I. The losses incurred at various airports are primarily due to low air traffic movements resulting in lesser aeronautical revenue, low non-aeronautical revenue potential and basic operating expenditure on account of regulatory/IATA and security requirements.

(c) : The Airports Authority of India (AAI) has initiated several steps to make the loss making airport viable and profitable by development of cargo activities, enhancement of non-aeronautical revenue through revision of rates and awarding of contracts through master concessions, allowing operation of flying schools at non-operational airports, encouraging Maintenance, Repair & Operations (MRO) activities and revision of base rates.