

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
STARRED QUESTION NO : 140
(TO BE ANSWERED ON THE 4th March 2020)

PRIVATISATION OF AIRPORTS

*140. SHRI DHIRAJ PRASAD SAHU

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

- (a) whether it is a fact that Government is planning to privatise several airports;
- (b) if so, the details thereof and the reasons therefor;
- (c) the time period fixed for completion of formalities in this regard; and
- (d) whether Government has consulted all stakeholders before taking this decision and if so, the details thereof?

ANSWER

MINISTER OF STATE (IC) IN THE MINISTRY OF CIVIL AVIATION

(Shri Hardeep Singh Puri)

(a) to (d): A statement is laid on the Table of the House.

Statement in reply to parts (a) to (d) of the Rajya Sabha Starred Question No.140 dated 04.03.2020 regarding "Privatisation of airports".

(a) to (d): Union Cabinet in its meeting held on 08.11.2018 had accorded "In-principle" approval for leasing out six airports of Airports Authority of India (AAI) viz. Ahmedabad, Jaipur, Lucknow, Guwahati, Thiruvananthapuram and Mangaluru for Operation, Management and Development through Public Private Partnership (PPP) mode to improve efficiency in service delivery and to bring in expertise, enterprise and professionalism at these airports, apart from bringing the needed investments in the sector.

AAI floated a Global Tender for inviting bids and identified the highest bidder. The Union Cabinet on 03.07.2019 accorded approval for leasing of three airports viz. Ahmedabad, Lucknow and Mangaluru airports, to the highest bidder i.e. M/s Adani Enterprises Limited (AEL) who quoted highest per passenger fee for these airports under PPP for a lease period of 50 years as per the terms and conditions of the bid documents. In pursuance of this, AAI has issued Letter of Award (LoA) on 15.7.2019 to M/s AEL in respect of Lucknow, Ahmedabad and Mangaluru airports. The Concession Agreement between AAI and M/s AEL for Operation, Management and Development of these three airports has been signed on 14.02.2020. Award of the remaining 3 airports i.e. Jaipur, Guwahati and Thiruvananthapuram is held up due to pending litigations / other issues.

An Empowered Group of Secretaries (EGoS) headed by CEO, NITI Aayog along with Secretary, Ministry of Civil Aviation, Secretary, Department of Economic Affairs and Secretary, Department of Expenditure was constituted to take a decision on the issues falling beyond the scope of Public Private Partnership Appraisal Committee (PPPAC). Government is committed for safeguarding the interest of all the stakeholders including State Governments and the general public.

Further, Airports Authority of India (AAI) Board in its meeting held on 05.09.2019 has recommended for leasing out 06 more airports namely Amritsar, Varanasi, Bhubaneswar, Indore, Raipur and Trichy for Operation, Management and Development under Public Private Partnership (PPP).
