

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
RAJYA SABHA
UNSTARRED QUESTION NO : 1455
(TO BE ANSWERED ON THE 4th March 2020)

LOSS TO AAI

1455. DR. AMAR PATNAIK

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

- (a) Whether an attempt was made by Government to recover the loss to AAI from lease being collected by Delhi International Airport Limited (DIAL) as pointed out by the Comptroller and Audit General (CAG) report;
- (b) If so, the details thereof;
- (c) if not, the reasons therefor;
- (d) the details of recommendations of the CAG in this regard; and
- (e) the details of action taken by Government with respect to the CAG's recommendations?

ANSWER

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

(Shri Hardeep Singh Puri)

(a) to (d) In 2006, Airports Authority of India (AAI) has leased out IGI Airport, New Delhi to Delhi International Airport Pvt. Limited (DIAL) for operation, management and development of the airport under Public Private Partnership (PPP). The airport land has been leased out for a period of 30 years (extendable for another 30 years) on 45.99% revenue share basis. Comptroller & Auditor General (C&AG), in its Report No.5 of 2012-13, presented a para on the Commercial Exploitation of Land at Delhi Airport. The C&AG had, inter-alia, observed that "Using DIAL's own projection for earning potential of Rs. 681.63 crore per acre, the same amounts to Rs. 1,63,557 crore for 240 acres of land for 58 years. 45.99 percent of the same amounting to Rs.75220 crore would be AAI's share. The net present value at a discount rate of 10 percent amounts to Rs.3566 crore. The share of DIAL would amount to Rs.88337 crore, net present value of which is Rs.4187 crore".

(e) The audit report was taken up by the Public Accounts Committee of Parliament for examination. Ministry of Civil Aviation submitted before the Committee that the figures quoted by the C&AG in its report are hypothetical and are not based on the actual audited accounts of Delhi Airport. The Committee considered and accepted the reply of Ministry of Civil Aviation in its 94th Report (15th Lok Sabha) and subsequent 128th Report (16th Lok Sabha). The Committee noted that there has been a steady increase in AAI's revenue share from DIAL and did not further pursue the matter of revenue accruing to AAI, as pointed out in the C&AG report No. 5 of 2012-13.
