

GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 1814
(To be answered on the 20th December 2018)

PRIVATISATION OF AIRPORT

1814. SHRI GURJEET SINGH AUJLA
SHRI K.C. VENUGOPAL
SHRI N.K. PREMACHANDRAN
DR. P. VENUGOPAL
SHRIMATI BUTTA RENUKA
SHRI TEJ PRATAP SINGH YADAV
SHRI C.N. JAYADEVAN
SHRIMATI VASANTHI M.

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a): whether the Government has taken any decision to bid out the shares of six airports—Ahmedabad, Jaipur, Lucknow, Guwahati, Thiruvananthapuram and Mangaluru to private partners;
(b): if so, the details thereof;
(c): whether the Government is aware that outsourcing of these airports to private companies would lead to a hike in airport charges;
(d): if so, the action taken/to be taken by the Government to minimize airport charges in such occasions;
(e): the action to be taken by the Government to avoid redeployment or termination of employees in the airports after outsourcing the services; and
(f): whether the Government is ready to withdraw the decision and if so, the details thereof?

ANSWER

Minister of State in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री

(Shri Jayant Sinha)

(a) and (b): Yes Madam. Government of India has 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 under Public Private Partnership (PPP) through the Public Private Partnership Appraisal Committee (PPPAC). An Empowered Group of Secretaries (EGoS) has been constituted under the chairmanship of CEO, NITI Aayog to decide on any issue falling beyond the scope of PPPAC.

(c) to (f): Government of India has established an economic regulatory agency, namely, Airports Economic Regulatory Authority of India (AERA) under an Act of Parliament, AERA Act, 2008, to regulate tariff and other charges for the aeronautical services rendered at major airports across the country. The Authority, from time to time, reviews the performance of the major airports across the country and issues orders keeping in view the economic viability of the airports and interest of passengers. The airport charges are allowed to airports operators as mean to provide fair rate of return on the investment made by the airport developer. Since huge investments are made by the developers while construction of the airport, the charges are comparatively higher during the initial period of the airport commencement. However, the charges gets substantially reduced once the investment for the development is recovered. AAI Management works out plan to evolve a mechanism for protection of the interests of the employees deployed at such airports.
