

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 2575
(To be answered on the 16th March 2023)**

PRIVATISATION OF AIRPORTS

2575. SHRI SRIDHAR KOTAGIRI

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) whether the Government has followed all the guidelines issued by NITI Aayog for privatisation of the Airports in the country;
(b) if so, the details thereof and if not, the reasons therefor; and
(c) the details of the fiscal incentives provided by various States to attract FDI in civil aviation sector, the State/UT-wise?

ANSWER

Minister of CIVIL AVIATION

नागर विमानन मंत्री

(Shri Jyotiraditya M. Scindia)

(a) & (b): In accordance with the provisions of Section 12A of Airports Authority of India (AAI) Act, 1994 (as amended in 2003), AAI, with the approval of the Government of India, may lease the premises of an airport (including buildings and structures thereon and appertaining thereto) to carry out some of its functions, in the public interest or in the interest of better management of airports. Accordingly, AAI has leased out some of its airports for Operations, Management and Development under PPP mode, where the ownership of these leased airports remains with AAI.

The PPP transaction of six leased out airports namely, Ahmedabad, Lucknow, Mangaluru, Jaipur, Guwahati and Thiruvananthapuram was carried out as per the Public Private Partnerships Appraisal Committee (which also includes representative of NITI Aayog) Guidelines issued by Department of Economic Affairs (DEA), Ministry of Finance.

(c): Ministry of Civil Aviation (MoCA) has taken various steps to attract investment from private investors for development of airport infrastructure in the country. Government of India has permitted 100% Foreign Direct Investment (FDI) in Greenfield and Brownfield airport projects under the FDI Policy. State Governments also play a major role in attracting investment in the airport sector by providing various incentives such as leasing of land at concessional rate, connectivity to airport, fiscal incentives by way of exemption from State taxes, real estate development rights, availability of uninterrupted water & electricity supply,

security around airport etc. for development of Greenfield airports.
