GOVERNMENT OF INDIA MINISTRY OF CIVIL AVIATION LOK SABHA UNSTARRED QUESTION NO. : 1069 (To be answered on the 8th February 2024)

PRIVATISATION OF AIRPORTS IN TAMIL NADU

1069. SHRIMATI KANIMOZHI KARUNANIDHI

Will the Minister of CIVIL AVIATION लागर विमालल मंत्री

be pleased to state:-

(a) the details of airports proposed to be privatised or operated through Public-Private-Partnerships (PPPs) in Tamil Nadu;

(b) whether the Government would give compensation to the States for the land that the State had given for the airport that is going to be privatised now; and

(c) if so, the details of the compensation amount to be paid to Tamil Nadu in this regard?

ANSWER

Minister of State in the Ministry of CIVIL AVIATIONलागर विमालल मंत्रालय में राज्य मंत्री(GEN. (DR) V. K. SINGH (RETD))

(a): As per National Monetisation Pipeline (NMP), 25 airports of Airports Authority of India (AAI) have been earmarked for leasing over the years 2022 to 2025 through Public Private Partnership (PPP) mode. This include 04 Airports namely, Trichy, Coimbatore, Chennai and Madurai in Tamil Nadu.

(b) & (c): The airport lands are acquired and transferred by the State Government voluntarily and without any condition and hence, the airport lands are vested to AAI in terms of the AAI Act, 1994. The State Government therefore, cannot stake a claim on revenue earned by AAI from such lands irrespective of the fact whether the airports are run by AAI itself or through third party by way of a lease.

Airports of AAI are not privatised but leased out in public interest for its better management utilising private sector efficiency and investment. AAI remains the owner of airport land throughout the lease period and land and other assets would come back to AAI after expiry of the lease period, as per the provisions of the Concession Agreement. Moreover, States and its residents are the ultimate beneficiary of enhanced airport infrastructure and facilities created by private partner, who operates, manages and develops the leased airport under Public Private Partnership(PPP). Airports have emerged as a nucleus of economic activities and have multiplier effect on the economy of the State. The revenue received by AAI from the leased airports is also utilized in development of airport infrastructure across the country.
