

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
STARRED QUESTION NO. : 256
(To be answered on the 5th December 2019)**

LEASING OF AIRPORTS

***256. ADV. A.M. ARIFF**

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) whether the Government has approved a proposal to lease out some airports including Thiruvananthapuram airport for operations, management and development, etc. under the Public Private Partnership (PPP) model;
- (b) if so, the details thereof;
- (c) the details of role to be played by the Airports Authority of India (AAI) in this project; and
- (d) whether the Government had taken the decision to sell Air India shares completely and if so, the details thereof?

ANSWER

Minister of State (IC) in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री (स्वतंत्र प्रभार)

(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 Lok Sabha Starred Question No.256 dated 05.12.2019 regarding "Leasing of Airports".

(a) & (b): 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. Accordingly, AAI floated a Global Tender for inviting bids and identified the highest bidder. Based on the same, AAI has issued the Letter of Award for leasing of Ahmedabad, Lucknow and Mangaluru airports to M/s Adani Enterprises Limited. The leasing out of remaining three airports are held up due to litigation and other issues

(c): AAI would continue to provide Air Navigation Services (ANS) (being statutory function) and the revenue from ANS services will continue to be received by AAI. Further, throughout the concession period AAI will monitor the performance of the concessionaire in respect of Key Performance Indicators (KPIs) as per provisions of the Concession Agreement. The PPP project at these airports will result in enhanced revenues to the AAI by way of upfront payment towards reimbursement of unrealized investment so far made by AAI. Besides, AAI will receive per passenger fee from the Concessionaire as per terms of the Concession Agreement.

(d): Air India Specific Alternative Mechanism (AISAM) has now, inter-alia, approved the re-initiation of process of strategic disinvestment of Air India & its Subsidiaries with 100 percent sale of Government of India stake in Air India along with Air India Express and Air India's Stake in AISATS. The preparation of Preliminary Information Memorandum (PIM) for inviting Expression of Interest (EOI) for the strategic disinvestment of Air India is in process.
