

GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
LOK SABHA  
UNSTARRED QUESTION NO. : 3683  
(To be answered on the 18<sup>th</sup> March 2021)

PRIVATISATION OF AIRPORT

3683. SHRI GAURAV GOGOI

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) the details of privatisation of the six airports in India;  
(b) whether it is true that prescribed procedure of public consultation or consultation with the State Governments which are mandatory for leasing out AAI airports through the Public Private Partnership (PPP) mode were not followed;  
(c) if so, the reason therefor;  
(d) whether recommendations of Department of Economic Affairs were incorporated and if not, reasons therefor; and  
(e) whether it is true that a contract to develop more than one airport was not given to the same bidder before?

ANSWER

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

नागर विमानन मंत्रालय में राज्य मंत्री (स्वतंत्र प्रभार)

(Shri Hardeep Singh Puri)

(a): The Union Cabinet in its meeting held on 8th November, 2018 accorded 'In Principle approval' for leasing of six airports namely Ahmedabad, Jaipur, Lucknow, Guwahati, Thiruvananthapuram and Mangaluru for Operations, Management and Development under Public Private Partnership (PPP) to improve efficiency in service delivery, expertise and professionalism at these airports, apart from bringing the needed investments in the sector. Airports Authority of India (AAI) has completed the bidding process wherein M/s Adani Enterprises Limited (AEL) has quoted the highest bid for all the six airports and with the approval of the Union Cabinet, AAI has issued Letter of Award in respect of Ahmedabad, Lucknow and Mangaluru airports on 15.07.2019 and in respect of Jaipur, Thiruvananthapuram and Guwahati airports on 01.09.2020 to the Concessionaire. Concession Agreement for Ahmedabad, Lucknow and Mangaluru airports was signed on 14.02.2020 and for Jaipur, Guwahati and Thiruvananthapuram, the Concession Agreement was signed on 19.01.2021.

(b) & (c): In accordance with the provisions of Section 12A of AAI Act, 1994 (as amended in 2003), Airports Authority of India (AAI), with the approval of the Government of India, may make a lease of 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 viz. Delhi, Mumbai, Ahmedabad, Lucknow, Mangalore, Jaipur, Guwahati and Thiruvananthapuram for Operations, Management and Development under PPP mode, where the ownership of these leased airports remains with AAI. However, the observations of State Governments concerned, if any, are considered on merit during the transaction process for PPP of airports.

(d): The terms and conditions of the transaction of PPP of six airports were decided by the Empowered Group of Secretaries (EGoS) chaired by CEO, NITI Aayog which inter-alia comprised of Secretaries of Ministry of Finance (Department of Economic Affairs and Department of Expenditure) also. Therefore, the Ministry of Finance and NITI Aayog were part of the decision making process and the EGoS finalized the contours of the bidding process for PPP of six airports.

(e): Prior to PPP of Six airports, AAI had awarded two airports namely Delhi and Mumbai airports, to M/s Delhi International Airport Ltd. (GMR led consortium) and M/s Mumbai International Airport Ltd (GVK led consortium).

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