

**GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
LOK SABHA  
UNSTARRED QUESTION NO. : 3858  
(To be answered on the 18<sup>th</sup> March 2021)**

**OBJECTIONS ON PRIVATISATION OF AIRPORTS**

**3858. SHRI MANISH TEWARI**

**Will the Minister of CIVIL AVIATION**

**नागर विमानन मंत्री**

**be pleased to state:-**

- (a) whether NITI Aayog and the Ministry of Finance had raised any objections regarding privatisation of Ahmedabad, Lucknow, Mangalore, Jaipur, Guwahati and Thiruvananthapuram Airports and if so, the details thereof;
- (b) whether DEA in the meeting of Public Private Partnership Appraisal Committee held on December 11, 2018 had also recommended not to award more than two airports to the same bidder and if so, the details thereof;
- (c) whether NITI Aayog also raised objections regarding technical capacity of the bidder and if so, the details thereof; and
- (d) whether despite these concerns, Adani Group was permitted to take over all these six airports and have a controlling stake in both the Mumbai and Navi Mumbai Airport, if so, the details thereof and the reasons therefor?

**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 (c): Airports Authority of India (AAI) has recently awarded six airports namely Ahmedabad, Jaipur, Lucknow, Guwahati, Thiruvananthapuram and Mangaluru for Operations, Management and Development under Public Private Partnership (PPP) for a lease period of 50 years. 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. In order to ensure more competition and to give more flexibility to bidders, the following conditions among others were stipulated:-

- i. No prior airport experience
- ii. No cap on number of airports for which a participating entity could bid for
- iii. Per Passenger Fee as bidding parameter instead of revenue sharing.

(d): As far as matter of controlling stake in Mumbai and Navi Mumbai airports is concerned, in accordance with the provisions of Operation, Management and Development Agreement (OMDA) and Shareholders Agreement signed for Mumbai International airport, any of the private players have right to transfer their shares after Lock-In period (i.e. initial seven years). Accordingly, the three existing private shareholders viz. GVK Airports Holding Ltd (GVKADL), ACSA Global Ltd. and Bid Service Division (Mauritius) Ltd. (BSDML), together holding 74% of the shares in Mumbai International Airport Ltd. (MIAL) transferred their shares to M/s Adani Airports Holding Limited (AAHL). Thus, with the change in ownership of MIAL, which is concessionaire for Navi Mumbai Airport, the ownership in Navi Mumbai airport has also changed.

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