GOVERNMENT OF INDIA MINISTRY OF CIVIL AVIATION LOK SABHA **UNSTARRED QUESTION NO.: 657**

(To be answered on the 4th February 2021)

AWARD OF AIRPORT TO PRIVATE COMPANIES

657. SHRI UTTAM KUMAR REDDY NALAMADA

Will the Minister of CIVIL AVIATION नागर विमानन मंत्री

be pleased to state:-

(a) the details of airports in the country which have been/are to be handed over to the private companies:

(b) whether NITI Aayog and the Finance Ministry had raised any objections regarding

the 2019 airport bidding process and if so, the details thereof;

(c) whether the Government has taken cognisance of these objections and if so, the details of the response and action taken on the basis of these objections and recommendations; (d) the reasons for not accepting the Department of Economic Affair's recommendation that not more than two airports be awarded to the same bidder?

ANSWER

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

नागर विमानन मंत्रालय में राज्य मंत्री (स्वतंत्र प्रभार)

(Shri Hardeep Singh Puri)

- (a): Airports Authority of India (AAI) has recently awarded six airports namely Ahmedabad in Gujarat, Jaipur in Rajasthan, Lucknow in Uttar Pradesh, Guwahati in Assam, Thiruvananthapuram in Kerala and Mangaluru in Karnataka for Operations, Management and Development under Public Private Partnership (PPP) for 50 years.
- (b) & (c): 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 interalia 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 finalized the contours of the bidding process for PPP of six airports.
- (d): 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

iii. Per Passenger Fee as bidding parameter instead of revenue sharing.