

**GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
LOK SABHA  
UNSTARRED QUESTION NO. : 2657  
(To be answered on the 17<sup>th</sup> March 2022)**

**PRIVATE INVESTMENT IN CIVIL AVIATION SECTOR**

**2657. MS. RAMYA HARIDAS**

**Will the Minister of CIVIL AVIATION**

**नागर विमानन मंत्री**

**be pleased to state:-**

- (a) whether the Government has taken any steps to invite private investment into India's civil aviation infrastructure including in Kerala to bring reforms in Civil Aviation sector;
- (b) if so, the details thereof;
- (c) whether any efforts have been made so that the private sector, including foreign investors, participate in the operation, management and development of Indian airports through various public-private partnership (PPP) models, with substantial State support in terms of financing, concessionary land allotments, tax, and other incentives which would help to produce world-class airports in various cities in the country;
- (d) if so, the details thereof; and
- (e) the extent to which these steps have been successful?

**ANSWER**

**Minister of State in the Ministry of CIVIL AVIATION**

**नागर विमानन मंत्रालय में राज्य मंत्री**

**(GEN. (DR) V. K. SINGH (RETD))**

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(a) & (b): Ministry of Civil Aviation (MoCA) has taken various steps to attract investments from private investors for development of airport infrastructure in the country, including in Kerala. Airports Authority of India (AAI) has, in the years 2018-19, awarded six airports namely, Ahmedabad, Jaipur, Lucknow, Guwahati, Thiruvananthapuram (Kerala) and Mangaluru for Operations, Management and Development for a period of 50 years under Public Private Partnership (PPP) mode. Besides, MoCA has granted 'in principle' approval for setting up of 21 Greenfield airports across the country, of which, eight Greenfield airports namely Durgapur, Shirdi, Sindhudurg, Pakyong, Kannur, Kalaburagi, Oravakal and Kushinagar have been operationalized.

Government has recently completed the process of strategic disinvestment of

**100% stake of Government of India in Air India along with 100% stake in Air India Express Ltd (AIXL) and 50% stake in Air India SATS (AISATS).**

**(c) to (e): Government of India has permitted 100% Foreign Direct Investment (FDI) in Greenfield and Brownfield airport projects under the FDI Policy. Further, Government of India has made several efforts in the form of policy decisions which inter-alia include adopting Per Passenger Fee (PPF) as bidding parameter instead of earlier revenue share system and doing away with the prior experience of operating of airport as a prerequisite for bidding. These initiatives have created an enabling environment for attracting private investors, including foreign investors, to take up airport projects in the country. Besides, AAI sensitizes the prospective bidders by way of various activities such as one to one dialogue with the investors, roadshows, advertisements giving wider publicity etc. Moreover, State Governments also play a major role in attracting investment from the private sector by providing various incentives such as leasing of land at concessional rate, connectivity to airport, fiscal incentives by way of exemption from State taxes, real estate development rights, availability of uninterrupted water & electricity supply, security around airport etc.**

**As a result, a number of airports in the country are run by the private airport operators, including foreign players. These include airports at Delhi, Mumbai, Hyderabad, Bengaluru, Ahmedabad, Lucknow, Mangaluru, Jaipur, Guwahati, Thiruvananthapuram, Cochin, Durgapur, Sindhudurg and Kannur. In addition, construction of new Greenfield airports at Jewar (Noida), Mopa (Goa) and Navi Mumbai (Mumbai) has been undertaken by the private developers to usher in private investment into civil aviation sector in the country. Jewar Airport Project has been awarded to a foreign company namely M/s Zurich Airport International AG which has formed a Special Purpose Vehicle (SPV) -Yamuna International Airport Private Limited (YIAPL) for the airport development.**

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