

**GOVERNMENT OF INDIA  
MINISTRY OF CIVIL AVIATION  
LOK SABHA  
STARRED QUESTION NO. : 145  
(To be answered on the 5<sup>th</sup> December 2024)**

**PRIVATISATION OF AIRPORTS**

**\*145. PROF SOUGATA RAY**

**Will the Minister of CIVIL AVIATION**

**नागर विमानन मंत्री**

**be pleased to state:-**

- (a) the details of funds spent for renovation/construction of various airports which were privatized during the last ten years in the country;
- (b) the reasons for spending public funds for renovation of airports that are scheduled to be privatized;
- (c) whether there is any option to recover such amount from the bidders of the said airports;
- (d) if so, the details thereof;
- (e) whether the Government has put any condition regarding the safety and job security of existing employees of such airports; and
- (f) if so, the details thereof?

**ANSWER**

**Minister of CIVIL AVIATION**

**नागर विमानन मंत्री**

**(Shri Kinjarapu Rammohan Naidu)**

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**(a) to (f): A statement is laid on the Table of the House.**

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**STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (F) OF LOK SABHA STARRED QUESTION NO. 145 FOR REPLY ON 05.12.2024 REGARDING "PRIVATISATION OF AIRPORTS" ASKED BY PROF. SOUGATA RAY**

**(a) to (d): During last ten years, Airports Authority of India (AAI) has leased out six airports namely Mangaluru, Lucknow, Ahmedabad, Thiruvananthapuram, Jaipur & Guwahati under Public Private Partnership (PPP). As per the present valuation and after truing up by AERA, the investment made by AAI at these six airports prior to handing over them to the PPP concessionaire is approximately Rs. 5260 crore including the Capital Work in Progress and Regulated Asset Base (RAB) in aeronautical and non-aeronautical Assets.**

**To maintain the required performance standards AAI continues to incur CAPEX on these airports so as to meet passenger needs optimally. AAI gets this CAPEX back in the form of upfront payment from PPP partner, whenever the airport is handed over to the PPP partner. The Concessionaire of these six Airports has paid this amount to AAI in the form of Upfront Fee.**

**(e) & (f): As per the provisions of the Concession Agreement of PPP transaction of aforesaid 06 airports, the employees (holding the position of Assistant General Manager and below) had continued the services at the airport for the period of one year (Joint Management Period) followed by another term of two years (Deemed Deputation Period).**

**During this period of three years, the concessionaire offered employment to the minimum of 60% of the employees on the same terms and conditions of service currently they were governed in AAI. The employees to whom the offers of employment were made by the concessionaire had the option to accept the offer or decline. Those employees who accepted the offer of employment, have resigned from the services of AAI and joined the concessionaire. Those employees who declined the offer of employment made by the concessionaire have continued to be the employees of AAI and redeployed after completion of Deemed Deputation Period by AAI where the concessionaire bears their employment cost till their separation from AAI.**

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